RED HERRING PROSPECTUS
Dated July 14, 2009
Please read Sections 60 and 60B of the Companies Act, 1956
100% Book Built Issue

ADANI

ADANI POWER LIMITED

(Our Company was incorporated on August 22, 1996 as a public limited company under the Companies Act, 1956. For details of changes in the name and registered office of our Company, see "History and Certain Corporate Matters" on page 131 of this Red Herring Prospectus.)

Registered Office: Shikhar, Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009. **Tel:** (91 79) 2656 5555; Fax: (91 79) 2656 5500
Contact Person: Mr. Rahul C. Shah, Company Secretary and Compliance Officer;
Tel No: (91 79) 2555 5795; **Fax:** (91 79) 2555 5608 **Email:** ipo@adanipower.com; **Website:** www.adanipower.com

PUBLIC ISSUE OF 301,652,031 EQUITY SHARES OF Rs. 10 EACH OF ADANI POWER LIMITED ("APL" OR THE "COMPANY" OR THE "ISSUER") FOR CASH AT A PRICE OF Rs. [•] PER EQUITY SHARE (INCLUDING A SHARE PREMIUM OF Rs. [•] PER EQUITY SHARE) AGGREGATING TO Rs. [•] MILLION (THE "ISSUE"). THE ISSUE INCLUDES A RESERVATION OF UP TO 8,000,000 EQUITY SHARES OF RS. 10 EACH FOR THE ELIGIBLE EMPLOYEES (THE "EMPLOYEE RESERVATION PORTION"). THE ISSUE LESS THE EMPLOYEE RESERVATION PORTION I.E. 293,652,031 EQUITY SHARES IS REFERRED TO AS THE "NET ISSUE". THE ISSUE WILL CONSTITUTE 13.84% OF THE POST ISSUE PAID UP CAPITAL OF THE COMPANY AND THE NET ISSUE WILL CONSTITUTE 13.47% OF THE POST ISSUE PAID UP CAPITAL OF THE COMPANY.

THE FACE VALUE OF THE EQUITY SHARES IS Rs. 10.
THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY THE COMPANY IN CONSULTATION WITH THE GLOBAL CO-ORDINATOR AND BOOK RUNNING LEAD MANAGER AND ADVERTISED AT LEAST TWO (2) WORKING DAYS PRIOR TO THE BID/ ISSUE OPENING DATE.

In case of revision in the Price Band, the Bidding/Issue Period will be extended for three additional working days after revision of the Price Band, subject to the Bidding/Issue Period not exceeding ten working days. Any revision in the Price Band and the revised Bidding/Issue Period, if applicable, will be widely disseminated by notification to National Stock Exchange of India Limited ("NSE") and Bombay Stock Exchange Limited ("BSE"), by issuing a press release, and also by indicating the change on the website of the Book Running Lead Managers ("BRLMs") and at the terminals of the other members of the Syndicate.

In terms of Rule 19(2)(b) of the Securities Contracts Regulations Rules, 1957 ("SCRR"), this being an Issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be allocated on a proportionate basis to QIB Bidders. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further, up to 8,000,000 Equity Shares shall be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Issue Price.

RISK IN RELATION TO THE FIRST ISSUE

This being the first public issue of Equity Shares of the Company, there has been no formal market for the Equity Shares of the Company. **The face value of the Equity Shares is Rs. 10 each. The Floor Price is [•] times of the face value and the Cap Price is [•] times of the face value.** The Issue Price (as determined by the Company in consultation with the GCBRLM on the basis of assessment of market demand for the Equity Shares by way of book building) should not be taken to be indicative of the market price of the Equity Shares after they are listed. No assurance can be given regarding an active and/or sustained trading in the Equity Shares or regarding the price at which the Equity Shares will be traded after listing.

IPO GRADING

This Issue has been graded by ICRA Limited as IPO Grade 3, indicating average fundamentals through its letter dated July 2, 2009. For details see section titled "General Information" on page 15 of this Red Herring Prospectus and refer to "Material Contracts and Documents for Inspection" on page 443 of this Red Herring Prospectus.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Issue unless they can afford to take the risk of losing their investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Issue. For taking an investment decision, investors must rely on their own examination of the Company and the Issue, including the risks involved. The Equity Shares offered in the Issue have not been recommended or approved by the Securities and Exchange Board of India ("SEBI"), nor does SEBI guarantee the accuracy or adequacy of the contents of this Red Herring Prospectus. Specific attention of the investors is invited to "Risk Factors" on page xiii of this Red Herring Prospectus.

ISSUER'S ABSOLUTE RESPONSIBILITY

The Company, having made all reasonable inquiries, accepts responsibility for and confirms that this Red Herring Prospectus contains all information with regard to the Company and the Issue, which is material in the context of the Issue, that the information contained in this Red Herring Prospectus is true and correct in all material aspects and is not misleading in any material respect, that the opinions and intentions expressed herein are honestly held and that there are no other facts, the omission of which make this Red Herring Prospectus as a whole or any of such information or the expression of any such opinions or intentions misleading in any material respect.

LISTING

The Equity Shares offered through this Red Herring Prospectus are proposed to be listed on the NSE and the BSE. The Company has received an 'in-principle' approval from the NSE and the BSE, for the listing of the Equity Shares pursuant to letters dated May 29, 2009 and May 18, 2009, respectively. For the purposes of the Issue, the Designated Stock Exchange shall be the BSE.

GLOBAL CO-ORDINATOR AND BOOK RUNNING LEAD MANAGER	BOOK RUNNING LEAD MANAGERS		REGISTRAR TO THE ISSUE
DSP Merrill Lynch	ENAM	IDFC SSKI	KARVY
DSP MERRILL LYNCH LIMITED Mafatlal Centre, 10th Floor Nariman Point, Mumbai 400 021 Tel: (91 22) 6632 8761, Fax: (91 22) 2204 8518 Email: apl_ipo@ml.com Investor Grievance Email: india_merchantbanking@ml.com Website: www.dspml.com Contact Person: N. S. Shekhar SEBI Registration No.: INM000002236	**ENAM SECURITIES PRIVATE LIMITED** 801, Dalamal Towers Nariman Point, Mumbai 400 021, India Tel: (91 22) 6638 1800, Fax: (91 22) 2284 6824 Email: aplipo@enam.com Investor Grievance Email: complaints@enam.com Website: www.enam.com Contact Person: Ms. Anusha Bhardwaj SEBI Registration No. INM000006856	**IDFC-SSKI LIMITED** 803/4 Tulsiani Chambers, 8th Floor Nariman Point, Mumbai 400 021 Tel: (91 22) 6638 3333, Fax: (91 22) 2204 0282 Email: apl.ipo@idfcsski.com Investor Grievance Email: complaints@idfcsski.com Website: www.idfcsski.com Contact Person: Mr. Hiren Raipancholia SEBI Reg. No. INM000011336	**KARVY COMPUTERSHARE PRIVATE LIMITED** "Karvy House", 46, Avenue 4 Street No. 1, Banjara Hills, Hyderabad 500 034. Toll free no: 1-800-345-4001 Tel: (91 40) 2342 0815-28 • Fax: (91 40) 2343 1551 Email: adanipower.ipo@karvy.com Investor Grievance Email: adanipower.ipo@karvy.com Website: www.karvy.com Contact Person: M. Murali Krishna SEBI Registration No.: INR000000221

BOOK RUNNING LEAD MANAGERS				
JM FINANCIAL	kotak Investment Banking	Morgan Stanley	ICICI Securities	SBI Capital Markets Limited
JM FINANCIAL CONSULTANTS PRIVATE LIMITED 141, Maker Chambers III Nariman Point, Mumbai 400 021 Tel: (91 22) 6630 3030, Fax: (91 22) 2204 7185 Email: Venugopal.Nyalapelli@jmfinancial.in Investor Grievance Email: grievance.ibd@jmfinancial.in Website: www.jmfinancial.in Contact Person: Mr. Venugopal Nyalapelli SEBI Registration No: INM000010361	**KOTAK MAHINDRA CAPITAL COMPANY LIMITED** 3rd Floor, Bakhtawar, 229 Nariman Point, Mumbai 400 021 Tel: (91 22) 6634 1100, Fax: (91 22) 2284 0492 Email: apl.ipo@kotak.com Investor Grievance Email: kmccredressal@kotak.com Website: www.kotak.com Contact Person: Mr. Chandrakant Bhole SEBI Reg. No. INM000008704	**MORGAN STANLEY INDIA COMPANY PRIVATE LIMITED** 1101-1115, Trident Nariman Point, Mumbai 400 021 Tel: (91 22) 6621 0555, Fax: (91 22) 6621 0556 Email: vidyut@morganstanley.com Investor Grievance Email:investors_india@morganstanley.com Website: www.morganstanley.com/indiaofferdocuments Contact Person: Mr. Mayank Pagaria SEBI Registration No.: INM000011203	**ICICI SECURITIES LIMITED** ICICI Centre, H. T. Parekh Marg, Churchgate, Mumbai 400 020 Tel: (91 22) 2288 2460/70, Fax: (91 22) 2282 6580 Email: apl.ipo@icicisecurities.com Investor Grievance Email: customercare@icicisecurities.com Website: www.icicisecurities.com Contact Person: Mr. Sumit Pachisia SEBI Registration No: INM 000011179	**SBI CAPITAL MARKETS LIMITED** 202, Maker Towers 'E', Cuffe Parade, Mumbai 400 005 Tel: (91 22) 2217 8300, Fax: (91 22) 2218 8332 Email: adanipower.ipo@sbicaps.com Investor Grievance Email: investor.relations@sbicaps.com Website: www.sbicaps.com Contact Person: Ms. Sylvia Mendonca SEBI Registration No: INM000003531

ISSUE PROGRAMME

BID/ISSUE OPENS ON	TUESDAY, JULY 28, 2009	BID/ISSUE CLOSES ON	FRIDAY, JULY 31, 2009

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DEFINITIONS AND ABBREVIATIONS

Term	Description
"We", "Us" or "Our"	Unless the context otherwise requires, refers to Adani Power Limited and its Subsidiaries on a consolidated basis, as described in this Red Herring Prospectus
"the Company", "our Company", "the Issuer" or "APL"	Unless the context otherwise requires, refers to Adani Power Limited, a public limited company incorporated under the Companies Act

Company Related Terms

Term	Description
Adani Group	Such entities in which the Adani family has business or financial interest, including interests in sectors such as ports, power, infrastructure, real estate, trading, edible oils, gas distribution and logistics
AEL	Adani Enterprises Limited
APDL	Adani Power Dahej Limited
APML	Adani Power Maharashtra Limited
APOL	Adani Power (Overseas) Limited
APRL	Adani Power Rajasthan Limited
Articles/Articles of Association	The articles of association of the Company
Auditors	The statutory auditors of the Company namely Deloitte Haskins & Sells, Chartered Accountants
Board of Directors/Board	The board of directors of the Company or a committee constituted thereof
Combined SEZ	The SEZ resulting from combining the two multi-product SEZs being developed by MPSEZL with the sector-specific SEZ of the Company
Dahej Power Project	1,980 MW power project planned to be set up by the Company, through APDL, at Dahej, Taluka Vagra, District Bharuch, Gujarat
Director(s)	Director(s) of the Company, unless otherwise specified
Kawai Power Project	1,320 MW power project planned to be set up by the Company, through APRL, at Kawai Village, District Baran, Rajasthan
Memorandum/ Memorandum of Association	The memorandum of association of the Company
Millennium Developers	Millennium Developers Private Limited
Mundra Power Project	Collectively, Mundra Phase I and II Power Project, Mundra Phase III Power Project and Mundra Phase IV Power Project, unless the context otherwise requires
Mundra Phase I and II Power Project	4x330 MW power project of the Company located at Tunda and Siracha, Mundra village, district Kutch, Gujarat. Mundra Phase I and Mundra Phase II each individually refers to 2x330 MW power project of the Company that are a part of Mundra Phase I and II Power Project
Mundra Phase III Power Project	2x660 MW power project of the Company located at Tunda and Siracha, Mundra village, district Kutch, Gujarat
Mundra Phase IV Power Project	3x660 MW power project of the Company located at Tunda and Siracha, Mundra village, district Kutch, Gujarat

Term	Description
MuPSEZL	Mundra Power SEZ Limited
Promoters	The promoters of the Company, namely, Mr. Gautam S. Adani, Mr. Rajesh S. Adani and Adani Enterprises Limited
Promoter Group	The persons enumerated in “Our Promoters” and “Our Promoter Group” beginning on pages 153 and 158, respectively of this Red Herring Prospectus
Registered Office	The registered office of the Company, located at Shikhar, Near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009
Somerset Fund	Somerset Emerging Opportunities Fund
Subsidiaries	The subsidiaries of the Company, namely, APML, APRL, APDL, MuPSEZL and APOL
Tiroda Power Project	3x660 MW power project located at village Tiroda, district Gondia, Maharashtra, being developed by our Subsidiary, APML
Ventura Power	Ventura Power Investment Private Limited

Issue Related Terms

Term	Description
Allotment/Allot	Unless the context otherwise requires, the allotment of Equity Shares pursuant to the Issue
Allottee	A successful Bidder to whom the Equity Shares are Allotted
Anchor Investor	A Qualified Institutional Buyer, applying under the Anchor Investor category, who has Bid for Equity Shares amounting to at least Rs. 100 million.
Anchor Investor Margin Amount	An amount representing 25% of the Bid Amount payable by Anchor Investors at the time of submission of their Bid
Anchor Investor Portion	The portion of the Net Issue, being up to 52,857,366 Equity Shares
Anchor Investor Bid/Issue Period	The date one day prior to the Bid/Issue Opening Date on which bidding by Anchor Investors shall open and shall be completed
Application Supported by Blocked Amount/ASBA	An application, whether physical or electronic, used by a Resident Retail Individual Bidder to make a Bid authorising a SCSB to block the Bid Amount in their specified bank account maintained with the SCSB
ASBA Bidder	Any Resident Retail Individual Bidder who intends to apply through ASBA and (a) is bidding at Cut-off Price, with single option as to the number of shares; (b) is applying through blocking of funds in a bank account with the SCSB; (c) has agreed not to revise his/her bid; and (d) is not bidding under any of the reserved categories
ASBA Bid cum Application Form or ASBA BCAF	The form, whether physical or electronic, used by an ASBA Bidder to make a Bid, which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus
ASBA Public Issue Account	A bank account of the Company under Section 73 of the Act, where the funds shall be transferred by the SCSBs from the bank accounts of the ASBA Bidders
Banker(s) to the Issue/Escrow Collection Bank(s)	The banks which are clearing members and registered with SEBI as Banker to the Issue with whom the Escrow Account will be opened, in this case being Axis Bank Limited, Bank of America, HDFC Bank Limited, ICICI Bank Limited, IDBI Bank Limited, Kotak Mahindra Bank, Punjab National Bank, Standard Chartered Bank, State Bank of India, The HongKong and Shanghai Banking Corporation Limited, UCO Bank and Yes Bank Limited
Basis of Allotment	The basis on which Equity Shares will be Allotted to Bidders under the Issue and which is described in “Issue Procedure – Basis of Allotment” on page 414 of this Red Herring Prospectus

Term	Description
Bid	An indication to make an offer during the Bidding Period by a prospective investor to subscribe to the Equity Shares of our Company at a price within the Price Band, including all revisions and modifications thereto. For the purposes of ASBA Bidders, it means an indication to make an offer during the Bidding Period by a Retail Resident Individual Bidder to subscribe to the Equity Shares of our Company at Cut-off Price
Bid Amount	The highest value of the optional Bids indicated in the Bid cum Application Form
Bid /Issue Closing Date	The date after which the Syndicate will not accept any Bids for the Issue, which shall be notified in an English national newspaper, a Hindi national newspaper and a Gujarati newspaper, each with wide circulation
Bid /Issue Opening Date	The date on which the Syndicate shall start accepting Bids for the Issue, which shall be the date notified in an English national newspaper, a Hindi national newspaper and a Gujarati newspaper, each with wide circulation
Bid cum Application Form	The form used by a Bidder to make a Bid and which will be considered as the application for Allotment for the purposes of the Red Herring Prospectus and the Prospectus
Bidder	Any prospective investor who makes a Bid pursuant to the terms of the Red Herring Prospectus and the Bid cum Application Form
Bidding/Issue Period	The period between the Bid/Issue Opening Date and the Bid/Issue Closing Date inclusive of both days and during which prospective Bidders can submit their Bids
Book Building Process/Method	Book building route as provided in Chapter XI of the SEBI Guidelines, in terms of which this Issue is being made
BRLMs	GCBRLM and Enam, IDFC, I-Sec, JM Financial, Kotak, Morgan Stanley, and SBICAP
BRLM Memorandum of Understanding	The agreement entered into on April 15, 2009, as amended by an agreement dated July 8, 2009 between our Company and the BRLMs, pursuant to which certain arrangements are agreed to in relation to the Issue
Business Day	Any day on which commercial banks in Mumbai are open for business
CAN/Confirmation of Allocation Note	Note or advice or intimation of allocation of Equity Shares sent to the Bidders who have been allocated Equity Shares after discovery of the Issue Price in accordance with the Book Building Process
Cap Price	The higher end of the Price Band, above which the Issue Price will not be finalised and above which no Bids will be accepted
Controlling Branches	Such branches of the SCSB which coordinate with the BRLMs, the Registrar to the Issue and the Stock Exchanges and a list of which is available on http://www.sebi.gov.in
Cut-off Price	Issue Price, finalised by the Company in consultation with the GCBRLM. Only Retail Individual Bidders and Eligible Employee whose Bid Amount does not exceed Rs. 100,000, are entitled to Bid at the Cut Off Price. QIBs and Non-Institutional Bidders are not entitled to Bid at the Cut-off Price.
Designated Branches	Such branches of the SCSBs which shall collect the ASBA Bid cum Application Form used by ASBA Bidders and a list of which is available on http://www.sebi.gov.in
Designated Date	The date on which funds are transferred from the Escrow Account to the Public Issue Account or the amount blocked by the SCSB is transferred from the bank account of the ASBA Bidder to the ASBA Public Issue Account, as the case may be, after the Prospectus is filed with the RoC, following which the Board of Directors shall Allot Equity Shares to successful Bidders
Designated Stock Exchange	BSE

Term	Description
Draft Red Herring Prospectus	The Draft Red Herring Prospectus dated April 20, 2009 issued in accordance with section 60B of the Companies Act and the SEBI Guidelines, filed with SEBI and which did not contain complete particulars of the price at which the Equity Shares are issued and size (in terms of value) of the Issue
DSPML	DSP Merrill Lynch Limited
Eligible Employees	Permanent employees and directors of the Company (excluding Promoters), its Subsidiaries and AEL as of June 30, 2009 who are Indian Nationals based in India and are present in India on the date of submission of the Bid cum Application Form
Eligible NRI	NRIs from jurisdictions outside India where it is not unlawful to make an issue or invitation under the Issue and in relation to whom the Red Herring Prospectus constitutes an invitation to subscribe to the Equity Shares Allotted herein
Employee Reservation Portion	The portion of the Issue being up to 8,000,000 Equity Shares available for allocation to Eligible Employees
Enam	Enam Securities Private Limited
Equity Shares	Equity shares of the Company of face value of Rs. 10 each, unless otherwise specified
Escrow Account	Account opened with the Escrow Collection Bank(s) for the Issue and in whose favour the Bidder (excluding the ASBA Bidders) will issue cheques or drafts in respect of the Bid Amount when submitting a Bid
Escrow Agreement	Agreement to be entered into by our Company, the Registrar to the Issue, the BRLMs, the Syndicate Members and the Escrow Collection Bank(s) for collection of the Bid Amounts and where applicable, refunds of the amounts collected to the Bidders (excluding the ASBA Bidders) on the terms and conditions thereof
First Bidder	The Bidder whose name appears first in the Bid cum Application Form or Revision Form or the ASBA Bid cum Application Form
Floor Price	The lower end of the Price Band, at or above which the Issue Price will be finalised and below which no Bids will be accepted
Global Coordinator and Book Running Lead Manager/ GCBRLM	DSPML
IDFC-SSKI	IDFC - SSKI Limited
I-Sec	ICICI Securities Limited
Issue	Public issue of 301,652,031 Equity Shares of Rs. 10 each of the Company for cash at a price of Rs. [•] per Equity Share aggregating Rs. [•] million. The Issue comprises a Net Issue to the public of 293,652,031 Equity Shares and an Employee Reservation of upto 8,000,000 Equity Shares
Issue Price	The final price at which Equity Shares will be issued and allotted in terms of the Red Herring Prospectus. The Issue Price will be decided by our Company in consultation with the GCBRLM on the Pricing Date
Issue Proceeds	The proceeds of the Issue that are available to the Company
JM Financial / JMF	JM Financial Consultants Private Limited

Term	Description
Kotak / KMCC	Kotak Mahindra Capital Company Limited
Margin Amount	The amount paid by the Bidder at the time of submission of his/her Bid, being 10% to 100% of the Bid Amount
Monitoring Agency	IFCI Limited
Morgan Stanley / MS	Morgan Stanley India Company Private Limited
Mutual Fund Portion	5% of the QIB Portion or 8,809,561 Equity Shares available for allocation to Mutual Funds only
Mutual Funds	A mutual fund registered with SEBI under the SEBI (Mutual Funds) Regulations, 1996
Net Issue	The Issue less the Employee Reservation Portion, comprising 293,652,031 Equity Shares
Net Proceeds	The Issue Proceeds less the Issue expenses. For further information on the use of the Issue Proceeds and the Issue expenses, see "Objects of the Issue" on page 32 of this Red Herring Prospectus
Non-Institutional Bidders	All Bidders that are not QIBs or Retail Individual Bidders and who have Bid for Equity Shares for an amount more than Rs. 100,000 (but not including NRIs other than Eligible NRIs)
Non-Institutional Portion	The portion of the Net Issue being not less than 29,365,203 Equity Shares available for allocation to Non-Institutional Bidders
Non-Resident	A person resident outside India, as defined under FEMA and includes a Non Resident Indian
Pay-in Date	Bid/Issue Closing Date or the last date specified in the CAN sent to Bidders, as applicable
Pay-in Period	The period commencing on the Bid/Issue Opening Date and extending until the closure of the Pay-in Date
Price Band	Price band of a minimum price of Rs. [•] (Floor Price) and the maximum price of Rs. [•] (Cap Price) and includes revisions thereof. The Price Band and the minimum Bid lot size for the Issue will be decided by the Company in consultation with the GCBRLM and advertised in all editions of Financial Express in English and Gujarati languages and all editions of Jansatta in Hindi language at least two working days prior to the Bid/Issue Opening Date
Pricing Date	The date on which our Company, in consultation with the GCBRLM, finalizes the Issue Price
Prospectus	The Prospectus to be filed with the RoC in accordance with Section 60 of the Companies Act, containing, inter alia, the Issue Price that is determined at the end of the Book Building Process, the size of the Issue and certain other information
Public Issue Account	Account opened with the Bankers to the Issue to receive monies from the Escrow Account on the Designated Date
QIB Margin Amount	An amount representing 10% of the Bid Amount, QIB Bidders are required to pay at the time of submission of their Bid
QIB Portion	The portion of the Net Issue being at least 176,191,219 Equity Shares of Rs. 10 each to be Allotted to QIBs on a proportionate basis at the Issue Price

Term	Description
Qualified Institutional Buyers or QIBs	Public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual fund registered with SEBI, FIIs and sub-account registered with SEBI, other than which is a foreign corporate or foreign individual, multilateral and bilateral development financial institution, venture capital fund registered with SEBI, foreign venture capital investor registered with SEBI, state industrial development corporation, insurance company registered with IRDA, provident fund with minimum corpus of Rs. 25 crores, pension fund with minimum corpus of Rs. 25 crores and National Investment Fund set up by Government of India
Red Herring Prospectus or RHP	This red herring prospectus dated July 14, 2009 issued in accordance with section 60B of the Companies Act which does not have complete particulars of the price at which the Equity Shares are offered. This Red Herring Prospectus will become the Prospectus after filing with the RoC after the Pricing Date
Refund Account	The account opened with Escrow Collection Bank(s), from which refunds, if any, of the whole or part of the Bid Amount (excluding to the ASBA Bidders) shall be made
Refund Banker	Axis Bank Limited
Refunds through electronic transfer of funds	Refunds through ECS, Direct Credit, RTGS or the ASBA process, as applicable
Registrar/Registrar to the Issue	Karvy Computershare Private Limited
Resident Retail Individual Investor or RRII	Retail Individual Bidder who is a person resident in India as defined in the Foreign Exchange Management Act, 1999 and who has not Bid for Equity Shares for an amount more than Rs. 100,000 in any of the bidding options in the Issue
Retail Individual Bidder(s)	Individual Bidders (including HUFs applying through their karta, Eligible NRIs and Resident Retail Individual Bidders) who have not Bid for Equity Shares for an amount more than Rs. 100,000 in any of the bidding options in the Issue.
Retail Portion	The portion of the Net Issue being not less than 88,095,609 Equity Shares of Rs. 10 each available for allocation to Retail Individual Bidder(s)
Revision Form	The form used by the Bidders, excluding ASBA Bidders, to modify the quantity of Equity Shares or the Bid Price in any of their Bid cum Application Forms or any previous Revision Form(s)
SBICAPS	SBI Capital Markets Limited
Self Certified Syndicate Bank or SCSB	The Banks which are registered with SEBI under SEBI (Bankers to an Issue) Regulations, 1994 and offers services of ASBA, including blocking of bank account and a list of which is available on http://www.sebi.gov.in
Stock Exchanges	The BSE and the NSE
Syndicate	The BRLMs and the Syndicate Members
Syndicate Agreement	The agreement to be entered into between the Syndicate and our Company in relation to the collection of Bids in this Issue (excluding Bids from the ASBA Bidders)
Syndicate Members	Enam Securities Private Limited, Edelweiss Securities Limited, India Infoline Limited, JM Financial Services Private Limited, Kotak Securities Limited, SBICAP Securities Limited, Sharekhan Limited and UBS Securities India Private Limited
TRS/Transaction Registration Slip	The slip or document issued by a member of the Syndicate or the SCSB (only on demand), as the case may be, to the Bidder as proof of registration of the Bid
Underwriters	The BRLMs and the Syndicate Members
Underwriting Agreement	The agreement among the Underwriters and our Company to be entered into on or after the Pricing Date
UBS	UBS Securities India Private Limited

Conventional and General Terms/Abbreviations

Term	Description
Act or Companies Act	Companies Act, 1956, as amended from time to time
AS	Accounting Standards issued by the Institute of Chartered Accountants of India
BSE	Bombay Stock Exchange Limited
BPLR	Benchmark prime lending rate of the relevant bank
CAGR	Compounded Annual Growth Rate
CDSL	Central Depository Services (India) Limited
CESTAT	Central Excise and Service Tax Appellate Tribunal
Depositories	NSDL and CDSL
Depositories Act	The Depositories Act, 1996 as amended from time to time
DP/Depository Participant	A depository participant as defined under the Depositories Act, 1996
DP ID	Depository Participant’s Identity
ECS	Electronic Clearing Service
EGM	Extraordinary General Meeting
EPS	Unless otherwise specified, Earnings Per Share
FDI	Foreign Direct Investment
FEMA	Foreign Exchange Management Act, 1999 read with rules and regulations thereunder and amendments thereto
FEMA Regulations	FEMA (Transfer or Issue of Security by a Person Resident Outside India) Regulations, 2000 and amendments thereto
FII(s)	Foreign Institutional Investors as defined under SEBI (Foreign Institutional Investor) Regulations, 1995 registered with SEBI under applicable laws in India
Financial Year/Fiscal/FY	Period of twelve months ended March 31 of that particular year
FIPB	Foreign Investment Promotion Board
FVCI	Foreign Venture Capital Investor registered under the Securities and Exchange Board of India (Foreign Venture Capital Investor) Regulations, 2000, as amended from time to time
GDP	Gross Domestic Product
GoI/Government	Government of India
HUF	Hindu Undivided Family
IBAR	ICICI Benchmark Advance Rate
IFRS	International Financial Reporting Standards
Income Tax Act	The Income Tax Act, 1961, as amended from time to time
INCOTERMS 2000	Year 2000 edition of the International Rules for the Interpretation of Trade Terms published by the International Chamber of Commerce
Indian GAAP	Generally Accepted Accounting Principles in India
IPO	Initial Public Offering
LIBOR	London Interbank Offered Rate
MMT	Million Metric Tons
Mn	Million
MoU	Memorandum of Understanding

Term	Description
MPP	Merchant Power Plant
MW	Mega Watts
NAV	Net Asset Value
NEFT	National Electronic Fund Transfer
NR	Non Resident
NRE Account	Non Resident External Account
NRI	Non Resident Indian, is a person resident outside India, who is a citizen of India or a person of Indian origin and shall have the same meaning as ascribed to such term in the Foreign Exchange Management (Deposit) Regulations, 2000, as amended from time to time
NRO Account	Non Resident Ordinary Account
NSDL	National Securities Depository Limited
NSE	The National Stock Exchange of India Limited
OCB	A company, partnership, society or other corporate body owned directly or indirectly to the extent of up to 60% by NRIs including overseas trusts in which not less than 60% of beneficial interest is irrevocably held by NRIs directly or indirectly and which was in existence on October 3, 2003 and immediately before such date was eligible to undertake transactions pursuant to the general permission granted to OCBs under the FEMA. OCBs are not allowed to invest in this Issue
p.a.	per annum
P/E Ratio	Price/Earnings Ratio
PAN	Permanent Account Number
PAT	Profit After Tax
PBT	Profit Before Tax
PIO	Persons of Indian Origin
RBI	The Reserve Bank of India
Re.	One Indian Rupee
RoC	The Registrar of Companies, Gujarat, Dadra and Nagar Haveli located at ROC Bhavan, opposite Rural Park Society, Behind Ankur Bus Stand, Naranpura, Ahmedabad 380 013
RONW	Return on Net Worth
Rs.	Indian Rupees
RTGS	Real Time Gross Settlement
SAT	Securities Appellate Tribunal
SBAFT	Shantilal Bhudarmal Adani Family Trust
SBAR	State Bank of India Benchmark Advance Rate
SBI PLR	State Bank of India Prime Lending Rate
SCRA	Securities Contracts (Regulation) Act, 1956, as amended from time to time
SCRR	Securities Contracts (Regulation) Rules, 1957, as amended from time to time
SEB	State Electricity Board
SEBI	The Securities and Exchange Board of India constituted under the SEBI Act, 1992

Term	Description
SEBI Act	Securities and Exchange Board of India Act 1992, as amended from time to time
SEBI Guidelines	SEBI (Disclosure and Investor Protection) Guidelines, 2000 as amended from time to time
SICA	Sick Industrial Companies (Special Provisions) Act, 1985, as amended from time to time
Stamp Act	The Indian Stamp Act, 1899, as amended from time to time
State Government	The government of a state of India
Stock Exchange(s)	BSE and/or NSE as the context may refer to
Takeover Code	SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as amended from time to time
UIN	Unique Identification Number
U.S./USA	United States of America
UNCITRAL	United Nations Commission on International Trade Law
U.S. GAAP	Generally Accepted Accounting Principles in the United States of America
USD/US$	United States Dollars
VCFs	Venture Capital Funds as defined and registered with SEBI under the SEBI (Venture Capital Fund) Regulations, 1996, as amended from time to time

Technical/Industry Related Terms

Term	Description
BTG	Boiler, Turbine and Generator
CDM	Clean Development Mechanism
CEA	Central Electricity Authority
CER	Certified Emission Reduction
CERC	Central Electricity Regulatory Commission
CFBC	Circulating Fluidized Bed Combustion
COD	Commercial Operation Date
CPCB	Central Pollution Control Board
CTU	Central Transmission Utility as defined in the Electricity Act, 2003
DHBVNL	Dakshin Haryana Bijli Vitran Nigam Limited
EIA	Environmental Impact Assessment
Electricity Act	The Electricity Act 2003, as amended from time to time
EPC	Engineering, Procurement and Construction
ERC	Electricity Regulatory Commission
ERU	Electricity Reduction Unit
FERV	Foreign Exchange Rate Variation
FI	Financial Institutions
GCV	Gross Calorific Value
GIDC	Gujarat Industrial Development Corporation
GPCB	Gujarat Pollution Control Board
GUVNL	Gujarat Urja Vikas Nigam Limited
GWIL	Gujarat Water Infrastructure Limited

Term	Description
HVDC	High Voltage Direct Current
IM	Information Memorandum
IPP	Independent Power Producers
JSL	Jyoti Structures Limited
KPTL	Kalpataru Power Transmission
KW	Kilo Watt
kWh	Kilo Watt Hour
MSEDCL	Maharastra State Electricity Distribution Company Limited
MSETCL	Maharashtra State Electricity Transmission Company Limited
MLD	Million Litres per Day
MMT	Million Metric Tonnes
MPSEZL	Mundra Port and Special Economic Zone Limited
MoEF	Ministry of Environment and Forests
MW	Megawatts
NLDC	National Load Dispatch Centre
NTPC	National Thermal Power Corporation Limited
O&M	Operation and Maintenance
PGCIL	Power Grid Corporation of India Limited
PLF	Plant Load Factor
PPA	Power Purchase Agreement
RFP	Request for Proposal
RFQ	Request for Qualification
RLDC	Regional Load Dispatch Centre
RRVUNL	Rajasthan Rajya Vidyut Utpadan Nigam Limited
SEBs	State Electricity Boards
SEPCO	SEPCOIII Electric Power Construction Corporation Shandong, PR China
SERC	State Electricity Regulatory Commission
SEZ	Special Economic Zone
SMEECL	Sichuan Machinery and Equipment Import and Export Company Limited
SPV	Special Purpose Vehicle
Standard Coal	Non-coking thermal run-of-mine recoverable coal meeting the specifications that is substantially free from impurities, including bone, slate, earth, rock, pyrite or wood.
STU	State Transmission Utility as defined in the Electricity Act, 2003
sq. km.	Square kilometre
UHBVNL	Uttar Haryana Bijli Vitran Nigam Limited
ULDC	Unified Load Dispatch and Communication
UMPP	Ultra Mega Power Project
Units	kWh
VATWL	V A Tech Wabag Limited
VERs	Verified Emission Reductions

PRESENTATION OF FINANCIAL, INDUSTRY AND MARKET DATA

Financial Data

Unless stated otherwise, the financial data in this Red Herring Prospectus is derived from our restated financial statements, prepared in accordance with Indian GAAP and the SEBI Guidelines, which are included in this Red Herring Prospectus.

Our subsidiary, APML is developing the Tiroda Power Project, one of the Projects for which funds are being raised through this Issue. The financial statements of APML, prepared in accordance with Indian GAAP, for the fiscal years 2009 and 2008 have also been included in this Red Herring Prospectus.

Our fiscal year commences on April 1 of each year and ends on March 31 of the next year. All references to a particular fiscal year are to the 12 month period ended March 31 of that year. In this Red Herring Prospectus, any discrepancies in any table between the total and the sums of the amounts listed are due to rounding-off.

There are significant differences among Indian GAAP, IFRS and US GAAP. The Company urges you to consult your own advisors regarding such differences and their impact on our financial data. Accordingly, the degree to which the Indian GAAP financial statements included in this Red Herring Prospectus will provide meaningful information is entirely dependent on the reader's level of familiarity with Indian accounting practices. Any reliance by persons not familiar with Indian accounting practices on the financial disclosures presented in this Red Herring Prospectus should accordingly be limited.

Any percentage amounts, as set forth in "Risk Factors", "Business", "Management's Discussion and Analysis of Financial Condition and Results of Operations" and elsewhere in this Red Herring Prospectus, unless otherwise indicated, have been calculated on the basis of our restated financial statements prepared in accordance with Indian GAAP.

Currency and units of Presentation

All references to "India" contained in this Red Herring Prospectus are to the Republic of India, all references to the "US", "USA", or the "United States" are to the United States of America, its territories and possessions and all references to "UK" are to the United Kingdom of Great Britain and Northern Ireland, together with all its territories and possessions.

All references to "Rupees" or "Rs." are to Indian Rupees, the official currency of the Republic of India. All references to "US$", "USD" or "US Dollars" are to United States Dollars, the official currency of the United States of America. In this Red Herring Prospectus, the Company has presented certain numerical information in "million" units. One million represents 1,000,000.

Exchange Rates

This Red Herring Prospectus contains translations of certain US Dollar and other currency amounts into Indian Rupees that have been presented solely to comply with the requirements of Clause 6.9.7.1 of the SEBI Guidelines. These translations should not be construed as a representation that those US Dollar or other currency amounts could have been, or can be converted into Indian Rupees, at any particular rate.

Unless, otherwise stated, the Company has in this Red Herring Prospectus used a conversion rate of Rs. 50.95 for one U.S Dollar, being the RBI reference rate as of March 31, 2009 (Source: RBI website). Such translations should not be considered as a representation that such U.S Dollar amounts have been, could have been or could be converted into Rupees at any particular rate, the rates stated above or at all.

Industry and Market Data

Unless stated otherwise, industry and market data used throughout this Red Herring Prospectus has been obtained from industry publications and Government data. Industry publications generally state that the information contained in those publications has been obtained from sources believed to be reliable but that their accuracy and completeness are not guaranteed and their reliability cannot be assured. Although the Company believes that industry data used in this Red Herring Prospectus is reliable, it has not been independently verified. Similarly, internal Company reports, while believed by us to be reliable, have not been verified by any independent sources.

The extent to which the market and industry data used in this Red Herring Prospectus is meaningful depends on the reader's familiarity with and understanding of the methodologies used in compiling such data.

FORWARD-LOOKING STATEMENTS

This Red Herring Prospectus contains certain "forward-looking statements". These forward-looking statements generally can be identified by words or phrases such as "aim", "anticipate", "believe", "contemplate", "expect", "estimate", "future", "goal", "intend", "may", "objective", "plan", "project", "shall", "will", "will continue", "will pursue", "will likely result", "will seek to" or other words or phrases of similar import. Similarly, statements that describe our strategies, objectives, plans or goals are also forward-looking statements. All forward-looking statements are subject to risks, uncertainties and assumptions that could cause actual results to differ materially from those contemplated by the relevant statement.

Actual results may differ materially from those suggested by the forward looking statements due to risks or uncertainties associated with our expectations with respect to, but not limited to, regulatory changes pertaining to the industries in India in which we have our businesses and our ability to respond to them, our ability to successfully implement our strategy, our growth and expansion, technological changes, our exposure to market risks, general economic and political conditions in India, which have an impact on our business activities or investments, the monetary and fiscal policies of India, inflation, deflation, unanticipated turbulence in interest rates, foreign exchange rates, equity prices or other rates or prices, the performance of the financial markets in India and globally, changes in domestic laws, regulations and taxes and changes in competition in our industry. Important factors that could cause actual results to differ materially from our expectations include, but are not limited to, the following:

1. Our inability to commence operations as expected;
2. Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy;
3. Unavailability of fuel for our power plants;
4. Our inability to enter into financing/off-take arrangements for the proposed projects;
5. Our inability to set up projects within the estimated time frame;
6. Certain inherent construction, financing and operational risks in relation to our projects;
7. The monetary and interest policies of India, inflation, deflation, unanticipated turbulence in interest rates;
8. Foreign exchange rates, equity prices or other rates or prices;
9. The performance of the financial markets in India;
10. General economic and business conditions in India;
11. Changes in laws and regulations that apply to our clients, suppliers and the power generation and trading and construction and property development sectors;
12. Increasing competition in and the conditions of our clients, suppliers and the power generation and trading and construction and property development sectors; and
13. Changes in political conditions in India.

For further discussion of factors that could cause our actual results to differ from our expectations, see "Risk Factors", "Our Business" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" on pages xiii, 64 and 311 respectively of this Red Herring Prospectus.

By their nature, certain market risk disclosures are only estimates and could be materially different from what actually occurs in the future. As a result, actual future gains or losses could materially differ from those that have been estimated. The Company, the BRLMs, the Syndicate Members or their respective affiliates do not have any obligation to, and do not intend to, update or otherwise revise any statements reflecting circumstances arising after the date hereof or to reflect the occurrence of underlying events, even if the underlying assumptions do not come to fruition. In accordance with SEBI requirements, we and the BRLMs will ensure that investors in India are informed of material developments until the time of the grant of listing and trading permission by the Stock Exchanges.

RISK FACTORS

An investment in Equity Shares involves a high degree of risk. You should carefully consider all the information in this Red Herring Prospectus, including the risks and uncertainties described below, before making an investment in our Equity Shares. The risks and uncertainties described in this section are not the only risks that we currently face. Additional risks and uncertainties not presently known to us or that we currently believe to be immaterial may also have an adverse effect on our business, results of operations and financial condition. If any of the following risks, or other risks that are not currently known or are now deemed immaterial, actually occur, our business, results of operations and financial condition could suffer, the price of our Equity Shares could decline, and you may lose all or part of your investment. The financial and other related implications of risks concerned, wherever quantifiable, have been disclosed in the risk factors mentioned below. However, there are risk factors where the effect is not quantifiable and hence has not been disclosed in such risk factors. The numbering of the risk factors has been done to facilitate the ease of reading and reference, and does not in any manner indicate the importance of one risk factor over another. In making an investment decision, prospective investors must rely on their own examination of the Company and the terms of the Issue, including the merits and risks involved.

Unless otherwise stated, the financial information of the Company used in this section is derived from our audited consolidated financial statements under Indian GAAP, as restated.

Risk Related to our Business

1. ***We have no operating history, so it is difficult to estimate our future performance.***

   We currently have no power projects in operation or other revenue generating operations, and we have no significant operating history from which you can evaluate our business, future prospects and viability. The development of power projects involves various risks, including among others, regulatory risk, construction risk, financing risk and the risk that these projects may prove to be unprofitable. Any inability to effectively develop and operate our power projects could adversely affect our business prospects, financial condition and results of operation. Moreover, you should not evaluate our prospects and viability based on the performance of our Promoter, AEL or other affiliates. Our prospects must be considered in light of the risks and uncertainties inherent in new business ventures.

2. ***If we are unable to commence operations as expected, our results of operations will be adversely affected.***

   Our power projects have long gestation periods due to the process involved in commissioning power projects. Additionally, power projects typically require months or even years after being commissioned before positive cash flows can be generated, if at all. In addition, given the amount of developmental activity in the power sector in India, the commercial viability of our power projects may need to be re-evaluated and we may not be able to realize any benefits or returns on investments as estimated.

   The scheduled completion targets for our power projects are estimates and are subject to delays as a result of, among other things, contractor performance shortfalls, unforeseen engineering problems, dispute with workers, *force majeure* events, availability of financing, unanticipated cost increases or changes in scope and inability in obtaining certain property rights, fuel supply and government approvals, any of which could give rise to cost overruns or the termination of a power project's development. There can be no assurance that our power projects will be completed in the time expected, or at all, or that their gestation period will not be affected by any or all of these factors. We cannot assure you that all potential liabilities that may arise from delays or shortfall in performance, will be covered or that the damages that may be claimed from such contractors shall be adequate to cover any loss of profits resulting from such delays, shortfalls or disruptions. In addition, failure to complete a power project according to its original specifications or schedule, if at all, may give rise to potential liabilities and could render certain benefits available under various government statutes, such as deduction of 100.0% of the profits derived from the power generation being unavailable and concessional customs duties on imports being unavailable, as a result, our returns on investments may be lower than originally expected.

3. ***The Net Proceeds of the Issue may be inadequate and we may not be able to raise additional capital to fund the balance costs for power projects that are a part of the "Objects of the Issue".***

   The Net Proceeds of the Issue are expected to cover a part of the estimated cost to complete our Mundra Phase

IV Power Project and Tiroda Power Project. There can be no assurance that the Net Proceeds of the Issue and the debt tied up will be adequate to finance the development of our Mundra Phase IV Power Project and Tiroda Power Project and we may need to raise additional amounts to fund the balance costs for these power projects. There can be no assurance that we will be able to fund such additional amounts from internal accruals or arrange additional financing on terms that would be acceptable to us, or at all.

4. ***We may not be able to acquire sufficient land area for our Tiroda project which may affect the viability of such project.***

We are in the process of identifying and acquiring a portion of land required for developing our Tiroda Power Project. We cannot assure you that we will be able to identify adequate land or that land acquisitions will be completed in a timely manner, on terms that are commercially acceptable to us, or at all. If we are unable to acquire sufficient amount of land for our Tiroda project, the viability and efficiency of the project may be affected.

5. ***Certain properties, including the land on which we are constructing our power projects and our registered office are not owned by us and we enjoy only a leasehold right over these properties. In the event we are unable to renew the lease agreements, our business, financial condition and results of operations could be adversely affected.***

Some of our power projects are being constructed on land that has been leased to us. Upon the termination of the lease, we are required to return the lands to the lessors. The term of the land lease agreements are not co-terminus with the lifetime of the power projects. In the event that the lessors terminate the lease agreements or do not renew the lease agreements, our business, financial condition and results of operations could be adversely affected.

In addition, the premises on which our Registered Office is situated has been leased to us by Adani Properties Private Limited ("Adani Properties") pursuant to a lease agreement dated September 27, 2006. We are required to pay lease charges of approximately Rs. 0.07 million per month and the lease agreement may be terminated by Adani Properties by giving us an advance written notice of one month. If Adani Properties decides to terminate the lease agreement, we may suffer a disruption in our operations.

6. ***The construction and operation of our power projects or mining operations may face significant opposition from local communities and other parties, which may adversely affect our results of operations and financial condition.***

The construction and operation of power projects and mines may face opposition from the local communities where these power projects are located and from special interest groups. In particular, local communities, the forest authorities and other authorities may oppose mining operations due to the perceived negative impact mining may have on the environment. Significant opposition by local communities, non-governmental organizations and other parties to the construction of our power projects and mining operations may adversely affect our results of operations and financial condition. In the future, as our mining activity increases and we start to infringe on local habitations, we may have to resettle the local inhabitants. We may have to incur significant expenditure on any such resettlement, which may adversely affect our financial condition and result of operations.

7. ***We have incurred significant indebtedness and further intend to incur substantial borrowings in connection with the development of our power projects. Our indebtedness has important consequences to us. Further, we may not be able to meet our obligations under these debt financing arrangements.***

As of May 31, 2009, we had total outstanding indebtedness, including bills drawn under letters of credit, of Rs. 52,517.53 million. For further details regarding our indebtedness, please see sections titled "Financial Statements" and "Financial Indebtedness" on pages 237 and 323, respectively, of this Red Herring Prospectus. Increasing our level of indebtedness has important consequences to us such as:

- increasing our vulnerability to general adverse economic, industry and competitive conditions;
- limiting our flexibility in planning for, or reacting to, changes in our business and the industry;

- limiting our ability to borrow more money for our power projects; and
- increasing our interest expenditure, since a substantial portion of our debt bears interest at floating rates.

Further, our financing arrangements contain restrictive covenants whereby we are required to obtain approval from our lenders, regarding, among other things, our reorganization, amalgamation or merger, our incurrence of additional indebtedness, the disposition of assets and the expansion of our business. We cannot assure you that we will receive such approvals in a timely manner or at all. These agreements also require us to maintain certain financial ratios. If we breach any financial or other covenants contained in any of our financing arrangements, we may be required to immediately repay our borrowings either in whole or in part, together with any related costs. Furthermore, certain of our financing arrangements may contain cross default provisions which could automatically trigger defaults under other financing arrangements. Additionally, because some of our borrowings are secured against all or a portion of our assets, lenders may be able to sell those assets to enforce their claims for repayment.

Our ability to meet our debt service obligations and to repay our outstanding borrowings will depend primarily upon the cash flow generated by our business over time, as well as capital markets as source of capital. If we fail to meet our debt service obligations or financial covenants required under the financing documents, the relevant lenders could declare us in default under the terms of our borrowings, accelerate the maturity of our obligations or take over the financed power project. We cannot assure you that, in the event of any such acceleration, we will have sufficient resources to repay these borrowings. Failure to meet our obligations under the debt financing arrangements could have an adverse effect on our cash flows, business and results of operations.

The duration of our off-take arrangements may not match the duration of the related financing arrangements and we may be exposed to refinancing risk. In the event of an increase in interest rates, our debt service cost may increase at the time of refinancing our loan facilities and other financing arrangements, but our revenues under the relevant PPA may not correspondingly increase. This mismatch between the duration of our financing arrangements and the relevant PPAs may have an adverse effect on our business, financial condition and results of operations.

8. ***There are outstanding litigations against us, our subsidiaries, our Directors, our Promoters and our Promoter Group companies, which if determined adversely, could affect our operations.***

We are defendants in legal proceedings incidental to our business and operations. These legal proceedings are pending at different levels of adjudication before various courts and tribunals. The amounts claimed in these proceedings have been disclosed to the extent ascertainable, excluding contingent liabilities and include amounts claimed jointly and severally from us and other parties. Should any new developments arise, such as a change in Indian law or rulings against us by appellate courts or tribunals, we may need to make provisions in our financial statements that could increase expenses and current liabilities.

Litigation against the Company

Sr. No.	Nature of the litigation	No. of outstanding litigations	Aggregate approximate amount involved (in Rs. million)
1.	Civil	23	-

Litigation against the Directors

Sr. No.	Name of the Director	Nature of the litigation	No. of outstanding litigations	Aggregate approximate amount involved (in Rs. million)
1.	Gautam S. Adani	Civil	1	-
		Customs *	2	1.2
2.	Rajesh S. Adani	Customs*	3	14.54
		FEMA/FERA	2	20.08

**Including show-cause notices.*

Litigation against the Promoters

Sr. No.	Name of the Promoter	Nature of the litigation	No. of outstanding litigations	Aggregate approximate amount involved (in Rs. million)
1.	Adani Enterprises Limited	Civil	1	-
		Customs*	16	41.18
		FEMA/FERA	4	82.6
				USD 228.71 million

**Including show-cause notices.*

Litigation against the Promoter Group

Sr. No.	Name of the Promoter Group entity	Nature of the litigation	No. of outstanding litigations	Aggregate approximate amount involved (in Rs. million)
1.	Adani Agri Fresh Limited	Sales Tax and VAT	1	81.19
2.	Adani Energy Limited	Arbitration	1	4,000
		Cenvat*	4	123.97
		Civil	4	-
3.	Adani Wilmar Limited	Customs/ Sales Tax/ Service Tax/ Cenvat*	12	201.43
4.	Karnavati Aviation Private Limited	Customs*	1	146.72
5.	Mundra Port and Special Economic Zone Limited	Customs/ Cenvat*	65	657.84
		Civil	29	77.22
		Arbitration	2	93.4 and USD 2.36 million
6.	Inland Conware Private Limited	Civil	1	-

**Including show-cause notices.*

Also, our Promoters and Promoter Group have from time to time initiated legal proceedings relating to their business and operations. For further details of outstanding litigation against us, our Directors, our Promoters and our Promoter Group, see "Outstanding Litigation and Material Developments" on page 343 of this Red Herring Prospectus.

9. We have experienced negative cash flows in prior periods. Any negative cash flows in the future would adversely affect our results of operations and financial condition.

For the fiscal years ended March 31, 2008 and March 31, 2009, we had a negative cash flow from investing activities of Rs. 19,378.00 million and Rs. 45,227.55 million, respectively. Moreover, since we have not commenced operations, we have no cash flows from operating activities for the fiscal years ended March 31, 2008 and March 31, 2009. Any negative cash flows in the future could adversely affect our results of operations and financial condition.

10. We have entered into certain related party transactions and continue to rely on our Promoter and Promoter Group companies for certain key development and support activities and guarantees.

We have entered and may continue to enter into a number of related party transactions with our Promoters, Promoter Group entities, associates and enterprises controlled by key management personnel. Further, our power projects will depend upon the services of our Promoters and our Promoter Group with respect to coal supply, development and support, including the identification, negotiation and conclusion of the various facilities, agreements, access and support infrastructure for our power projects. Particularly, we have entered into coal supply agreements with AEL for our Mundra Power Projects. In case AEL is unable to fulfil its obligations under the terms of the coal supply agreements, our ability to renegotiate the terms of such agreements or seek remedy may be limited as AEL will continue to be our largest shareholder after the Issue. In the fiscal years ended March

31, 2008 and March 31, 2009, we entered into related party transactions for an aggregate amount of Rs. 9,769.65 million and Rs. 2,289.51 million, respectively. For details, see "Management's Discussion and Analysis of Financial Condition and Results of Operations" and "Related Party Transactions" on pages 311 and 229 of this Red Herring Prospectus, respectively.

While we believe that all our related party transactions have been conducted on an arm's length basis, we cannot assure you that we could not have achieved more favourable terms had such transactions been entered into with unrelated parties. There can be no assurance that such transactions, individually or in the aggregate, will not have an adverse effect on our business, prospects, results of operations and financial condition, including because of potential conflicts of interest or otherwise.

11. ***Our inability to effectively manage our growth or to successfully implement our business plan and growth strategy could have an adverse effect on our operations, results and financial condition.***

We expect that our growth strategy will place significant demands on our management, financial and other resources. In particular, continued expansion increases the challenges involved in financial and technical management, recruitment, training and retaining sufficient skilled technical and management personnel, and developing and improving our internal administrative infrastructure. We intend to continue expansion in the foreseeable future to pursue existing and potential market opportunities. Our inability to manage our business plan effectively and execute our growth strategy could have an adverse effect on our operations, results, financial condition and cash flows.

In order to manage growth effectively, we must implement and improve operational systems, procedures and internal controls on a timely basis. If we fail to implement these systems, procedures and controls on a timely basis, or if there are weaknesses in our internal controls that would result in inconsistent internal standard operating procedures, we may not be able to meet our customers' needs, hire and retain new employees, pursue new business, complete future strategic agreements or operate our business effectively. There can be no assurance that our existing or future management, operational and financial systems, procedures and controls will be adequate to support future operations or establish or develop business relationships beneficial to future operations.

12. ***Our plans require significant capital expenditures and if we are unable to obtain the necessary funds on acceptable terms, we may not be able to fund our power projects and our business may be adversely affected.***

The development of power projects is capital intensive and our power projects require significant capital expenditure. Even though we have definitive financing agreements with respect to many of our projects, our lenders could unilaterally terminate or decline to lend to us under such agreements. Further, lenders have committed to lend us certain amount under sanction or underwriting letters for some of our power projects, however these commitments are subject to a number of conditions precedent, such as completion of documentation satisfactory to parties thereto, among others. We may not be able to fulfill all or any of the conditions or agree on commercial terms or non-commercial terms with these banks and financial institutions, in which case they would have no obligation to provide any loans to us.

If the funding requirements of a particular power project increase, we will need to look for additional sources of finance, which may not be readily available, or may not be available on commercially reasonable terms, which may have an adverse effect on the profitability of that power project. We have faced and may face cost overrun during the construction of our power projects. This may require us to revise our project cost estimates. Any significant change in the contemplated financial requirements and development costs may have an adverse effect on our cash flows, financial condition and results of operations.

Further, any debt we raise is required to be continuously rated by credit rating agencies. Any fall in ratings for existing debt may impact our ability to raise additional financing. Further, due to the number of large-scale infrastructure projects currently under development in India and increased lending by banks and institutions to these projects, we may not be able to receive adequate debt funding on commercially reasonable terms in India and may be required to seek funding internationally, which may result in exposure to higher interest rate and foreign exchange risks.

Our ability to finance our capital expenditure plans is also subject to a number of risks, contingencies and other factors, some of which are beyond our control, including tariff regulations, borrowing or lending restrictions, if any, imposed by applicable government regulations, the amount of dividends that can be paid to our shareholders and general economic and capital market conditions. We cannot assure you that we will be able to raise sufficient funds to meet our capital expenditure requirements and on terms acceptable to us. In addition, we currently intend to finance approximately 20.0% of the costs of our power projects from equity contributions and approximately 80.0% of the costs of our power projects from third party debt. While we believe that this division reflects the current market for financing power projects in India, this standard may change or financial institutions or investors may require additional contributions from us. If this occurs, it will reduce our leverage for the project being financed and may negatively impact our expected returns. If we are unable to raise the capital needed to fund the costs of our power projects, or experience any delays in raising such funds, there could be an adverse effect on our ability to complete these power projects and on our revenues and profitability.

13. ***In future, we will rely on our Subsidiaries to generate earnings, and any decline in the earnings of our Subsidiaries or their ability to pay dividends to us could materially and adversely affect our results of operations.***

Once we commence full operations, a substantial portion of our assets will be held by, and a substantial part of our earnings and cash flows will be attributable to, our Subsidiaries. We cannot assure you that our Subsidiaries will generate sufficient earnings and cash flows to pay dividends or otherwise distribute sufficient funds to enable us to meet our obligations, pay interest and expenses or declare dividends. If we are unable to receive dividend payments from our Subsidiaries, our earnings and cash flow would be materially and adversely affected.

14. ***Increases in interest rates may affect our results of operations.***

The majority of our borrowings are subject to floating interest rates, which exposes us to interest rate risk. Further, we do not currently enter into any swap or interest rate hedging transactions in connection with our loan agreements or other material agreements. We cannot assure you that we will be able to enter into interest hedging contracts or other financial arrangements on commercially reasonable terms, or any of such agreements will protect us fully against our interest rate risk. Any increase in interest expense may have an adverse effect on our business prospects, financial condition and results of operations.

15. ***Our operations will have significant fuel requirements, and we may not be able to ensure the availability of fuel at competitive prices, which could have an adverse effect on our results of operations.***

The success of our operations will depend on, among other things, our ability to source fuel at competitive prices. We have entered into long-term coal supply agreements with AEL for supply of coal for the Mundra Power Projects. Our Tiroda Power Project will source a significant portion of its coal requirements from captive mines. We received a letter from Mahanadi Coalfields on June 25, 2009, wherein Mahanadi Coalfields provisionally agreed to supply approximately 6.4 MTPA of Grade 'F' coal for our Mundra Phase IV Power Project. Additionally, APML received letters from South Eastern Coalfields and Western Coalfields on June 6, 2009 and June 1, 2009, wherein South Eastern Coalfields and Western Coalfields provisionally agreed to supply approximately 2.5 MTPA of Grade 'F' coal and 2.2 MTPA of Grade 'E' coal for our Tiroda Power Project, respectively. The coal quantity agreed to be supplied by Mahanadi Coalfields, South Eastern Coalfields and Western Coalfields is conditional upon us achieving certain milestones over the next 24 months and then signing of definitive coal supply agreements. For details of the fuel arrangements for our power projects see the section "Our Business" on page 64 of this Red Herring Prospectus.

The coal supply agreements with AEL do not restrict AEL from selling coal to our competitors or other consumers. The coal supply agreements with AEL may be on terms favourable to us, and any amendment or termination of such agreements could adversely affect our results of operations and business. In case AEL is unable to fulfil its obligations under the terms of the coal supply agreements, our ability to renegotiate the terms of such agreements or seek remedy may be limited as AEL will continue to be our largest shareholder after the Issue.

Further, our coal suppliers may default on their obligations to us under the coal supply agreements, which may adversely affect our business and results of operations. There can be no assurance that we will be able to obtain coal supplies either in sufficient quantities, acceptable qualities and on commercially acceptable terms, or at all. We may also have to purchase coal at a significantly higher spot price from the market for carrying out our operations, which could have an adverse effect on our business, financial condition and results of operations.

16. ***Estimates of coal reserves are subject to assumptions, and if the actual amounts of such reserves are less than estimated, our results of operations and financial condition may be adversely affected.***

We have entered into 15-year coal supply agreements with AEL for our Mundra Power Projects. We have been awarded two coal blocks with combined estimated reserves of approximately 170 million tons for our Tiroda Power Project. Estimates of coal reserves from where we intend to source coal from are subject to various assumptions such as interpretations of geological data obtained from sampling techniques and projected rates of production in the future. Actual reserves and production levels may differ significantly from estimates. If the quantity or quality of our coal reserves has been overestimated, we would deplete our coal reserves more quickly than anticipated and may have to source the required coal in the open market. Also, our PPAs typically last for 25 years and we have only secured coal supplies for a period of 15 years with AEL. Therefore, we will have to renegotiate the coal supply agreements with AEL or find alternative coal suppliers and there is no assurance that we will be able secure coal supplies either in sufficient quantities or on commercially acceptable terms, or at all. Prices for coal in the open market may exceed the cost at which we might otherwise be able to extract coal, which would increase our operating costs and adversely affect our business, financial condition and results of operations.

17. ***The supply of coal for our Tiroda Power Project and Mundra Phase IV Power Project is subject to certain conditions. In case we are unable to fulfil such conditions, our results of operations may be adversely affected.***

The Government of India has allocated two coal blocks with combined estimated reserves of approximately 170 million tons for generating up to 1,000 MW of power at our Tiroda Power Project. We received a letter from Mahanadi Coalfields on June 25, 2009, wherein Mahanadi Coalfields provisionally agreed to supply approximately 6.4 MTPA of Grade 'F' coal for our Mundra Phase IV Power Project. Additionally, APML received letters from South Eastern Coalfields and Western Coalfields on June 6, 2009 and June 1, 2009, wherein South Eastern Coalfields and Western Coalfields provisionally agreed to supply approximately 2.5 MTPA of Grade 'F' coal and 2.2 MTPA of Grade 'E' coal for our Tiroda Power Project, respectively. The coal quantity agreed to be supplied by Mahanadi Coalfields, South Eastern Coalfields and Western Coalfields is conditional upon us achieving certain milestones over the next 24 months and then signing of coal supply agreements. We cannot assure you that pursuant to these letters, we will be able to sign coal supply agreements on timely and acceptable terms, if at all. In the event, we do not enter into coal supply agreements or the quality of coal allocated to us is not of expected calorific value, we may be required to make alternative arrangements for coal supply for these power projects.

Under the letter of allocation from the Government of India for the coal mines for our Tiroda power project, we are required to adhere to certain schedules for the development of the mines. We are also required to guarantee certain amount of production of coal during the tenure of the allocation. In the event of a delay in the development of mines or a deficiency in the production of coal, the Government of India is entitled to deduct a specified amount from the bank guarantee. In the event of unsatisfactory progress in the development of the coal mines, the coal allocation may also be cancelled, each of which may affect our business and operation.

18. ***The recently enacted Indonesian law on mineral and coal mining and the regulations expected to be promulgated thereunder could adversely affect AEL's coal mining rights in Indonesia.***

To meet our coal requirements for Mundra, AEL proposes to procure coal from the mines in Bunyu island, Indonesia. On December 16, 2008, the Indonesian Parliament adopted a law on mineral and coal mining ("New Mining Law"). The New Mining Law provides that existing contracts will continue to be valid until their expiry, but that the terms of the existing contracts must be modified within one year to make them comply with the New Mining Law. However, the New Mining Law is unclear as to which of its provisions will require amendments to the terms of existing contracts to bring those contracts into compliance with the New Mining Law. The existing holders of contracts may be given five years to comply with such obligation. However, the New Mining Law does not provide any details on when these government regulations will be issued or what specific obligations will be imposed.

The legal uncertainty raised by the adoption and implementation of the New Mining Law has increased the risks, and may increase the costs, involved in our sourcing Indonesian coal. Further, implementing regulations expected to be issued by the Indonesian government in the future may impose significant changes to the regulation of the Indonesian mining industry which may be adverse to our interests. The compliance by AEL with the New Mining Law and its implementing regulations may increase our operating costs in the future which could adversely affect our business, financial condition, results of operations and prospects.

19. ***We may not develop our planned projects at Dahej and Kawai*.**

We are currently planning to develop two coal-based power projects at Dahej and Kawai. The Dahej Power Project is expected to have an aggregate capacity of 1,980 MW and is proposed to be developed by our wholly-owned subsidiary, APDL. The Kawai Power Project is expected to have an aggregate capacity of 1,320 MW and is proposed to be developed by our wholly-owned subsidiary, APRL. Although, we currently intend to develop these projects, we may or may not develop these projects as planned or at all. In addition, there can be no assurance that if pursued, these projects will be implemented in a timely and cost-effective manner and will improve our results of operations.

20. ***We have no experience in mining operations, which are subject to various risks. If our mining operations are disrupted, our results of operations and financial condition could be adversely affected.***

We have no experience in operating mining blocks. We have been allotted two coal blocks to source fuel for our Tiroda Power Project and we are responsible for mining the coal. Coal mining operations require substantial expertise. Further, mining operations are subject to hazards and risks normally associated with the exploration, development and production of natural resources, any of which could disrupt our operations or cause damage to persons or property. The occurrence of industrial accidents, such as explosions, fires, transportation interruptions and inclement weather as well as any other events with negative environmental consequences, could adversely affect our operations by disrupting our ability to extract minerals from the mines we operate or exposing us to significant liability.

21. ***If we are unsuccessful in carrying out operating and maintaining activities for our power projects, our financial position, business prospects and results of operations could be adversely affected.***

We currently intend to carry out in-house operations and maintenance ("O&M") for our power projects, in which we do not have any prior experience. We intend to build a team of experienced and qualified engineers and technicians to operate and maintain our power projects. If we are not successful in operating and maintaining our power projects on cost effective terms or at all, our financial position, business prospects and results of operations could be adversely affected.

22. ***Our success depends on stable and reliable transportation infrastructure. Disruption of transportation services could affect our operations.***

We depend on various forms of transport, such as roadways, railways and pipelines to receive fuel, raw materials and water during construction of our power projects and during their operation. The building of transportation infrastructure entails obtaining approvals, rights of way and development by the Government of India or the state governments and their nominated agencies, or us. As a result, we will not have total control over the construction, operation and maintenance of the transportation infrastructure. There can be no assurance that such transportation infrastructure will be constructed in a timely manner, operated on a cost effective basis and maintained at adequate levels, which may affect the estimated commissioning dates for our power projects. Undertaking such development will require significant capital expenditure and active engagement with the government and its agencies responsible for organizing transport infrastructure. Further, disruptions of transportation services because of weather-related problems, strikes, inadequacies in the road or rail infrastructure, or other events could impair the ability of our suppliers to deliver fuel and raw materials and may have an adverse impact on our operations.

23. ***Our success depends on the reliable and stable supply of water to our power projects. In the event of water shortages, our power projects may be required to reduce their water consumption, which would reduce their power generation capability.***

Our power projects will require a substantial amount of water, which is critical to the operations of our power projects. We have procured licenses to desalinate and use sea water for certain of our power projects. We intend to use river water for our Tiroda Power Project. The Tiroda Power Project has received a Letter of Intent from the Vidarbha Irrigation Development Corporation to draw water from river Wainganga. The Mundra Power Project, will utilize sea water to meet their consumptive and cooling water requirements. In the event of water shortages, our power projects may be required to reduce their water consumption, which would reduce their power generation capability. Further, if we do not receive the necessary approvals and licenses to draw sea water from the respective government authorities, we will have to find alternative sources for water supply.

24. Significant increases in prices or shortages of building materials could increase our cost of construction, which will have an adverse effect on our business, financial condition and results of operations.

While we have entered into fixed price construction contracts for the our Mundra Power Project and Tiroda Power Project, the cost of these contracts are ultimately affected by the availability, cost and quality of raw materials. The principal raw materials used in construction of power projects include cement and steel besides boilers, turbines and generators. The prices and supply of these and other raw materials depend on factors not within our control, including general economic conditions, competition, production levels, transportation costs and import duties. Price increases or shortages in these raw materials could adversely affect our ability to develop our power projects in line with our projected budget and we may not be able to complete our power projects as scheduled, which would have an adverse effect on our business, financial condition and results of operations.

25. If power evacuation facilities are not made available by the time our power projects are ready to commence operations, we may incur significant transmission costs and our operations could be adversely affected.

Evacuation or "wheeling" power from our power plants to our consumers poses significant challenges due to transmission constraints. Evacuating power to a purchaser is either our responsibility or the responsibility of the purchaser, depending upon the identity of the purchaser, the location of the power project and other factors. For evacuating power, we are constructing long distance transmission lines at our cost. If construction of such transmission lines is not complete by the time our power projects are ready to commence operation or we incur significant transmission costs, our financial position and results of operations could be adversely affected.

26. Failure to enter into off-take arrangements in a timely manner and on terms that are commercially acceptable to us could adversely affect our business, financial condition and results of operations.

We are developing power projects with combined installed capacity of 6,600 MW. Of this, we have entered into PPAs for 4,744 MW with various state electricity boards and an agreement for merchant sale of up to 221 MW of power from Mundra Phase III Power Project with AEL. We will need to enter into other off-take agreements for the balance of the power to be generated by our other power projects. As power plants are currently not permitted to sell electricity directly to retail power consumers, the consumer base for our power projects without PPAs is limited to state utility companies, electricity boards, industrial consumers and licensed power traders. We cannot assure you that we will be able to enter into off-take arrangements on terms that are favourable to us, or at all. Failure to enter into off-take arrangements in a timely manner and on terms that are commercially acceptable to us could adversely affect our business, financial condition and results of operations.

27. Our PPAs may expose us to certain risks that may affect our future results of operations.

Our profitability is largely a function of our ability to manage our costs during the terms of our PPAs and operate our power projects at optimal levels. If we are unable to manage our costs effectively or operate our power projects at optimal levels, our business prospects, financial condition and results of operations may be adversely affected. In the event, we default in fulfilling our obligations under the PPAs, we may be liable to penalties and in certain specified cases, customers may also terminate such PPAs. The termination of any PPA by our customers would adversely affect our goodwill, business and results of operations.

In the power project business, there are often restrictions on a company's ability to, among other things, increase prices at short notice, sell interests to third parties and undertake expansion initiatives with other consumers. Accordingly, if there is an industry wide increase in tariffs, we will not be able to renegotiate the terms of the PPAs to take advantage of the increased tariffs. In addition, in the event of increase in operational costs, we do not have the ability to reflect a corresponding increase in our tariffs. Therefore, the prices at which we supply power may have little or no relationship with the costs incurred in generating power, which means that our margins will fluctuate significantly. We also expect to enter into short-term PPAs, which may create additional variability in our revenues and could expose our business to risks of market fluctuations in demand and price for power.

To the extent tariffs are determined by regulators, the price at which we sell power may have little or no relationship to our cost of supplying power. Unless a regulator agrees, we may be limited in our ability to pass on the increased production costs to a customer. In PPAs with government entities, we may also face difficulties in enforcing the payment provisions, as compared to PPAs, that we may have with the private entities. Faced with disputes and counterclaims between transmission companies, electricity boards and generation companies caused by a variety of factors, certain entities have in the past refused to perform their obligations under such payment provisions until such disputes or counterclaims have been fully resolved, which can take a substantial period of time. Any failure by any government entity to fulfil its obligations to us could have an adverse effect on our cash flows, income, business prospects and results of operations.

28. ***We depend on various contractors or specialist agencies to construct and develop our power projects, some of whom supply sophisticated and complex machinery to us and we are exposed to risks relating to the timing or quality of their services, equipments and supplies.***

We depend on the availability of skilled third party contractors for the development and construction of our power projects and supply of certain key equipments, including BTG. We do not have direct control over the timing or quality of services, equipment or supplies provided by these contractors. In addition, as a result of increased industrial development in India in recent years, the demand for contractors with specialist design, engineering and project management skills and services has increased manifold, resulting in a shortage of and increasing costs of such contractors. We cannot assure you that such skilled and experienced contractors will continue to be available at reasonable rates in the areas in which we conduct our operations, and we may be exposed to risks relating to the quality of their services, equipment and supplies.

In addition, we require the continued support of certain original equipment manufacturers to supply necessary services and parts to maintain our power projects at affordable cost. If we are not able to procure the required services or parts from these manufacturers (for example, as a result of the bankruptcy of the manufacturer), or if the cost of these services or parts exceed the budgeted cost, there may be an adverse effect on our business, financial condition and results of operations.

Contractors and suppliers in our business are generally subject to liquidated damage payments for failure to achieve timely completion or performance shortfalls. We may not be able to recover from a contractor or supplier the full amount of losses that may be suffered by us due to such failure to achieve timely completion or performance shortfalls.

29. ***If the development or operation at one or more of our units is disrupted, it could have an adverse effect on our financial condition and results of operations.***

The development or operation of our power projects may be disrupted for reasons that are beyond our control, including explosions, fires, natural disasters, breakdown, failure or substandard performance of equipment, improper installation or operation of equipment, accidents, operational problems, transmission or transportation interruptions, environmental disasters, and labour disputes.

Power generation facilities are also subject to mechanical failure and equipment shutdowns. In such situations, undamaged units may be dependent on or interact with damaged sections or units and, accordingly, may also be rendered inoperative. Although in certain cases manufacturers are required to compensate us for certain equipment failures and defects, such arrangements may not fully compensate us for the damage that we suffer as a result of equipment failures and defects or the penalties under our agreements with our customers. Further, such arrangements do not generally cover indirect losses such as loss of profits or business interruption. If such operational difficulties occur in the future, the ability of our power projects to supply electricity to our customers may be adversely affected. In the event any power generation facility is significantly damaged or forced to shut down for a significant period of time, this would have an adverse effect on our business, financial condition and results of operation.

In addition, Gujarat is prone to earthquakes and the occurrence of any earthquake, particularly in or near Mundra could have an adverse effect on our business and results of operations. Moreover, any significant social, political or geological disruption in states of India where we have operations, even on a short term basis, could impair our ability to meet our obligations under the PPAs and other agreements on a timely basis, which could have an adverse effect on our business and results of operations.

30. ***Our results of operations could be adversely affected by strikes, work stoppages or increased wage demands by our employees or any other kind of disputes with our employees.***

We expect to employ significant number of employees once we commence operations at our power projects. Historically, we have not experienced any significant strikes at any of our projects. In future, there can be no assurance that we will not experience disruptions to our operations due to disputes or other problems with our work force, which may adversely affect our business and results of operations. Furthermore, efforts by labour unions may divert management's attention and result in increased costs. We may be unable to negotiate acceptable collective bargaining agreements with those who have chosen to be represented by unions, which could lead to union-initiated work stoppages, including strikes, thereby adversely affecting our business and results of operations.

We may enter into contracts with independent contractors to complete specified assignments and these contractors are required to source the labour necessary to complete such assignments. Although we do not engage these labourers directly, it is possible under Indian law that we may be held responsible for wage payments to labourers engaged by contractors should the contractors default on wage payments. Any requirement to fund such payments may adversely affect our business, financial condition and results of operations. Furthermore, pursuant to the provisions of the Contract Labour (Regulation and Abolition) Act, 1970, as amended, we may be required to absorb a portion of such contract labourers as our employees. Any such order from a court or any other regulatory authority may adversely affect our business and results of our operations.

31. ***We require a number of approvals, licenses, registrations and permits for our business, and the failure to obtain or renew them in a timely manner may adversely affect our operations.***

We require a number of approvals, licenses, registrations and permits for our business. While we have obtained a number of required approvals for our power projects, certain approvals that we have applied for are currently pending. Additionally, we may need to apply for more approvals, including renewal of approvals which may expire, from time to time, as and when required in the ordinary course. Please find below the table detailing (i) approvals that are required to be applied for, as identified by us, and (ii) approvals that have already been applied for by us and are currently awaited:

Sr. No.	Approval	Agency	Relevant Project
Approvals to be applied by the Company			
1.	NOC for Chimney Height	AAI	Phase II of Tiroda Power Project
2.	Water Supply / Irrigation Department	Maritime Board/ State Government	Mundra Phase IV Power Project
3.	Carbon Credit	CDM	Mundra Phase IV Power Project Phase II of Tiroda Power Project
4.	NOC - Pollution Control Board	State Government	Mundra Phase IV Power Project Phase II of Tiroda Power Project
Applications made and approvals awaited			
1.	Environmental clearance	MoEF	Mundra Phase IV Power Project Phase II of Tiroda Power Project
2.	Mega power project status	Ministry of Power, Government of India	Tiroda Power Project
3.	Transfer of allocation of coal blocks	Ministry of Coal, Government of India	Tiroda Power Project
4.	Additional Coal Linkages	Ministry of Coal, Government of India	Mundra Power Projects

For more information, see "Government Approvals" on page 375 of this Red Herring Prospectus. If we fail to obtain any applicable approvals, licenses, registrations and permits in a timely manner, we may not be able to develop our power projects on time, or at all, which could affect our business and results of operations.

Furthermore, our government approvals and licenses are subject to numerous conditions, some of which are onerous and require us to incur substantial expenditure. We cannot assure you that the approvals, licenses, registrations and permits issued to us would not be suspended or revoked in the event of non-compliance or alleged non-compliance with any terms or conditions thereof, or pursuant to any regulatory action. Any failure to renew the approvals that have expired or apply for and obtain the required approvals, licenses, registrations or permits, or any suspension or revocation of any of the approvals, licenses, registrations and permits that have been or may be issued to us, may adversely affect our operations.

32. ***Our costs of compliance with environmental laws are expected to be significant, and the failure to comply with existing and new environmental laws could adversely affect our results of operations.***

Our power projects are subject to national and state environmental laws and regulations, which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations. Environmental regulation of industrial activities in India may become more stringent, and the scope and extent of new environmental regulations, including their effect on our operations, cannot be predicted with any certainty. In case of any change in environmental, or pollution regulations, we may be required to incur significant amounts on, among other things, environmental monitoring, pollution control equipment and emissions management.

We expect to generate a considerable amount of ash in some of our power projects. There are limited options for utilizing ash and therefore the demand for ash is currently low. While we continue to explore methods to utilize or dispose of ash, our ash utilization activities may be insufficient to dispose of the ash we expect to generate. We are subject to a Government of India requirement that by 2014, 100.0% of the fly ash produced through our generation activities must be gainfully utilized. Compliance with this requirement, as well as any future norms with respect to ash utilization, may add to our capital expenditures and operating expenses.

We could be subject to substantial civil and criminal liability and other regulatory consequences in the event that an environmental hazard was to be found at the site of any of our power stations, or if the operation of any of our power stations results in contamination of the environment. We may be the subject of public interest litigation in India relating to allegations of environmental pollution by our power projects, as well as in some cases having potential criminal and civil liability filed by state pollution control authorities. If such cases are determined against us, there could be an adverse effect on our business and operations.

33. ***Activities in the power generation business can be dangerous and can cause injury to people or property in certain circumstances. This could subject us to significant disruptions in our business, legal and regulatory actions, which could adversely affect our business, financial condition and results of operations.***

The power generation business requires us to work under potentially dangerous circumstances, with highly flammable and explosive materials. Despite compliance with requisite safety requirements and standards, our operations are subject to hazards associated with handling of such dangerous materials. If improperly handled or subjected to unsuitable conditions, these materials could hurt our employees or other persons, cause damage to our properties and properties of others and harm the environment. Due to the nature of these materials, we may be liable for certain costs related to hazardous materials, including cost for health related claims, or removal or treatment of such substances, including claims and litigation from our current or former employees for injuries arising from occupational exposure to materials or other hazards at our power plants. This could subject us to significant disruption in our business, legal and regulatory actions, which could adversely affect our business, financial condition and results of operations.

34. ***We may not have sufficient insurance coverage to cover all possible economic losses. The occurrence of an event for which we are not adequately or sufficiently insured could have an adverse effect on our business, results of operations, financial condition and cash flows.***

Operations in our power generation business carry inherent risks of personal injury and loss of life, damage to or destruction of property, plant and equipment and damage to the environment, and are subject to risks such as fire, theft, flood, earthquakes and terrorism. We maintain insurance coverage, in amounts which we believe are commercially appropriate, including insurance against damage, loss of profit and business interruption, marine inland transit and third party liability with respect to certain of our power projects. See “Our Business – Insurance” on page 84 of this Red Herring Prospectus. However, such insurance may not be adequate to cover all losses or liabilities that may arise from our operations, including when the loss suffered is not easily quantifiable and in the event of severe damage to our reputation. Even if we have made a claim under an existing insurance policy, we may not be able to successfully assert our claim for any liability or loss under such insurance policy. Additionally, there may be various other risks and losses for which we are not insured either because such risks are uninsurable or not insurable on commercially acceptable terms.

In addition, in the future, we may not be able to maintain insurance of the types or at levels which we deem necessary or adequate or at rates which we consider reasonable. The occurrence of an event for which we are not adequately or sufficiently insured or the successful assertion of one or more large claims against us that exceed available insurance coverage, or changes in our insurance policies (including premium increases or the imposition of large deductible or co-insurance requirements), could have an adverse effect on our business, reputation, results of operations, financial condition and cash flows.

35. ***Our net income would decrease if we are unable to avail certain tax benefits in the future.***

In accordance with and subject to the condition specified in Section 80 IA of the Income Tax Act, 1961, we would be entitled to deduction of 100.0% of profits derived from the generation, distribution or transmission of power for any 10 consecutive assessment years out of 15 years beginning from the year in which the undertaking generated power or commences transmission or distribution of power before March 31, 2010. We may not be eligible to receive the tax benefits for power projects that are commissioned after the designated date.

We received approval for developing our Mundra Power Project as a sector-specific SEZ. MPSEZL is developing two multi product SEZs, which have been combined with our sector-specific SEZ, pursuant to an application filed by MPSEZL and us. We have applied to the Government of India to act as a co-developer for the Combined SEZ at Mundra with MPSEZL as the developer. The Ministry of Commerce has approved our proposal and the Combined SEZ has been notified pursuant to a gazette notification. For details of the tax benefits available to us, see the section "Statement of Tax Benefits" on page 44 of this Red Herring Prospectus. The Government of India may discontinue the tax benefits availed by us which may affect our business, results of operations and financial condition.

We have applied to the Ministry of Power for grant of mega power project status for our Tiroda power project. While estimating the costs of Tiroda power project, we have assumed that we will be entitled to the income tax, customs duty and excise duty exemptions. If our Tiroda power project does not qualify for these exemptions, the costs of Tiroda Power Project will be higher than the estimates and we would have to seek additional funds to complete construction of the power project and completion of the power project may be delayed.

36. ***Changes in technology may affect our business by making our equipment or power projects less competitive or obsolete.***

Our future success will depend in part on our ability to respond to technological advances and emerging power generation industry standards and practices on a cost-effective and timely basis. Changes in technology and high fuel costs of thermal power projects may make newer generation power projects or equipment more competitive than ours or may require us to make additional capital expenditures to upgrade our facilities. In addition, there are other technologies that can produce electricity, most notably fuel cells, micro turbines, windmills and photovoltaic (solar) cells. If we are unable, to adapt in a timely manner to changing market conditions, customer requirements or technological changes, our business, financial performance and the trading price of our Equity Shares could be adversely affected.

37. ***Our success will depend on our ability to attract and retain our key personnel. If we are unable to do so, it would adversely affect our business and results of operations.***

Our future success substantially depends on the continued service and performance of the members of our senior management team and other key personnel in our business for project implementation, management and running of our daily operations, and the planning and execution of our business strategy.

There is intense competition for experienced senior management and other key personnel with technical and industry expertise in the power business and if we lose the services of any of these or other key individuals and are unable to find suitable replacements in a timely manner, our ability to realize our strategic objectives could be impaired. We do not own key man insurance and the loss of key members of our senior management or other key team members, particularly to competitors, could have an adverse effect on our business and results of operations. Our performance also depends on our ability to attract and train highly skilled personnel. If we are unable to do so, it would adversely affect our business and results of operations.

We are also subject to laws and regulations governing relationships with employees, in such areas as minimum wage and maximum working hours, overtime, working conditions, hiring and terminating of employees and work permits. Shortage of skilled personnel or work stoppages caused by disagreements with employees could have an adverse effect on our business, and results of operations.

38. ***Our Promoters may have a conflict of interest as some of our Promoter Group companies operate in related areas of business. In case of any conflict, our Promoters may favour the interest of our Promoter Group companies over us.***

Some of our Promoter Group companies are in related businesses and we have had, and will continue to have, business transactions with such companies. There are no non-competition agreements in place between other Promoter Group companies and us. Other Promoter Group companies may develop power generation projects in the future that may compete with us. There may be conflicts of interest between the Promoter Group companies and us in bidding for new projects, supply of fuel and in selling power from projects that are operated by us and by other members of the Adani Group. In case of any conflict, our Promoters may favour the interest of our Promoter Group companies over us. Our individual Promoters also hold key managerial roles in most of these Promoter Group companies which may require their time and efforts. Therefore our individual Promoters may not be able to devote their full time and attention on their managerial duties in relation to us. For further information on Promoter Group companies, please refer to "Our Promoters" and "Our Promoter Group" on pages 153 and 158, respectively, of this Red Herring Prospectus.

39. ***Our Promoters will continue to retain majority shareholding in us after the Issue, which will allow them to exercise significant influence over us. We cannot assure you that our Promoters will always act in the Company's or your best interest.***

The substantial majority of the issued and outstanding Equity Shares are currently beneficially owned by our Promoters, including AEL. Upon completion of the Issue, our Promoters and Promoter Group will own 1,602,318,997 Equity Shares, or 73.50% of our post-Issue Equity Share capital. Accordingly, our Promoters will continue to exercise significant influence over our business policies and affairs and all matters requiring shareholders' approval, including the composition of our Board of Directors, the adoption of amendments to our certificate of incorporation, the approval of mergers, strategic acquisitions or joint ventures or the sales of substantially all of our assets, and the policies for dividends, lending, investments and capital expenditures. This concentration of ownership also may delay, defer or even prevent a change in control of our company and may make some transactions more difficult or impossible without the support of these stockholders. The interests of the Promoter Group as the Company's controlling shareholder could conflict with the Company's interests or the interests of its other shareholders. We cannot assure you that the Promoter Group will act to resolve any conflicts of interest in the Company's or your favour.

40. ***We have issued Equity Shares during the last one year at a price that may be below the Issue Price.***

In the last one year, we have issued Equity Shares at a price that may be lower than the Issue Price:

Date of allotment	Number of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Consideration	Name of allottee
March 31, 2009	70,520,033	10	70	Cash	Ventura Power
April 3, 2009	358,964	10	70	Cash	Ventura Power
June 25, 2009	9,142,139	10	81.42	Cash	3i Power Investments A1 Limited*
June 25, 2009	26,905,830	10	111.50	Cash	Capital Trade & Investment Private Limited*

**Allotment pursuant to pre-IPO placement*

41. ***Our management will have significant flexibility in temporarily investing the Net Proceeds of the Issue.***

We intend to use the Net Proceeds of the Issue for the capital expenditures described in the section titled "Objects of the Issue" on page 32 of this Red Herring Prospectus. Pending utilization of the Net Proceeds of the Issue, we intend to temporarily invest such Net Proceeds of the Issue as stated under "Objects of the Issue" – Interim Use of Proceeds", for which we, in accordance with the polices established by the Board and other conditions of the Monitoring Agency, will have significant flexibility. Our management may also determine that it is appropriate to revise our estimated project costs, fund requirements and deployment schedule owing to factors such as geological assessments, exchange or interest rate fluctuations, changes in design or configuration of the power project, any rehabilitation and other preoperative expenses and other external factors which may not be within the control of our management but may affect the use of Net Proceeds.

42. Future sales of Equity Shares by our Promoters and other significant shareholders may adversely affect the market price of our Equity Shares.

After the completion of the Issue, our Promoters and Promoter Group will own, directly and indirectly, approximately 73.50% of our outstanding Equity Shares. Sales of a large number of our Equity Shares by our Promoters or other shareholders and subject to certain restrictions, could adversely affect the market price of our Equity Shares. In addition, after completion of the Issue 3i Power Investments A1 Limited ("3i") and Capital Trade & Investment Private Limited will own 7.37% and 1.23%, respectively of our outstanding Equity Shares and subject to certain restrictions, will be free to sell these Equity Shares after one year from the date of the Issue. Similarly, the perception that any such primary or secondary sale may occur could adversely affect the market price of our Equity Shares.

43. Some of our Promoter Group Companies have incurred losses and/or have had negative net worth in the last 3 years.

Some of our Subsidiaries have had negative net worth during the last three years (as per their stand-alone financial statements), as set forth below:

(In Rs. Million)

Sr. No.	Name of the Subsidiary	Networth		
		Fiscal 2009	Fiscal 2008	Fiscal 2007
1.	Adani Power Maharashtra Limited	-	(20.40)	N.A.
2.	Adani Power Dahej Limited	(2.65)	(3.01)	-
3.	Adani Power Rajasthan Limited	-	-	N.A.
4.	Mundra Power SEZ Limited	-	N.A.	N.A.
5.	Adani Power (Overseas) Limited	-	N.A.	N.A.

Some of our Promoter Group companies have incurred losses or have had negative net worth during the last three years (as per their stand alone financial statements financial statements), as set forth in table below:

(a) Loss-making Promoter Group companies:

(In Rs. million, unless otherwise stated)

Sr. No.	Name of the Promoter Group Companies	Profit/ (Loss) After Tax		
		Fiscal 2008	Fiscal 2007	Fiscal 2006
1.	Aaloka Real Estate Private Limited	(1.44)	(0.07)	(0.11)
2.	Adani Agri Fresh Limited	(175.60)	0.00	0.00
3.	Adani Agro Private Limited	164.55	210.97	(107.13)
4.	Adani Developers Private Limited	(0.76)	(1.35)	(0.28)
5.	Adani Infrastructure Services Private Limited	(103.28)	286.12	0.53
6.	Adani Land Developers Private Limited	(0.67)	(0.03)	-
7.	Adani Logistics Limited*	(26.84)	0.39	0.00
8.	Adani Properties Private Limited	0.68	(2.46)	(3.35)
9.	Adani Retails Private Limited	(36.30)	(192.10)	(1.03)
10.	Adani Virginia, Inc.	24.20	49.80	(2.90)
11.	B2B India Private Limited	0.01	(0.01)	0.00
12.	Columbia Chrome (India) Private Limited	0.02	(0.05)	0.66
13.	Miraj Impex Private Limited	0.00	0.00	(0.01)
14.	Panchdhara Agro Farms private Limited	0.08	0.04	(0.03)
15.	Pride Trade and Investment Private Limited	(0.01)	-	-

Sr. No.	Name of the Promoter Group Companies	Profit/ (Loss) After Tax		
		Fiscal 2008	Fiscal 2007	Fiscal 2006
16.	PT Adani Global Indonesia	6.40	(0.90)	-
17.	Radiant Trade and Investment Private Limited	(0.01)**	-	-
18.	Shantigram Estate Management Private Limited	(0.09)	1.20	0.03
19.	Shantikrupa Estates Private Limited	0.23	6.86	(1.40)
20.	Swayam Realtors and Traders Private Limited	(0.40)	0.00	0.07
21.	Trident Trade and Investment Private Limited	(0.01)	-	-
22.	Ventura Trade and Investment Private Limited	(0.01)	-	-

** Adani Logistics Limited has been amalgamated with Inland Conware Private Limited. For further details, please see “Our Promoter Group” on page 158 of this Red Herring Prospectus.*

*** In USD million.*

(b) *Promoter Group companies with negative net worth*

For details of the Promoter Group companies with negative net worth during last three fiscal years, please see Promoter Group companies with negative Net Asset Value (per share) in the section “Our Promoter Group” on page 158 of this Red Herring Prospectus.

44. *Contingent liabilities which have not been provided for could adversely affect our financial conditions.*

The following table provides our contingent liabilities as of the dates indicated:

(In Rs. Million)

Particulars	As of March 31, 2009	As of March 31, 2008
Estimated amount of contracts remaining to be executed in connection with the Mundra power projects and not provided for	211,512.22	162,228.52
Guarantees issued by banks	4,138.00	3,140.00
Letter of credit facilities	6,179.52	4,944.20
Bonds provided to the Government of India in connection with the SEZ developer status	22,867.18	22,250.00
Total	**244,696.93**	**192,562.72**

If any or all of these contingent liabilities materialize, it could have an adverse effect on our business, financial condition and results of operation.

45. *Our financial results may be subject to seasonal variations and inclement weather could adversely affect our business and results of operations.*

Our revenues and results may be affected by seasonal factors. For example, inclement weather, including during monsoon season, may delay or disrupt development of our power projects undergoing construction at such times. Further, some of our power consumers may be engaged in businesses which are seasonal in nature and a downturn in demand for power by such consumers could reduce our revenue during such periods.

46. *We do not own the trademark and logo appearing on the cover page of this Red Herring Prospectus. If we are unable to use the trademark and logo, our results of operations may be adversely affected.*

The Adani trademark (“Adani Trademark”) and the Adani logo (the “Adani Logo”) appearing on the cover page of this Red Herring Prospectus are not owned by us. The Adani Foundation has filed an application for the registration of the Adani Trademark and presently we do not pay any royalty to Adani Foundation for using Adani Trademark and Adani Logo. We believe that the Adani Trademark and the Adani Logo are important for our business. We cannot assure you that we will be able to obtain license to use the Adani Trademark and the Adani Logo, when registered, from the Adani Foundation on commercially acceptable terms, or at all. Infringement of the Adani Trademark and the Adani Logo, for which we may not have any immediate recourse, may adversely affect our ability to conduct our business, as well as affect our reputation, and consequently, our results of operations.

47. ***Our Promoter Group does not include certain immediate relatives of the spouses of our individual Promoters.***

We have identified our promoter group in accordance with Explanation II to clause 6.8.3.2 of the SEBI Guidelines and disclosed the same in the section titled "Our Promoter Group" on page 158 of this Red Herring Prospectus, except certain immediate relatives of spouses of the Company's individual Promoters i.e. certain immediate relatives of Ms. Priti G. Adani and Ms. Shilin R. Adani as Promoter Group entities. Further, we have also not included any details of any of the entities in which such immediate relatives of Ms. Priti G. Adani and Ms. Shilin R. Adani may be interested as a promoter or a partner. The information pertaining to such persons is not available with us as such persons neither have any direct or indirect interest in us nor exercise any control over us. Similarly, we do not have any direct or indirect interest in any such entity nor exercise control over such entity.

Risk Related to India

48. ***We face significant competition as a result of deregulation in the Indian power sector. We cannot assure you that we will be able to compete effectively, and our failure to do so could result in an adverse effect on our business prospects, financial condition and results of operations.***

We operate in an increasingly competitive environment. This is particularly the case because of the deregulation of the Indian power sector and increased private sector investment. The Electricity Act of 2003 removed certain licensing requirements for thermal power generation companies, provides for open access to transmission and distribution networks and also facilitated additional capacity generation through captive power projects. These reforms provide opportunities for increased private sector participation in power generation. Specifically, the open access reform enables private power generators to sell power directly to distribution companies and, ultimately to the end consumers, enhancing the financial viability of private investment in power generation. As a result, we may have to compete with other Indian and international power companies. We may also compete with central and state power utilities. Competitive bidding for power procurement further increases the competition among the power generators. Our competitors may have greater resources than we do and may be able to achieve better economies of scale, allowing them to bid at more competitive rates. We may face the pressure of decreased margins due to such competition. We cannot assure you that we will be able to compete effectively, and our failure to do so could result in an adverse effect on our business prospects, financial condition and results of operations.

49. ***Depreciation of the Rupee against foreign currencies may have an adverse effect on our results of operations.***

While a substantial portion of our revenues will be denominated in Rupees, we expect to incur substantial indebtedness denominated in foreign currencies to finance the development of power projects. We have entered into certain EPC contracts for our project development, the payments under these contracts are denominated in foreign currencies and secured by a letter of credit. We bear the exchange rate risk for payments made pursuant to the letter of credit until the conservation of liability from foreign currency to Rupees. In addition, our coal supply agreements with AEL are denominated in US dollars. Accordingly, any depreciation of the Rupee against these currencies will significantly increase the Rupee cost to us of servicing and repaying our foreign currency payables. For example, the exchange rate for US$ 1 = Rs. 39.97 as of March 31, 2008 and has depreciated to US$ 1 = Rs. 50.95 as of March 31, 2009. If we are unable to recover the costs of foreign exchange variations through our tariffs, depreciation of the Rupee against foreign currencies may adversely affect our results of operations and financial condition.

50. ***Political, economic and social developments in India could adversely affect our business.***

The Government has traditionally exercised and continues to exercise a significant influence over many aspects of the economy. Our business, and the market price and liquidity of our Equity Shares, may be affected by changes in the Government's policies, including taxation. Social, political, economic or other developments in or affecting India, acts of war and acts of terrorism could also adversely affect our business.

Since 1991, successive governments have pursued policies of economic liberalization and financial sector reforms. However, there can be no assurance that such policies will be continued and any significant change in the Government's policies in the future could affect business and economic conditions in India in general and could also affect our business and industry in particular. In addition, any political instability in India or geo political stability affecting India will adversely affect the Indian economy and the Indian securities markets in general, which could also affect the trading price of our Equity Shares.

Our performance and the growth of our business are necessarily dependant on the performance of the overall Indian economy. India's economy could be adversely affected by a general rise in interest rates, currency exchange rates, adverse conditions affecting agriculture, commodity and electricity prices or various other factors. Further, conditions outside India, such as slowdowns in the economic growth of other countries could have an impact on the growth of the Indian economy, and government policy may change in response to such conditions. The Government of India has recently revised its growth projection for fiscal year 2009. A slowdown in the Indian economy could adversely affect our business, including our ability to implement our strategy and increase our participation in the power sector.

51. Financial instability in Indian financial markets could adversely affect our results of operations and financial condition.

The Indian financial market and the Indian economy are influenced by economic and market conditions in other countries, particularly in Asian emerging market countries. Financial turmoil in Asia, the United States of America, Europe and elsewhere in the world in recent years has affected the Indian economy. Although economic conditions are different in each country, investors' reactions to developments in one country can have adverse effects on the securities of companies in other countries, including India. A loss in investor confidence in the financial systems of other markets may increase volatility in Indian financial markets and, indirectly, in the Indian economy in general.

52. The extent and reliability of Indian infrastructure could adversely effect our results of operations and financial condition.

India's physical infrastructure is less developed than that of many developed nations. Any congestion or disruption in its port, rail and road networks, electricity grid, communication systems or any other public facility could disrupt our normal business activity. Any deterioration of India's physical infrastructure would harm the national economy, disrupt the transportation of goods and supplies, and add costs to doing business in India. These problems could interrupt our business operations, which could have an adverse effect on our results of operations and financial condition.

53. Our ability to raise foreign capital may be constrained by Indian law. The limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

As an Indian company, we are subject to exchange controls that regulate borrowing in foreign currencies. Such regulatory restrictions limit our financing sources for our power projects under development and hence could constrain our ability to obtain financings on competitive terms and refinance existing indebtedness. In addition, we cannot assure you that the required approvals will be granted to us without onerous conditions, or at all. The limitations on foreign debt may have an adverse effect on our business growth, financial condition and results of operations.

54. Government regulation of foreign ownership of Indian securities may have an adverse effect on the price of the Equity Shares.

Foreign ownership of Indian securities is subject to Government regulation. Under foreign exchange regulations currently in effect in India, the RBI must approve the sale of the Equity Shares from a non-resident of India to a resident of India if the sale does not meet the requirements of a RBI Circular dated October 4, 2004. The RBI must approve the conversion of the Rupee proceeds from any such sale into foreign currency and repatriation of that foreign currency from India unless the sale is made on a stock exchange in India through a stock broker at the market price. As provided in the foreign exchange controls currently in effect in India, the RBI will approve the price at which the Equity Shares are transferred based on a specified formula, and a higher price per share may not be permitted. The approval from the RBI or any other government agency may not be obtained on terms favourable to a non-resident investor in a timely manner or at all. Because of possible delays in obtaining requisite approvals, investors in the Equity Shares may be prevented from realizing gains during periods of price increases or limiting losses during periods of price declines.

55. Acts of violence could adversely affect the financial markets, result in a loss of customer confidence and adversely affect our business, results of operations, financial condition and cash flows.

Certain events that are beyond our control, including terrorist attacks and other acts of violence or war, which may adversely affect worldwide financial markets and potentially lead to economic recession, could adversely affect our business, results of operations, financial condition and cash flows. Additionally, any of these events could lower confidence in India's economy. Southern Asia has, from time to time, experienced instances of civil unrest and political tensions and hostilities among neighbouring countries. Political tensions could create a perception that there is a risk of disruption of operations, which could have an adverse effect on the market for our services.

56. Natural calamities could have a negative effect on the Indian economy and cause our business to suffer.

India has experienced natural calamities such as earthquakes, a tsunami, floods and drought in the past few years. The extent and severity of these natural disasters determines their effect on the Indian economy. For example, as a result of drought conditions in the country during fiscal 2003, the agricultural sector recorded negative growth for that period. The erratic progress of the monsoon in 2004 affected sowing operations for certain crops. Further prolonged spells of below normal rainfall or other natural calamities could have a negative effect on the Indian economy, adversely affecting our business and the price of our Equity Shares.

57. Any downgrading of India's debt rating by a domestic or international rating agency could adversely affect our business.

Any adverse revisions to India's credit ratings for domestic and international debt by domestic or international rating agencies may adversely affect our ability to raise additional financing, and the interest rates and other commercial terms at which such additional financing is available. This could harm our business and financial performance, ability to obtain financing for capital expenditures and the price of our Equity Shares.

Risk Related to this Issue

58. The price of our Equity Shares may be volatile, and you may be unable to resell your Equity Shares at or above the Issue Price, or at all.

Prior to the Issue, there has been no public market for our Equity Shares, and an active trading market on the Indian Stock Exchanges may not develop or be sustained after the Issue. The Issue Price of the Equity Shares may bear no relationship to the market price of the Equity Shares after the Issue. The market price of the Equity Shares after the Issue may be subject to significant fluctuations in response to, among other factors, variations in our operating results, market conditions specific to the power sector in India, developments relating to India and volatility in the BSE and the NSE and securities markets elsewhere in the world.

59. There is no guarantee that the Equity Shares will be listed on the BSE and the NSE in a timely manner or at all, and any trading closures at the BSE and the NSE may adversely affect the trading price of our Equity Shares.

In accordance with Indian law and practice, permission for listing of the Equity Shares will not be granted until after those Equity Shares have been issued and allotted. Approval requires all other relevant documents authorizing the issuing of Equity Shares to be submitted. There could be a failure or delay in listing the Equity Shares on the BSE and the NSE. Any failure or delay in obtaining the approval would restrict your ability to dispose of your Equity Shares.

The regulation and monitoring of Indian securities markets and the activities of investors, brokers and other participants differ, in some cases significantly, from those in Europe and the U.S. The BSE and the NSE have in the past experienced problems, including temporary exchange closures, broker defaults, settlements delays and strikes by brokerage firm employees, which, if continuing or recurring, could affect the market price and liquidity of the securities of Indian companies, including the Equity Shares, in both domestic and international markets. A closure of, or trading stoppage on, either of the BSE and the NSE could adversely affect the trading price of the Equity Shares.

We had filed a draft red herring prospectus dated April 30, 2008 with SEBI in relation to a proposed initial public offering of the Equity Shares and SEBI had, by its letter dated September 4, 2008, issued its observations thereon, the validity of which expired on December 3, 2008. However, due to unfavourable market conditions we decided not to proceed with the proposed issue during the validity of the observations.

60. Additional issuances of equity may dilute your holdings.

Purchasers of our Equity Shares will experience an immediate dilution in net tangible book value per share from the initial public offering price per Equity Share. After giving effect to the issuance of 301,652,031 Equity Shares in this Issue, and following the deduction of estimated offering expenses payable by us and the application of the Net Proceeds of the Issue, our pro forma as adjusted net tangible book value as of March 31, 2009, would have been Rs. [•] million, or Rs. [•] per share of common stock. This represents an immediate dilution in pro forma net tangible book value of Rs. [•] per Equity Share to new investors purchasing Equity Shares in this Issue. Substantial future sales of our Equity Shares in the public market could cause our share price to fall.

Upon consummation of this Issue, we will have 2,180,035,200 Equity Shares outstanding. Of these Equity Shares, [•] Equity Shares will be freely tradable without restriction in the public market, unless purchased by our affiliates. Upon completion of this Issue, our existing shareholders will beneficially own [•] Equity Shares, which will represent approximately [•]% of our outstanding Equity Share capital. The holders of approximately 1,442,376,129 Equity Shares, representing approximately 66.16% of our post-Issue outstanding Equity Share capital, will be entitled to dispose of their Equity Shares following the expiration of a one-year statutory "lock-up" period.

Any future equity issuances by us, including in a primary offering or pursuant to a preferential allotment or issuances of stock options under employee stock option plans, or any perception by investors that such issuances or sales might occur may lead to the dilution of investor shareholding in our Company or affect the trading price of the Equity Shares and could affect our ability to raise capital through an offering of our securities.

61. There are restrictions on daily movements in the price of the Equity Shares, which may adversely affect a shareholder's ability to sell, or the price at which it can sell, Equity Shares at a particular point in time.

Subsequent to listing, we will be subject to a daily circuit breaker imposed on listed companies by all stock exchanges in India which does not allow transactions beyond certain volatility in the price of the Equity Shares. This circuit breaker operates independently of the index-based market-wide circuit breakers generally imposed by SEBI on Indian stock exchanges. The percentage limit on our circuit breaker is set by the stock exchanges based on the historical volatility in the price and trading volume of the Equity Shares. The stock exchanges are not required to inform us of the percentage limit of the circuit breaker from time to time, and may change it without our knowledge. This circuit breaker would effectively limit the upward and downward movements in the price of the Equity Shares. As a result of this circuit breaker, there can be no assurance regarding the ability of shareholders to sell the Equity Shares or the price at which shareholders may be able to sell their Equity Shares.

62. Conditions in the Indian securities market may affect the price or liquidity of the Equity Shares.

The Indian securities markets are smaller than securities markets in more developed economies. Indian stock exchanges have in the past experienced substantial fluctuations in the prices of listed securities. The Indian stock exchanges have also experienced problems that have affected the market price and liquidity of the securities of Indian companies, such as temporary exchange closures, broker defaults, settlement delays and strikes by brokers. In addition, the governing bodies of the Indian stock exchanges have from time to time restricted securities from trading, limited price movements and restricted margin requirements. Further, disputes have occurred on occasion between listed companies and the Indian stock exchanges, and other regulatory bodies that, in some cases, have had a negative effect on market sentiment. If similar problems occur in the future, the market price and liquidity of the Equity Shares could be adversely affected.

63. You will not be able to sell immediately on an Indian stock exchange any of the Equity Shares you purchase in the Issue until the Issue receives the appropriate trading approvals.

Our Equity Shares will be listed on the NSE and the BSE. Pursuant to Indian regulations, certain actions must be completed before the Equity Shares can be listed and trading may commence. Investors' book entry, or "demat", accounts with depository participants in India are expected to be credited within two working days of the date on which the basis of allotment is approved by NSE and the BSE. Thereafter, upon receipt of final approval from the NSE and the BSE, trading in the Equity Shares is expected to commence within seven working days of the date on which the basis of allotment is approved by the Designated Stock Exchange. We cannot assure you that the Equity Shares will be credited to investors' demat accounts, or that trading in the Equity Shares will commence, within the time periods specified above. Any delay in obtaining the approvals would restrict your ability to dispose of your Equity Shares.

64. ***Our ability to pay dividends in the future will depend upon our future earnings, financial condition, cash flows, working capital requirements, capital expenditures and restrictive covenants in our financing arrangements.***

We and our subsidiaries develop and operate power projects. We and our subsidiaries currently have no operating history. Our future ability to pay dividends will also depend on the earnings, financial condition and capital requirements of our Subsidiaries and the dividends they distribute to us. Dividend distributed by our Subsidiaries will attract dividend distribution tax at rates applicable from time to time. We cannot assure you that we will receive dividends from our subsidiaries sufficient to cover our operating expenses and pay dividends to our shareholders, or at all.

Our business is capital intensive and we may plan to make additional capital expenditures to complete the power projects that we are developing. Our ability to pay dividends is also restricted under certain financing arrangements that we have entered into and expect to enter into. We may be unable to pay dividends in the near or medium term, and our future dividend policy will depend on our capital requirements and financing arrangements for the power projects, financial condition and results of operations.

Notes to Risk Factors:

1. Public issue of 301,652,031 Equity Shares of Rs. 10 each of our Company for cash at a price of Rs. [•] per Equity Share aggregating. The Issue includes a reservation of up to 8,000,000 Equity Shares of Rs. 10 each for the Eligible Employees. The Issue and the Net Issue will constitute 13.84% and 13.47%, respectively, of the post-Issue paid up capital of our Company.
2. In terms of Rule 19(2)(b) of the Securities Contracts Regulations Rules, 1957 ("SCRR"), this being an Issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be allocated on a proportionate basis to QIB Bidders. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only, and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above Issue price. If at least 60% of the Net Issue cannot be allocated to QIB Bidders, then the entire application money will be refunded forthwith. Further, not less than 10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further, up to 8,000,000 Equity Shares shall be available for allocation on a proportionate basis to Eligible Employees, subject to valid bids being received at or above the Issue Price.
3. Our Company was incorporated as Adani Power Limited on August 22, 1996 and obtained certificate of commencement on September 4, 1996. Our Company became a private limited company on June 3, 2002 and the name of our Company was subsequently changed to Adani Power Private Limited. The RoC issued a fresh certificate of incorporation on June 3, 2002. Our Company was, thereafter, converted into a public limited company on April 12, 2007 and the name of our Company was changed to Adani Power Limited. Further, upon ceasing to be a private limited company, the word "private" was deleted through a special resolution at the EGM of our Company held on March 28, 2007. The fresh certificate of incorporation consequent on change of name was granted by the RoC to our Company on April 12, 2007.
4. The net worth of our Company as of March 31, 2009 was Rs. 23,445.71 million based on the restated consolidated financial statements of our Company under Indian GAAP.
5. The net asset value per Equity Share of Rs. 10 each, as of March 31, 2009 was Rs. 12.35, based on the restated consolidated financial statements of our Company under Indian GAAP.
6. The average cost of acquisition of or subscription to Equity Shares by our Promoters and is set forth in the table below:

Name of the Promoter	No. of Equity Shares held	Average price per share (in Rs.)
Adani Enterprises Limited	1,531,440,000	5.56
Mr. Gautam S. Adani	Nil	-
Mr. Rajesh S. Adani	Nil	-

The average cost of acquisition of Equity Shares by our Promoters has been calculated by taking the average of the amount paid by them to acquire the Equity Shares issued by us.

7. The Promoters and Promoter Group have not undertaken any transactions in the Equity Shares of the Company during a period of six months preceding the date of this Red Herring Prospectus.

   Mr. Vinod S. Shah acquired Ventura Power on April 8, 2009, pursuant to which Ventura Power has become our Promoter Group company. Ventura Power had undertaken the following transactions of Equity Shares in the last six months:

Name of the Promoter Group company	Date of Allotment of Equity Shares	No. of Equity Shares	Issue Price (In Rs.)	Nature of payment
Ventura Power	March 31, 2009	70,520,033	70	Cash
Ventura Power	April 3, 2009	358,964	70	Cash

8. Except as disclosed below, the Directors of the Company have not undertaken any transactions in the Equity Shares of the Company during a period of six months preceding the date of this Red Herring Prospectus.

Sr. No.	Name of the Director	Date of the Transaction	No. of Equity Shares	Price (In Rs.)	Particulars of the Transaction
1.	Mr. Ameet H. Desai*	July 1, 2009	75,000	10	Purchase
2.	Mr. R.K. Gupta	June 22, 2009	1,000	90	Purchase
		July 1, 2009	5,000	90	Purchase
3.	Mr. Vijay Ranchan	June 24, 2009	5,000	10	Purchase
4.	Mr. Surendra Kumar Tuteja	June 24, 2009	5,000	10	Purchase
5.	Mr. B.B. Tandon	June 24, 2009	5,000	10	Purchase
6.	Mr. Chinubhai R. Shah	June 24, 2009	5,000	10	Purchase

* *Including relatives*

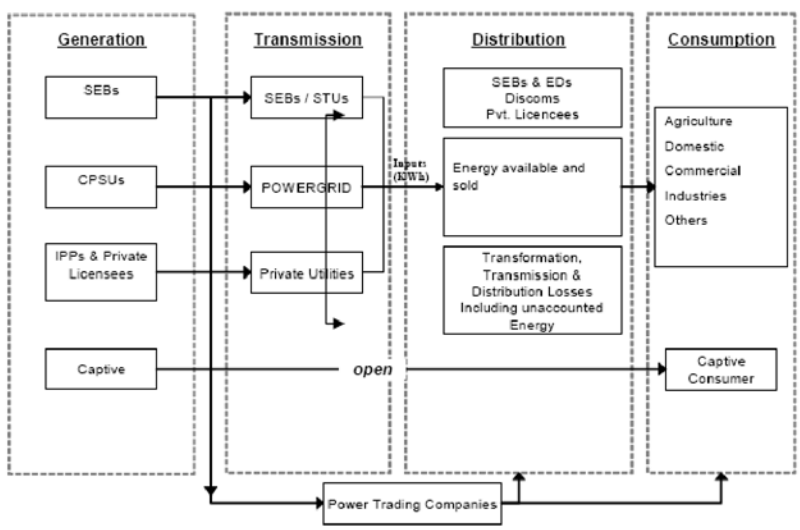
   The Company has not allotted any Equity Shares to the Directos and these have been acquired by the Directors through secondary purchases.

9. Except as disclosed in "Capital Structure" on page 25 of this Red Herring Prospectus, the Company has not issued any Equity Shares for consideration other than cash.
10. The Company has entered into certain related party transactions as disclosed in the section titled "Related Party Transactions" on page 229 of this Red Herring Prospectus. Our Company has entered into related party transactions for an aggregate amount of Rs. 2,289.51 million for the fiscal year ended March 31, 2009.
11. Except as disclosed in "Our Management", Our Promoters" and "Our Promoter Group" on pages 141, 153 and 158 of this Red Herring Prospectus, none of our Promoters, our Directors and our key managerial employees have any interest in our Company except to the extent of remuneration and reimbursement of expenses and to the extent of the Equity Shares held by them or their relatives and associates or held by the companies, firms and trusts in which they are interested as directors, member, partner and/or trustee and to the extent of the benefits arising out of such shareholding.
12. Except as disclosed in risk factor no. 40, the Company has not issued Equity Shares at a price which may be less than the Issue Price during the last one year.
13. Our Company has not made any loans or advances to any person or company in which our Directors are interested, except as disclosed in the section titled "Related Party Transactions" and "Financial Statements" beginning on pages 229 and 237, respectively, of this Red Herring Prospectus. Our Company has entered into related party transactions for an aggregate amount of Rs. 2,289.51 million for the fiscal year ended March 31, 2009.
14. In case of oversubscription in the Issue, allotment would be made on a proportionate basis to Qualified Institutional Bidders, Non–Institutional Bidders, Retail Individual Bidders and Eligible Employees. For details refer to the section titled "Issue Procedure – Other Instructions – Basis of Allotment" on page 414 of this Red Herring Prospectus.
15. Under-subscription, if any, in the Non-Institutional Portion and the Retail Individual Portion would be met with spill over from other categories at the sole discretion of our Company, in consultation with the GCBRLM.
16. Up to 8,000,000 Equity Shares i.e. 0.37% of our post Issue equity share capital have been reserved for Employees (Employee Reservation Portion) on a competitive basis. Any under subscription under the Employee Reservation Portion would be added to the various categories under the Net Issue at the sole discretion of our Company in consultation with the GCBRLM.
17. Any clarification or information shall be made available by the BRLMs and us to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever.
18. Investors may contact the BRLMs for any complaints, information or clarifications pertaining to the Issue.
19. Before making an investment decision in respect of the Issue, investors are advised to refer to "Basis for Issue Price" on page 42 of this Red Herring Prospectus.
20. Trading in Equity Shares for all investors shall be in dematerialized form only.

SUMMARY OF INDUSTRY

Organization of the Power Industry

The following diagram depicts the current structure of the Indian power industry:



Key to the diagram:

CPSUs	Central Public Sector Undertakings
Discoms	Distribution Companies
ED	Electricity Department
IPP	Independent Power Producer
SEB	State Electricity Board
STU	State Transmission Units

Transmission and Distribution

In India, the transmission and distribution system is a three-tier structure comprising regional grids, state grids and distribution networks. The five regional grids, structured on a geographical contiguity basis, facilitate transfer of power from a power surplus state to a power deficit state. The regional grids also facilitate the optimal scheduling of maintenance outages and better co-ordination between the power plants. The regional grids are to be gradually integrated to form a national grid, whereby surplus power from a region could be transferred to another region facing power deficits, thereby facilitating a more optimal utilization of the national generating capacity.

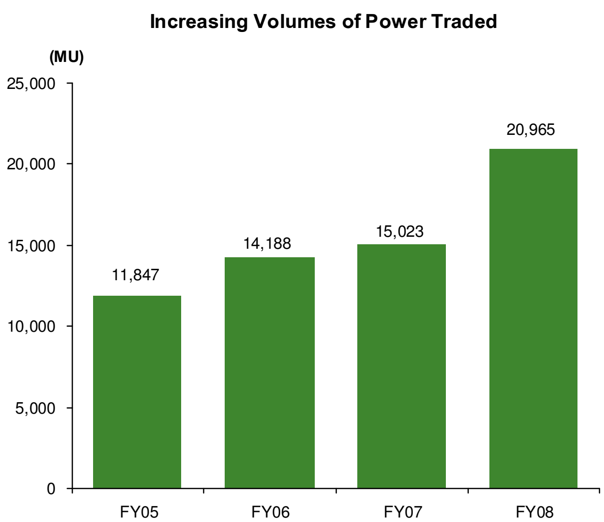
Most inter-regional and interstate transmission links are owned and operated by the Power Grid Corporation of India Limited ("PGCIL") though some are jointly owned by the State Electricity Boards ("SEBs"). PGCIL is the central transmission utility of India and possesses one of the largest transmission networks in the world. PGCIL has a pan India network presence of around 69,480 circuit kms of transmission network, 116 extra high voltage alternation current and high voltage direct current substations, and a total transformation capacity of 77,217 mega volt ampere. About 45% of the total generating capacity in India is transmitted through PGCIL's system. *(Source: http:powermin.nic.in and http:powergridindia.com).*

PGCIL is working towards establishment of an integrated national power grid, in a phased manner, in order to strengthen the regional grids and to support the generation capacity addition program of about 80,000 MW during the Eleventh Five-Year Plan period. The existing inter-regional power transfer capacity of 17,000 MW is expected to be enhanced to 37,000 MW by 2012 through creation of "Transmission Super Highways". Based on expected generation capacity addition in XIth Five Year Plan, an investment of approximately Rs. 750.00 billion is envisaged in central sector and approximately Rs. 650.00 billion is envisaged in the state sector. *(Source: http://powermin.nic.in)*

State grids and distribution networks are primarily owned and operated by the respective SEBs or state governments (through state electricity departments). State distribution networks are managed at the state level and continue to be affected by high aggregate technical and commercial ("AT&C") losses estimated to be approximately 35%, which implies that 35% of power entering the system is lost during distribution. *(Source: http://powermin.nic.in)* A direct consequence of the high AT&C losses is the poor financial condition of SEBs, thereby constraining the SEBs from making any meaningful investments in generation and in upgrading the transmission and distribution ("T&D") network.

Power Trading

Historically the main suppliers and consumers of bulk power in India have been the various government controlled generation and distribution companies who typically contracted power on a long term basis by way of power purchase agreements ("PPAs") with regulated tariffs. However, in order to encourage the entry of merchant power plants and private sector investment in the power sector, the Electricity Act recognized power trading as a distinct activity from generation, T&D and has facilitated the development of a trading market for electricity in India by providing for open access to transmission networks for normative charges. Power trading involves the exchange of power from suppliers with surpluses to suppliers with deficits. Seasonal diversity in generation and demand, as well as the concentration of power generation facilities in the resources-rich eastern region of India, has created ample opportunities for the trading of power. Recent regulatory developments include the announcement of rules and provisions for open access and licensing related to interstate trading in electricity. Several entities have started trading operations or have applied for trading licenses. With the aid of the reforms, the volume of power traded as well as its traded price has grown rapidly over the last few years. The following graph and table shows the increasing volume and higher prices of power traded in India for the periods indicated:-



Source: CERC, Annual Reports for FY 2006, FY 2007 and FY 2008

Increasing Traded Volume at Higher Prices

	Electricity Traded (Units MUs)	
Price Rs.	**FY07**	**FY08**
Rs.0.00 – 2.00	252.2	4729.6
Rs.2.00 – 4.00	2732.7	2647.7
Rs.4.00 – 6.00	10507.4	4094.1
Rs.6.00 – 8.00	461.7	5292.5
Rs.8.00 – 10.00		556.9
Rs.10.00 – 12.00		0
Total	**13953.9**	**17325.1**

Source: CERC, Annual Reports

Tariffs

The main objectives of the National Tariff Policy ("NTP") notified by the Government of India on January 6, 2006, include promoting competition, efficiency in operations and improvements in the quality of supply and ensuring the availability of electricity to consumers at reasonable and competitive rates. The NTP reiterates the importance of implementing competition in different segments of the electricity industry as highlighted in the Electricity Act and that competition will lead to significant benefits to consumers through reduction in capital costs and improved efficiency of operations. It will also facilitate the determination of price through competition.

The NTP stipulates that all future power requirements should be procured competitively by distribution licensees except in cases of expansion of existing projects or where there is a state controlled or state-owned developer involved, in which case, regulators will need to resort to tariffs determined by reference to standards of the CERC, provided that expansion of generating capacity by private developers for this purpose will be restricted to a one-time addition of not more than 50% of the existing capacity. Under the NTP, even for public sector projects, tariffs for all new generation and transmission projects will be decided on the basis of competitive bidding after a certain period of time.

Merchant Power Plants

Merchant power plants ("MPPs") generate electricity for sale at market driven rates in the open wholesale market. Typically, the MPPs do not have long-term PPAs and are built and owned by private developers. Merchant sales, however, include sale of power under short-term PPAs and on spot basis. Many new private sector players are beginning to adopt the MPP model for their projects to generate higher returns as opposed to selling power through a long term PPA, as the off take risk is perceived to be low in view of significant power shortages in the country. The MPPs can sell power to the power trading companies (like the Power Trading Corporation), the SEBs and industrial and bulk customers.

Indian Energy Exchange (IEX)

Indian Energy Exchange ("IEX") is India's first nation-wide automated and online electricity trading platform. IEX seeks to catalyze the modernization of electricity trade in India by allowing trading through a technology enabled platform. On June 9, 2008, IEX received Central Electricity Regulatory Commission approval for commencing operations. IEX is a demutualised exchange that will enable efficient price discovery and price risk management in the power trading market. IEX offers a broader choice to generators and distribution licensees for sale and purchase of power facilitating trade in smaller quantities. IEX enables participants to precisely adjust their portfolio as a function of consumption or generation. *(Source: www.iexindia.com).*

SUMMARY OF BUSINESS

Overview

We are a power project development company, which is developing, and will operate and maintain, power projects in India. We have four thermal power projects under various stages of development, with a combined installed capacity of 6,600 MW. In addition, we are also planning to develop two power projects with a combined installed capacity of 3,300 MW. We intend to sell the power generated from these projects under a combination of long-term power purchase agreements to industrial and state-owned consumers and on merchant basis.

We are part of the Adani Group, a leading business group in India. Adani Enterprise Limited ("AEL"), our Promoter, is the flagship company of the Adani Group, with total revenues of Rs. 196,097.10 million for the fiscal year 2008. We believe AEL was one of the largest traders of coal in India for the three years period ended March 31, 2008, with coal mining rights both in the international and domestic markets, and according to Central Electricity Regulatory Commission, for the three years period ended March 31, 2008, AEL was one of the largest power traders, by volume, in India. With the commissioning of our power projects, the Adani Group will be vertically integrated in power sector value chain through presence in related activities such as coal mining, coal trading, shipping, power generation, power transmission and power trading. Another Adani Group company, Mundra Port and Special Economic Zone Limited ("MPSEZL"), owns and operates one of the largest private sector commercial ports in India, a Special Economic Zone ("SEZ") at Mundra and a railway line between Mundra and Adipur leading to strong synergies with our projects being set up in close vicinity. In addition, the Adani Group also has operations in other industries, including commodities trading, real estate development, agro processing and logistics. We expect that we will benefit from Adani Group's strategy of vertical integration, which gives us greater control over various activities of power generation and trading.

Our Power Projects

We currently have four thermal power projects under various stages of development:

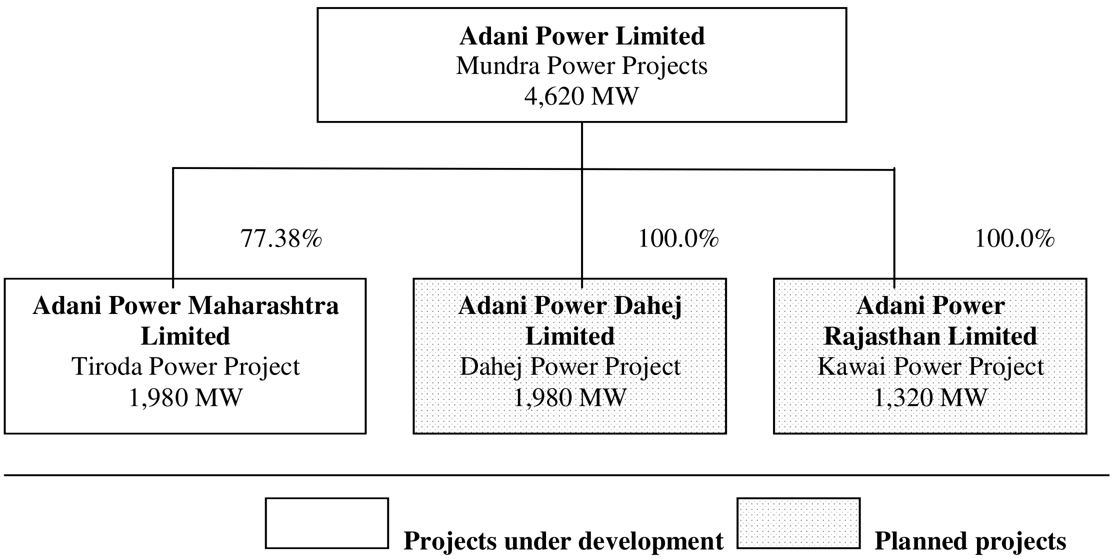
- Mundra Phase I and II Power Project will have four sub-critical generation units of 330 MW each, with combined capacity of 1,320 MW. The boiler, turbine and generator ("BTG") package for Mundra I and II was awarded to Sichuan Machinery and Equipment Import and Export Company Limited and Kowa Company Limited, respectively. We currently expect that the first 330 MW unit of Mundra Phase I and II Power Project will be commissioned by July 2009, and that the power project will be fully commissioned by February 2010.
- Mundra Phase III Power Project will have two super-critical generation units of 660 MW each, with combined capacity of 1,320 MW. The engineering, procurement and construction ("EPC") contract for Mundra III was awarded to SEPCO-III Electric Power Construction Corporation and Shandong Tiejun Electric Power Engineering Company Limited. We currently expect that the first 660 MW unit of Mundra Phase III Power Project will be commissioned by January 2011, and that the power project will be fully commissioned by June 2011.
- Mundra Phase IV Power Project will have three super-critical generation units of 660 MW each, with combined capacity of 1,980 MW. The EPC contract for Mundra IV was awarded to SEPCO-III Electric Power Construction Corporation and Shandong Tiejun Electric Power Engineering Company Limited. We currently expect that the first 660 MW unit of Mundra Phase IV Power Project will be commissioned by August 2011, and that the power project will be fully commissioned by April 2012.
- Tiroda Power Project will have three super-critical generation units of 660 MW each, with combined capacity of 1,980 MW. The BTG package for Tiroda was awarded to Sichuan Machinery and Equipment Import and Export Company Limited. We currently expect that the first 660 MW unit of Tiroda Power Project will be commissioned by July 2011, and that the power project will be fully commissioned by April 2012. Our 77.38% owned subsidiary, Adani Power Maharashtra Limited ("APML"), is developing the Tiroda Power Project.

We are also planning to develop two thermal power projects at Dahej and Kawai with a combined installed capacity of 3,300 MW.

Power projects set up under the SEZ policy and the Mega Power Project policy are eligible for certain tax and other benefits. For further details, see "Statement of Tax Benefits" on page 44 of this Red Herring Prospectus. We received approval for developing our Mundra Power Project as a sector-specific SEZ. MPSEZL is developing two multi product SEZs, which have been combined with our sector-specific SEZ ("Combined SEZ"), pursuant to an application filed by MPSEZL and us. We have applied to the Government of India to act as a co-developer for the Combined SEZ at Mundra with MPSEZL as the developer. The Ministry of Commerce and Industry, Government of India ("Ministry of Commerce") has approved our proposal and the Combined SEZ has been notified pursuant to a gazette notification. As a co-developer, we will avail of certain exemptions from income tax, excise duty, central sales tax, service tax, dividend distribution tax and customs duty on import of goods and services for setting up the power plant. We have applied for an approval to develop the power project located at Tiroda under the Mega Power Project policy of the Government of India.

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

The following chart outlines the corporate organizational structure of our power projects under development or planning:

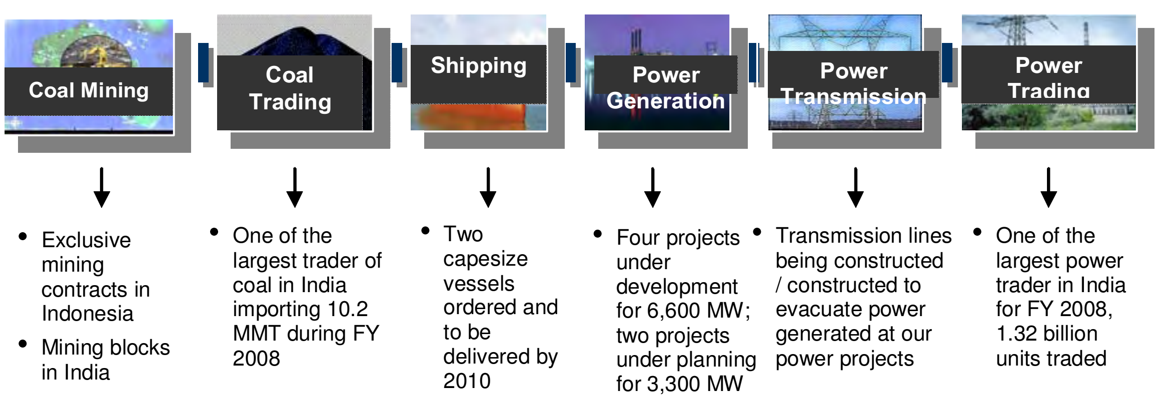


Our Competitive Strengths

We believe that we are well positioned to benefit from the growth opportunities in the Indian power sector due to the following competitive strengths:

We expect to benefit from the strong linkages of the Adani Group in the power sector through presence in coal mining, coal trading, shipping and power trading

We are part of the Adani Group, which seeks to be vertically integrated in the Indian power sector. As illustrated below, the Adani Group has active operations in coal mining, coal trading, shipping and power trading, and has ventured into power generation and power transmission through projects being set up by our Company.



The Adani Group has coal mining rights in both the international and domestic markets. PT Adani Global, a wholly owned subsidiary of AEL, has entered into agreements with holders of long-term exploitation licenses to exclusively mine coal in Bunyu island, Indonesia. In addition, we have also been allocated two coal blocks in India to mine coal for our Tiroda Power Project. Adani Shipping Pte Limited, Singapore, a wholly owned subsidiary of AEL, has entered into a contract for the purchase of two newly-built capesize vessels with expected delivery by December 2010 for transportation of coal from the Indonesian coal mines operated by AEL. AEL was also one of the largest power traders, by volume, in India for the three years period ended March 31, 2008. To further integrate the Adani Group's power generation and trading operations, we are constructing transmission lines for evacuating power generated at our power projects. The first of such transmission lines from Mundra to Dahegham, Gandhinagar has already been constructed.

We believe that the Adani Group has established diversified sourcing and distribution networks and that its industry expertise enables it to effectively capitalize on and manage risks associated with opportunities across markets. We expect that we will benefit from the Adani Group's strategy of vertical integration which gives us greater control over various activities of power generation.

We have access to experienced personnel in mining and power trading businesses pursuant to the shared services agreement with MPSEZL and AEL. We also expect to benefit from the Adani Group's strong project development and management experience while developing our power projects.

We have secured supply of fuel for many of our power projects

One of the critical success factors for any power generation project is the availability of cost-effective fuel sources throughout the lifetime of the power project.

Mundra power projects: Our Mundra power projects are located along the coast and will utilize imported coal as primary fuel for its operations. We have entered into long-term coal supply arrangements for coal with AEL for our Mundra power projects. PT Adani Global, a wholly owned subsidiary of AEL, has entered into agreements with holders of long-term exploitation licenses to exclusively mine coal in Bunyu island, Indonesia. For Mundra Power Projects, AEL proposes to procure the coal from these mines in Indonesia. Additionally, we received a letter from Mahanadi Coalfields Limited ("Mahanadi Coalfields") on June 25, 2009, wherein Mahanadi Coalfields provisionally agreed to supply approximately 6.4 MTPA of Grade 'F' coal for our Mundra Phase IV Power Project. The letter received from Mahanadi Coalfields is conditional upon us achieving certain milestones over the next 24 months and then signing of a fuel supply agreement and the balance coal requirement, if any, will be supplied by AEL to the power project site. As a result of our long-term coal supply agreements and relationship with the supplier, we believe we benefit from competitive pricing for coal for the Mundra power projects.

Tiroda Power Project: We have been allocated coal blocks at Lohara West and Lohara Extension for generating up to 1,000 MW of power at our Tiroda Power Project which have estimated coal reserves of approximately 170 million metric tons ("MMT") and an average gross calorific value ("GCV") ranging between 4,290 and 5,590 Kcal/kg, according to the geological report prepared by the Central Mine Planning and Design Institute Limited. Additionally, APML received letters from South Eastern Coalfields Limited ("South Eastern Coalfields") and Western Coalfields Limited ("Western Coalfields") on June 6, 2009 and June 1, 2009, wherein South Eastern Coalfields and Western Coalfields provisionally agreed to supply approximately 2.5 MTPA of Grade 'F' coal and 2.2 MTPA of Grade 'E' coal for our Tiroda Power Project, respectively. The coal quantity agreed to be supplied by South Eastern Coalfields and Western Coalfields is conditional upon us achieving certain milestones over the next 24 months and then signing of fuel supply agreements.

Our power projects enjoy locational advantages

Our power projects enjoy locational advantages in terms of easy access to fuel, water and proximity to power deficit areas. All our power projects under development are located in Western India, where according to the CEA, the peak deficit was 7,086 MW for the period between April 2008 and March 2009. We believe that our power projects are well positioned to serve this deficit in power supply.

Our Mundra power projects are located close to the Mundra port, which is owned and operated by MPSEZL, Promoter Group company. MPSEZL has proposed to set-up a coal jetty at a distance of approximately five km from the Mundra power project site and imported coal can be transferred from this coal jetty to the power project by conveyor belts and/or railway lines. Close proximity to the sea will ensure water for steam generation and cooling.

The Tiroda Power Project is located in Tiroda Industrial Area developed by the Maharashtra Industrial Development Corporation ("MIDC"), adjacent to the state highway. The project is approximately 260 km from the Lohara West and Lohara Extension coal blocks, which are the designated coal blocks to supply coal for the Tiroda Power Project. The project site is expected to be connected to the coal blocks by rail. We have been allocated water for the project from the nearby Wainganga river. We expect to evacuate power through Power Grid Corporation of India Limited ("PGCIL") and Maharashtra State Electricity Distribution Company Limited ("MSEDCL") sub-stations.

We expect to benefit from SEZ Co-developer status and the Mega Power Project status related tax and other benefits

We received approval for developing our Mundra Power Project as a sector-specific SEZ. MPSEZL is developing two multi product SEZs, which have been combined with our sector-specific SEZ ("Combined SEZ"), pursuant to an application filed by MPSEZL and us. We have applied to the Government of India to act as a co-developer for the Combined SEZ at Mundra with MPSEZL as the developer. The Ministry of Commerce and Industry, Government of India ("Ministry of Commerce") has approved our proposal and the Combined SEZ has been notified pursuant to a gazette notification. As a co-developer, we will avail of certain exemptions from income tax, excise duty, central sales tax, service tax, dividend distribution tax and customs duty on import of goods and services for setting up the power plant. We have applied to develop the Tiroda Power Project under the Mega Power Project Policy of the Government of India, under which we will able to benefit from certain exemptions from income tax, excise duty and customs duty on import of goods and services for setting up the project. For further details, please see "Regulations and Policies" and "Statement of Tax Benefits" on pages 122 and 44, respectively, of this Red Herring Prospectus. These benefits will help us reduce the cost of equipment and improve our profit margins once we commence operations.

We have entered into long-term power off-take arrangements for our Mundra and Tiroda power projects

We have entered into two off-take agreements with Gujarat Urja Vikas Nigam Limited ("GUVNL") for the supply of 1,000 MW of power produced from the Mundra Phase I and II Power Project, and for the supply of 1,000 MW of power produced from the Mundra Phase III Power Project. We have also entered into two off-take agreements with Uttar Haryana Bijli Vitran Nigam Limited ("UHBVNL") and Dakshin Haryana Bijli Vitran Nigam Limited ("DHBVNL"), for the sale of a total of 1,424 MW of power produced from Mundra Phase IV Power Project. We have also entered into an off-take arrangement with MSEDCL for the supply of 1,320 MW of power generated from the Tiroda Power Project. Off-take agreements generally provide that the consumer purchases power in pre-determined quantities at fixed rates and surplus power, if any, may then be sold to other consumers in the unregulated market. We expect that the power produced in excess of what is sold under our Mundra Phase I and II Power Project, Mundra Phase IV Power Project, and Tiroda Power Project off-take agreements will be sold on merchant basis. Further, we have entered into an agreement with AEL for selling up to 221 MW of surplus power from Mundra Phase III Power Project on merchant basis. In addition, we may supply surplus power to various units within the MPSEZL. These arrangements will allow us to mitigate our off-take risk, while enabling us to sell the residual power at market determined rates.

We have an experienced management team with a track record of project execution

We have been able to attract managerial and technical talent. Our management team has an established track record, knowledge in the power generation sector and relevant experience in India. We are managed by experienced and highly qualified professionals. The team has prior exposure in implementing and operating large power projects, and we believe this is one of our key competitive strengths in view of the large size of the projects that we are simultaneously implementing. See "Our Management" on page 141 of this Red Herring Prospectus.

Our Strategy

Capitalize on the growth of the Indian power generation sector

The power sector in India has historically been characterized by power shortages that have consistently increased over time. According to the Central Electricity Authority, the total peak shortage was 12,838 MW in May 2009. As per the IEP Report, the Expert Committee on Power, in the XIth Plan (2007-2012), a capacity addition of 71 Gigawatts ("GW") and 84 GW, assuming a 8.0% and 9.0% GDP growth rate, respectively, would be required by 2012. Although recent reports indicate that the GDP growth rate is likely to be lower, we believe that our four power projects under development will play a significant role in the growth of the Indian power sector. Further, we will continue to look at further opportunities to set up power projects in various locations across India.

Realize the opportunities presented by power sector reforms and benefits extended by the Government of India

In 1991, the Indian power sector began a process of deregulation that is continuing today. The Electricity Act of 2003 and subsequent reforms have generated significant opportunities in the power sector. These changes include the following:

- Liberalization and de-licensing in the power generation sector, and doing away with the requirement of techno-economic clearances for thermal power projects, which expedites the thermal power project development process;
- Power trading recognized as a distinct activity;
- Distribution licensees can now procure power through a process of international competitive bidding; projects are no longer awarded on a cost-plus basis. We believe that competitive bidding presents attractive opportunities for efficient generation of power;
- Power generation companies can now sell power to any distribution licensees, or where allowed by the state regulatory commissions, directly to consumers. The market has evolved for merchant sales, which allows for the supply of peak power at premium rates;
- Power generation companies have open access to transmission lines, which will facilitate the direct sale of power to distribution and trading licensees;
- Improved payment security mechanisms, which we believe will improve sector stability and enhance our ability to obtain financing for our projects;
- No distinction between foreign and domestic investor under electricity laws; and
- 100.0% FDI allowed in the power sector.

Our projects are positioned and structured to take advantage of these benefits and also the benefits under the SEZ and Mega Power Project policy of the Government of India. Future power sector reforms may present additional opportunities for us and we intend to capitalize upon these opportunities as they arise.

Benefit from the power scenario in Western India

Our Mundra power project is located in Gujarat, and the Tiroda Power Project is located in Maharashtra. These states are leading industrial states in the Western part of India with high power demand, and they are currently experiencing a significant power deficit. This deficit is expected to increase in the future. These states have formulated policies for substantial investments in the power sector to support increased industrial activities. We believe that the stable and assured availability of power will lead to an increase in industrial activity in these states, which will further increase the power requirements. Though a number of power projects are under various stages of implementation in these states, such projects may not eliminate the deficit in power. We are investing in the development and planning of power projects in states facing high energy deficits in order to be in a strong position to capture the opportunity.

Secure fuel supply

Having a dedicated, cost-efficient and established fuel supply line for a power project is fundamental to our success. Our strategy has been to establish dedicated fuel lines prior to setting up a power project. We try to ensure that we have adequate supplies of cost-efficient fuel through captive fuel sources, long-term contracts or coal linkages to meet the fuel requirements for our power projects. We will continue to explore other options and sources for procuring and strengthening our fuel supplies.

Further integrate our power generation business with the installation of transmission lines

In order to ensure evacuation of power from the power project, it is critical to have appropriate transmission linkages. We are constructing transmission lines connecting our power projects at Mundra and Tiroda to state and central government sub-stations for evacuation of power. In light of the transmission constraints facing inter-regional links, we believe that the proposed Mundra and Tiroda transmission lines will be cost-efficient for evacuating power. They will also mitigate the risk, which may arise in the event power purchasers under long-term PPAs reduce their procurement of contracted power from the Mundra and Tiroda power projects.

In addition, we entered into a bulk power transmission agreement with PGCIL to avail long term open access facilities for evacuation of power from our Mundra power projects. We have applied to MSEDCL for similar approval to evacuate power from our Tiroda Power Project.

Optimize operational efficiency

We have invested in technology to drive operational efficiency. For example, all of our power projects, with the exception of the Mundra Phase I and II Power Project, will deploy super-critical technology to reduce the amount of coal consumed to generate power. The efficiency of steam generation through super-critical technology is significantly higher than that from the conventional sub-critical technology. Higher steam generation efficiency will lead to lower coal consumption and hence increase overall efficiency.

Further, we expect that our experienced management team coupled with our project management, execution and operational skills, will drive higher operational efficiencies in our power projects.

Engage in an optimal mix of off-take arrangements with state-owned and industrial consumers

We are developing four power projects that are capable of generating an aggregate 6,600 MW of power. We believe that state-run utility companies will require substantial amounts of power in order to meet their power demands and to cope adequately with power shortages in their respective states. We intend to utilize our marketing and trading capacities by optimizing our off-take arrangements between state-run utility companies and industrial consumers. This will enable us to enter into secured long-term off-take arrangements with state-run utility companies and industrial consumers as well as carry out merchant sales of power at market rates.

SUMMARY FINANCIAL INFORMATION

The following tables set forth summary financial information derived from our restated stand-alone and consolidated financial statements as of and for the years ended March 31, 2009, 2008, 2007, 2006, and 2005. These financial statements have been prepared in accordance with Indian GAAP, the Companies Act and the SEBI Guidelines and presented under the sections titled "Financial Statements" on page 237 of this Red Herring Prospectus. The summary financial information presented below should be read in conjunction with our restated stand-alone and consolidated financial statements, the notes thereto and the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations" on page 311 of this Red Herring Prospectus.

SUMMARY STANDALONE STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs. in Millions)

	Particulars	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
I	**Fixed Assets**						
	Gross Block	3,355.25	85.96	11.93	1.83	-	-
	Less : Accumulated Depreciation / Amortisation	98.28	11.19	1.48	0.03	-	-
	Net Block	**3,256.97**	**74.77**	**10.45**	**1.80**	**-**	**-**
	Capital Work-in-Progress including Capital Advances	55,930.83	22,219.91	5,515.79	0.28	-	-
	Project Development Expenditure	6,390.53	1,596.46	455.62	121.02	9.33	9.33
	Construction Material at site	150.50	139.19	47.26	-	-	-
		65,728.83	**24,030.33**	**6,029.12**	**123.10**	**9.33**	**9.33**
II	**Investments**	**2,721.44**	**832.27**	**0.01**	**-**	**-**	**-**
III	**Current Assets, Loans and Advances**						
	Cash and Bank Balances	4,941.63	1,917.85	497.04	2.67	0.06	0.07
	Loans and Advances	4,741.93	1,750.74	10.21	10.71	-	-
		9,683.56	**3,668.59**	**507.25**	**13.38**	**0.06**	**0.07**
	A= (I+II+III)	**78,133.83**	**28,531.19**	**6,536.38**	**136.48**	**9.39**	**9.40**
IV	**Liabilities and Provisions**						
	Secured Loans	40,896.87	10,111.74	1,442.69	-	-	-
	Unsecured Loans	9,000.00	-	-	-	-	-
	Current Liabilities	5,443.88	4,090.62	2,307.91	28.56	0.01	0.01
	Provisions	9.20	5.91	1.84	0.05	-	-
		55,349.95	**14,208.27**	**3,752.44**	**28.61**	**0.01**	**0.01**
	B=(IV)	**55,349.95**	**14,208.27**	**3,752.44**	**28.61**	**0.01**	**0.01**
	NET WORTH A - B	**22,783.88**	**14,322.92**	**2,783.94**	**107.87**	**9.38**	**9.39**
	Net Worth Represented by						
	Share Capital						
	- Equity Shares	18,419.76	5,520.83	2,606.90	9.50	9.50	9.50
	- Preference Shares	-	1,500.00	-	-	-	-
	Share Application Money Pending Allotment	0.60	360.60	200.00	98.50	-	-
	Reserves and Surplus	4,516.64	6,979.17	-	-	-	-
	Less :						
	- Misc Expenditure	96.71	-	-	-	-	-
	- Debit Balance in Profit and Loss Account	56.41	37.68	22.96	0.13	0.12	0.11
	NET WORTH	**22,783.88**	**14,322.92**	**2,783.94**	**107.87**	**9.38**	**9.39**

Note:

The above statement should be read with the Significant Accounting Policies and Notes to Standalone Statement of Assets and Liabilities, Profit and Loss Account and Cashflows as appearing in Annexure V.

SUMMARY STANDALONE PROFIT AND LOSS ACCOUNT, AS RESTATED

	Particulars	For the Year ended March 31, 2009	As at Year ended March 31, 2008	As at Year ended March 31, 2007	As at Year ended March 31, 2006	As at Year ended March 31, 2005	As at Year ended March 31, 2004
I	**Income**						
	Income from Operations	-	-	-	-	-	-
	Other Income	-	-	-	-	-	-
	Total Income	-	-	-	-	-	-
II	**Expenditures**						
	Operating Expenses	-	-	-	-	-	-
	Personnel Expenses	-	-	-	-	-	-
	Administrative and General Expenses (Refer Annexure-IV J)	18.73	14.72	22.83	0.01	0.01	0.01
	Depreciation / Amortisation	-	-	-	-	-	-
	Total Expenditures	**18.73**	**14.72**	**22.83**	**0.01**	**0.01**	**0.01**
III	**Profit/ (Loss) before Tax, Prior Period and Extra Ordinary Items**	**(18.73)**	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**	**(0.01)**
	- Prior Period Items and Extra Ordinary Items	-	-	-	-	-	-
	Profit / (Loss) before Tax	**(18.73)**	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**	**(0.01)**
IV	**Provision For Tax**						
	- Current Tax	-	-	-	-	-	-
	- Deferred Tax (credit) / Charges	-	-	-	-	-	-
	Net Profit / (Loss) after Tax	**(18.73)**	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**	**(0.01)**
	Net Profit / (Loss) as Restated	**(18.73)**	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**	**(0.01)**
V	Balance brought forward from Previous Year	(37.68)	(22.96)	(0.13)	(0.12)	(0.11)	(0.10)
	Accumulated Losses carried forward	**(56.41)**	**(37.68)**	**(22.96)**	**(0.13)**	**(0.12)**	**(0.11)**

Note:

The above statement should be read with the Significant Accounting Policies and Notes to Standalone Statement of Assets and Liabilities, Profit and Loss Account and Cashflows as appearing in Annexure V.

SUMMARY STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED

(Rs. in Millions)

	Particulars	As at March 31, 2009	As at March 31, 2008
I	**Fixed Assets**		
	Gross Block	3,471.73	183.51
	Less : Accumulated Depreciation / Amortisation	103.55	12.54
	Net Block	**3,368.18**	**170.97**
	Capital Work-in-Progress (including Capital Advances)	57,603.99	22,274.44
	Project Development Expenditure	7,955.59	2,000.92
	Construction Material at site (Includes Goods in Transit at cost)	285.43	149.05
		69,213.19	**24,595.38**
II	**Investments**	**0.01**	**532.40**
III	**Current Assets, Loans and Advances**		
	Cash and Bank Balances	5,585.47	1,920.97
	Loans and Advances	4,163.48	1,762.45
		9,748.95	**3,683.42**
	A= (I+II+III)	**78,962.15**	**28,811.20**
IV	**Liabilities and Provisions**		
	Secured Loans	40,896.87	10,111.74
	Unsecured Loans	9,000.00	-
	Current Liabilities	5,608.28	4,354.42
	Provisions	11.29	6.23
	B = IV	**55,516.44**	**14,472.39**
	NET WORTH A-B	**23,445.71**	**14,338.81**
	Net Worth Represented by		
	Share Capital		
	- Equity Shares	18,419.76	5,520.83
	- Preference Shares	-	1,500.00
	Share Application Money Pending Allotment	0.60	410.60
	Reserves and Surplus	4,516.64	6,979.17
	Minority Interest	702.95	-
	Less :		
	-Misc Expenditure	96.71	-
	-Debit Balance in Consolidated Profit and Loss Account	97.53	71.79
	NET WORTH	**23,445.71**	**14,338.81**

Note:

The above statement should be read with the Significant Accounting Policies and Notes to Consolidated Statement of Assets and Liabilities, Profit and Loss Account and Cashflows as appearing in Annexure V.

SUMMARY STATEMENT OF CONSOLIDATED PROFIT AND LOSS ACCOUNT, AS RESTATED

	Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008
I	**Income**		
	Income from Operations	-	-
	Other Income	-	-
	Total Income	-	-
II	**Expenditures**		
	Operating Expenses	-	-
	Personnel Expenses	-	-
	Administrative and General Expenses	27.76	71.79
	(Refer Annexure-IV J)		
	Depreciation / Amortisation	-	-
	Total Expenditures	**27.76**	**71.79**
III	**Profit/ (Loss) before Tax, Prior Period and Extra Ordinary Items**	**(27.76)**	**(71.79)**
	- Prior Period Items and Extraordinary Items	-	-
	Profit / (Loss) before Tax	**(27.76)**	**(71.79)**
IV	**Provision For Tax**		
	- Current Tax	-	-
	- Deferred Tax (credit) / Charges	-	-
	Net Profit / (Loss) after Tax before Minority Interest	**(27.76)**	**(71.79)**
V	**Minority Interest**	2.02	-
	Net Profit / (Loss) as Restated	**(25.74)**	**(71.79)**
VI	Balance brought forward from Previous Year	**(71.79)**	-
	Accumulated Losses carried forward	**(97.53)**	**(71.79)**

Note:

The above statement should be read with the Significant Accounting Policies and Notes to Consolidated Statement of Assets and Liabilities, Profit and Loss Account and Cashflows as appearing in Annexure V.

THE ISSUE

Issue of Equity Shares	301,652,031 Equity Shares
Employee Reservation Portion	8,000,000 Equity Shares
Net Issue to the Public	293,652,031 Equity Shares
Of which:	
Qualified Institutional Buyers (QIBs) Portion(1)	At least 176,191,219 Equity Shares
of which	
Available for Mutual Funds only	8,809,561 Equity Shares
Balance of QIB Portion (available for QIBs including Mutual Funds)	167,381,658 Equity Shares
Non-Institutional Portion	Not less than 29,365,203 Equity Shares(2)
Retail Portion	Not less than 88,095,609 Equity Shares(2)
Pre and post-Issue Equity Shares	
Equity Shares outstanding prior to the Issue	1,878,383,169 Equity Shares
Equity Shares outstanding after the Issue	2,180,035,200 Equity Shares

Use of Issue Proceeds

See "Objects of the Issue" on page 32 of this Red Herring Prospectus for information about the use of the Issue Proceeds.

Allocation to all categories, including the Employee Reservation Portion, shall be made on a proportionate basis.

(1) The Company may consider participation by Anchor Investors for upto 52,857,366 Equity Shares in accordance with applicable SEBI Guidelines.

(2) Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the GCBRLM and the Designated Stock Exchange. Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue Portion, at the discretion of the GCBRLM and the Company. In case of under subscription in the Net Issue, spill over to the extent of under subscription shall be permitted from the Employee Reservation Portion subject to the Net Issue constituting 10% of the post Issue capital of the Company. If at least 60% of the Net Issue is not allocated to the QIBs, the entire subscription monies shall be refunded.

Note - The Company has allotted 36,047,969 Equity Shares to certain investors pursuant to a Pre-IPO Placement through a resolution of the Board of Directors dated June 25, 2009. The Company has entered into an agreement dated June 25, 2009 with 3i Power, one of the investors. For details of this agreement, please see "Description of Certain Key Contracts" on page 87 of the Red Herring Prospectus.

GENERAL INFORMATION

Registered Office of the Company

Adani Power Limited
Shikhar
Near Adani House
Mithakhali Six Roads
Navrangpura
Ahmedabad 380 009
Tel: (91 79) 2656 5555
Fax: (91 79) 2656 5500
Website: www.adanipower.com
Registration Number: 04-30533 of 1996
Company Identification Number: U40100GJ1996PLC030533

Address of the Registrar of Companies

The Company is registered with the Registrar of Companies, Gujarat, situated at the following address:

ROC Bhavan
Opposite Rupal Park Society
Behind Ankur Bus Stand
Naranpura
Ahmedabad 380 013
Tel: (91 79) 2743 8531
Fax: (91 79) 2743 8371

Our Board of Directors comprises the following:

Name and Designation	Age (years)	DIN	Address
Mr. Gautam S. Adani Chairman Non-Executive and Non-Independent Director	47	00006273	Shantivan Farm House Behind Karnavati Club Mohemadpura Village Ahmedabad 380 057
Mr. Rajesh S. Adani Managing Director	44	00006322	14, Suryaja Bungalow Behind Sarathi Restaurant Vastrapur, Ahmedabad 380 054
Mr. R. K. Gupta Whole-time Director	64	0088783	102, Ratnam Residency Behind Fun Republic Satellite, Ahmedabad 380 015
Mr. Ameet H. Desai Non-Independent and Non-Executive Director	45	00007116	A/403, Pratishtha Apartment Bodakdev, Ahmedabad 380 054
Mr. Vijay Ranchan Independent Director	66	01602023	Plot No.131 Sector – 8 C Gandhinagar 382 008
Mr. Surendra Kumar Tuteja Independent Director	63	00594076	S-307, 2nd Floor Panchsheel Park New Delhi 110 001
Mr. B. B. Tandon Independent Director	67	00740511	J-238, First Floor Saket, New Delhi 110 017
Mr. Chinubhai R. Shah Independent Director	71	00558310	402, Heritage Crescent B/h Prahaladnagar Garden Near Jain Drasar, S.G. Highway Ahmedabad 380 051

For further details of our Directors, see "Our Management" on page 141 of this Red Herring Prospectus.

Company Secretary and Compliance Officer

Mr. Rahul C. Shah is the Company Secretary and Compliance Officer of the Company. His contact details are as follows:

Mr. Rahul C. Shah
Adani House, Near Mithakali Six Roads
Navrangpura, Ahmedabad 380 009
Tel: (91 79) 2555 5795, Fax: (91 79) 2555 5608, Email: ipo@adanipower.com

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre or post-Issue related problems, such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary account and refund orders.

Global Coordinator and Book Running Lead Manager

DSP Merrill Lynch Limited
Mafatlal Centre, 10th Floor
Nariman Point, Mumbai 400 021
Tel: (91 22) 6632 8761, Fax: (91 22) 2204 8518
Email: apl_ipo@ml.com
Investor Grievance Email: india_merchantbanking@ml.com
Website: www.dspml.com
Contact Person: N. S. Shekhar
SEBI Registration No.: INM000002236

Book Running Lead Managers

Enam Securities Private Limited
801, Dalamal Towers
Nariman Point, Mumbai 400 021, India
Tel: (91 22) 6638 1800, Fax: (91 22) 2284 6824
Email: aplipo@enam.com
Investor Grievance Email: complaints@enam.com
Website: www.enam.com
Contact Person: Ms. Anusha Bhardwaj
SEBI Registration No. INM000006856

IDFC - SSKI Limited
803/4 Tulsiani Chambers, 8th Floor
Nariman Point, Mumbai 400 021
Tel: (91 22) 6638 3333, Fax: (91 22) 2204 0282
Email: apl.ipo@idfcsski.com
Investor Grievance Email: complaints@idfcsski.com
Website: www.idfcsski.com
Contact Person: Mr. Hiren Raipancholia
SEBI Reg. No. INM000011336

JM Financial Consultants Private Limited
141, Maker Chambers III
Nariman Point, Mumbai 400 021
Tel: (91 22) 6630 3030
Fax: (91 22) 2204 7185
Email: Venugopal.Nyalapelli@jmfinancial.in
Investor Grievance Email:grievance.ibd@jmfinancial.in
Website: www.jmfinancial.in
Contact Person: Mr. Venugopal Nyalapelli
SEBI Registration No: INM000010361

Kotak Mahindra Capital Company Limited
3rd Floor, Bakhtawar, 229
Nariman Point, Mumbai 400 021
Tel: (91 22) 6634 1100,
Fax: (91 22) 2284 0492
Email: apl.ipo@kotak.com
Investor Grievance Email: kmccredressal@kotak.com
Website: www.kotak.com
Contact Person: Mr. Chandrakant Bhole
SEBI Reg. No. INM000008704

Morgan Stanley India Company Private Limited
1101-1115, Trident
Nariman Point, Mumbai 400 021
Tel: (91 22) 6621 0555, Fax: (91 22) 6621 0556
Email: vidyut@morganstanley.com
Investor Grievance Email:investors_india@morganstanley.com
Website: www.morganstanley.com/indiaofferdocuments
Contact Person: Mr. Mayank Pagaria
SEBI Registration No.: INM000011203

ICICI Securities Limited
ICICI Centre
H. T. Parekh Marg, Churchgate, Mumbai 400 020
Tel: (91 22) 2288 2460/70, Fax: (91 22) 2282 6580
Email: apl.ipo@icicisecurities.com
Investor Grievance Email: customercare@icicisecurities.com
Website: www.icicisecurities.com
Contact Person: Mr. Sumit Pachisia
SEBI Registration No: INM 000011179

SBI Capital Markets Limited
202, Maker Towers 'E', Cuffe Parade, Mumbai 400 005
Tel: (91 22) 2217 8300, Fax: (91 22) 2218 8332
Email: adanipower.ipo@sbicaps.com
Investor Grievance Email: investor.relations@sbicaps.com
Website: www.sbicaps.com
Contact Person: Ms. Sylvia Mendonca
SEBI Registration No: INM000003531

Syndicate Members

Edelweiss Securities Limited
Office No. 303, 3rd Floor
Mayank Plaza, Opp. Green Park
Amarpeet, Hyderabad 500 016, India
Tel: (91 22) 6747 1342 / 43, Fax: (91 22) 6747 1347
E-mail: apl.ipo@edelcap.com
Website: www.edelcap.com
Contact Person: Ms. Pinki Dodhia / Mr. Prakash Boricha
SEBI Registration Nos.: **BSE**:INB011193332
NSE: INB231193310

Enam Securities Private Limited
Khatau Building , Second Floor
44B Bank Street, Off. Shaheed Bhagat Singh Road
Fort, Mumbai 400 023
Tel: (91 22) 2267 7901, Fax: (91 22) 2266 7613
E-mail: aplipo@enam.com
Website:www.enam.com
Contact Person: Mr. M. Natarajan
SEBI Registration No: **BSE**:INB011287852
NSE: INB230468336

India Infoline Limited
10th Floor, One IBC,
Senapati Bapat Marg, Elphinstone Road (W),
Mumbai 400 013
Tel: (91 22) 4646 4600, Fax: (91 22) 4646 4700
Email: adani.ipo@iiflcap.com
Investor Grievance Email: customercare@iiflcap.com
Website: www.iiflcap.com
Contact Person: Mr. Pinak R. Bhattacharyya
SEBI Registration No.: INM000010940

JM Financial Services Private Limited
Apeejay House, Third Floor
3 Dinshaw Vaccha Road
Churchgate, Mumbai 400 020
Tel: (91 22) 6704 3184
Fax: (91 22) 6654 1511
E-mail: deepak.vaidya@jmfinancial.in
Website: www.jmfinancial.in
Contact Person: Mr. Deepak Vaidya
SEBI Registration Nos.: **BSE**: INB011054831
NSE: INB231054835

Kotak Securities Limited
Nirlon House, Fourth Floor
Dr. Annie Besant Road, Near Passport Office,
Worli, Mumbai 400 030
Tel: (91 22) 6652 9191
Fax: (91 22) 6661 7046
E-mail: umesh.gupta@kotak.com
Website:www.kotak.com
Contact Person: Mr. Umesh Gupta
SEBI Registration Nos.: **BSE**: INB010808153
NSE: INB230808130

SBICAP Securities Limited
191, Maker Tower F
Cuffe Parade
Mumbai 400 005, India
Tel: (91 22) 3027 3309
Fax: (91 22) 3027 3402
E-mail: prasad.chitnis@sbicapsec.com
Website: www.sbicapsec.com
Contact Person: Mr. Prasad Chitnis
SEBI Registration Nos.: **BSE**: INB01105303
NSE: INB231052938

Sharekhan Limited
A 201, Phoenix House, Second Floor
Senapati Bapat Marg, Lower Parel
Mumbai - 400 013
Tel: (91 22) 6748 2000
Fax: (91 22) 2498 2626
Email: pankajp@sharekhan.com
Website: www.sharekhan.com
Contact Person: Mr. Pankaj Patel
SEBI Registration Nos.: **BSE**: INB011073351
NSE: INB231073330

UBS Securities India Private Limited
2/F, 2 North Avenue, Maker Maxity
Bandra-Kurla Complex
Bandra (E)
Mumbai 400 051
Tel: (91 22) 6155 6000
Fax: (91 22) 6155 6300
Email: customercare@ubs.com
Website: www.ubs.com/indianoffers
Contact Person: Mr. Abhishek Dhacholia
SEBI Registration No.: INM000010809

Self Certified Syndicate Banks

The list of banks that have been notified by SEBI to act as SCSB for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSBs collecting the ASBA Bid cum Application Form, please refer the above mentioned SEBI website.

Legal Advisors

Domestic Legal Counsel to the Company

Amarchand & Mangaldas & Suresh A. Shroff & Co.
5th Floor, Peninsula Chambers
Peninsula Corporate Park
Ganpatrao Kadam Marg
Lower Parel
Mumbai 400 013
Tel.: (91 22) 2496 4455
Fax: (91 22) 2496 3666

Domestic Legal Counsel to the Underwriters

Khaitan & Co.
Meher Chambers
4th and 5th Floor
R.K. Marg
Ballard Estate
Mumbai 400 001
Tel.: (91 22) 6636 5000
Fax.: (91 22) 6636 5050

International Legal Counsel to the Underwriters

Jones Day
3 Church Street
14-02 Samsung Hub
Singapore 049483
Tel.: (65) 6538 3939
Fax: (65) 6536 3939

Registrar to the Issue

Karvy Computershare Private Limited
"Karvy House", 46, Avenue 4
Street No. 1, Banjara Hills
Hyderabad 500 034
Toll free no: 1-800-345-4001
Tel: (91 40) 2342 0815-28
Fax: (91 40) 2343 1551
Email: adanipower.ipo@karvy.com
Investor Grievance Email: adanipower.ipo@karvy.com
Website: www.karvy.com
Contact Person: M. Murali Krishna
SEBI Registration No.: INR000000221

Bankers to the Issue and Escrow Collection Banks

Axis Bank Limited
'Trishul', Opp. Samartheshwar Temple
Law Garden, Ahmedabad 380 006
Tel: (91 79) 6630 6102
Fax: (91 79) 6630 6109
Email: darshita.shah@axisbank.com
Website: www.axisbank.com
Contact Person: Ms. Darshita Shah
SEBI Registration No.: INB100000017

Bank of America
16th Floor, Express Towers
Nariman Point, Mumbai 400 021
Tel: (91 22) 6632 3064
Fax: (91 22) 2282 5217
Email: samir.kadam@bankofamerica.com
Website: www.bankofamerica.com
Contact Person: Mr. Samir Kadam
SEBI Registration No.: INB100000039

HDFC Bank Limited
Third Floor, Maneckji Wadia Building
Nanik Motwane Marg, Fort, Mumbai 400 023
Tel: (91 22) 6657 3746, Fax: (91 22) 2270 0024
Email: deepak.rane@hdfcbank.com
Website: www.hdfcbank.com
Contact Person: Mr. Deepak Rane
SEBI Registration No.: INB100000063

ICICI Bank Limited
Capital Markets Division
30, Mumbai Samachar Marg, Mumbai 400 001
Tel: (91 22) 2262 7600, Fax: (91 22) 2261 1138
Email: venkataraghavan.t@icicibank.com
Website: www.icicibank.com
Contact Person: Mr. Venkataraghavan T.A.
SEBI Registration No.: INB100000004

IDBI Bank Limited
Corporate Park Unit -2
Sion Trombay Road, Near Swastik Chamber
Chembur, Mumbai 400 071
Tel: (91 22) 6690 8402, Fax: (91 22) 6690 8424
Email: mn.kamat@idbi.co.in, Website: www.idbi.com
Contact Person: Mr. M.N. Kamat
SEBI Registration No.: INB100000076

Kotak Mahindra Bank
Fifth Floor, Dani Corporate Park
158,, CST Road, Kalina, Santacruz (E)
Mumbai 400 098
Tel: (91 22) 6759 5336, Fax: (91 22) 6759 5374
Email: amit.kr@kotak.com, Website: www.kotak.com
Contact Person: Mr. Amit Kumar
SEBI Registration No.: INB100000927

Punjab National Bank
Second Floor, PNB House
P.M. Road, Fort, Mumbai 400 001
Tel: (91 22) 2262 1122, Fax: (91 22) 2262 1123
Email: pnbcapsmumbai@pnb.co.in, Website: www.pnbindia.com
Contact Person: Mr. S.K. Khanna
SEBI Registration No.: IBN100000084

Standard Chartered Bank
270, D.N. Road, Ground Floor
Fort, Mumbai 400 001
Tel: (91 22) 2268 3955, Fax: (91 22) 2209 6067
Email:joseph.george@sc.com, Website: www.standardchartered.com
Contact Person: Mr. Joseph George
SEBI Registration No.: INB100000885

State Bank of India
Ground Floor, Mumbai Main Branch Building
Mumbai Samachar Marg, Fort, Mumbai 400 023
Tel: (91 22) 2269 1561, Fax: (91 22) 2267 0745
Email: vidya.krishnan@sbi.co.in, Website: www.statebankofindia.com
Contact Person: Ms. Vidya Krishnan
SEBI Registration No.: INB100000038

The HongKong and Shanghai Banking Corporation Limited
Shiva Building, Plot No. 139-140B, Western Express Highway
Sahar Road Junction, Vile Parle (E), Mumbai 400 057
Tel: (91 22) 4035 7458, Fax: (91 22) 4035 7657
Email: swapnilpavale@hsbc.co.in, Website: www.hsbc.co.in
Contact Person: Mr. Swapnil Pawale
SEBI Registration No.: INB100000027

UCO Bank
Mid Corporate Branch
UCO Bhavan, Ashram Road, Ahmedabad 380 009
Tel: (91 79) 2657 9312/ 2657 9819, Fax: (91 79) 2657 8477
Email: uco_ashram@vsnl.net, Website: www.ucobank.com
Contact Person: Mr. K. Venkatachalam
SEBI Registration No. INB100000056

Yes Bank Limited
Second Floor, Tiecicon House
Dr. E. Moses Road, Mahalakshmi, Mumbai 400 011
Tel: (91 22) 6622 9232, Fax: (91 22) 2497 4875
Email: dlbtiservices@yesbank.in, Website: www.yesbank.com
Contact Person: Mr. Mahesh Shirali
SEBI Registration No.: INB100000935

Bankers to the Company

Allahabad Bank
S.P. Nagar Branch
Ahmedabad 380 006
Tel: (91 79) 2646 0354
Fax: (91 79) 2646 8540

Andhra Bank
41, Parimal Society
C.G. Road, Ahmedabad
Tel: (91 79) 2646 0945
Fax: (91 79) 2646 0947

Axis Bank
Maker Tower ‘F’, 13th Floor
Cuffe Parade, Colaba,
Mumbai 400 005
Tel: (91 22) 6707 4407
Fax: (91 22) 2216 6944

Bank of India
Second Floor, Bank of India Building
Bhadra, Ahmedabad 380 001
Tel: (91 79) 2538 3654
Fax: (91 79) 2539 6193

Bank of Maharashtra
First Floor, Janmangal
45/47 Mumbai Samachar Marg
Fort, Mumbai 400 023
Tel: (91 22) 2265 2595
Fax: (91 22) 2565 2912

Canara Bank
Opposite Advance Complex
Bhadra, Ahmedabad 380 001
Tel: (91 79) 2550 7535
Fax: (91 79) 2550 7736

Central Bank of India
Central Bank Building
Lal Darwaja, Ahmedabad 380 001
Tel: (91 79) 2550 3586
Fax: (91 79) 2550 4411

Corporation Bank
Near Navarangpura Post Office
Navarangpura, Ahmedabad 380 009
Tel: (91 79) 2644 7172
Fax: (91 79) 2642 1756

ICICI Bank Limited
ICICI Bank Towers
Bandra-Kurla Complex,
Mumbai 400 051
Tel: (91 22) 2653 1414
Fax: (91 22) 2653 1122

IDBI Bank Limited
IDBI Complex
Opposite Municipal Staff Quarters
Near Lal Bunglow, Off C.G. Road
Ahmedabad 380 006
Tel: (91 79) 2656 3911
Fax: (91 79) 2640 0814

Indian Overseas Bank
2, Wood Street
Kolkata 700 016
Tel: (91 33) 2287 8534
Fax: (91 33) 2287 2772

Oriental Bank of Commerce
Neelkamal
Opp. Sales India, Ashram Road
Ahmedabad 380 009
Tel: (91 79) 2574 2029
Fax: (91 79) 2754 1113

Punjab National Bank
2nd Floor, PNB House
PM Road, Fort, Mumbai 400 001
Tel: (91 22) 2262 1122
Fax: (91 22) 2262 1124

Standard Chartered Bank
23-25, Mahatma Gandhi Road
Fort, Mumbai 400 001
Tel: (91 22) 6735 5386
Fax: (91 22) 6735 5731

State Bank of Hyderabad
Nagindas Chambers, Usmanpura
Ahmedabad 380 014
Tel: (91 79) 2754 0281
Fax: (91 79) 2754 5434

State Bank of India
Corporate Centre, Third Floor
State Bank Bhavan, Madame Cama Road
Mumbai 400 021
Tel: (91 22) 2274 0361
Fax: (91 22) 2288 3021

State Bank of Mysore
Mittal Court, "C" Wing
Nariman Point, Mumbai 400 021
Tel: (91 22) 2279 0534
Fax: (91 22) 2204 4281

State Bank of Travancore
No. 556, Jeevan Anand, Tynampet
Anna Salai, Chennai 600 018
Tel: (91 44) 2435 9434
Fax: (91 44) 2435 1671

State Bank of Patiala
Atlanta, First Floor
Nariman Point, Mumbai 400 021
Tel: (91 22) 2204 0225
Fax: (91 22) 6637 5703

Syndicate Bank
Neptune Tower, Opp. Nehru Bridge
Ashram Road, Ahmedabad 380 009
Tel: (91 79) 2658 7223
Fax: (91 79) 2658 9760

Tamilnad Mercantile Bank
Goradia House, First Floor
Kazi Syed Street,
Mandvi, Mumbai 400 003
Tel: (91 22) 2341 5624
Fax: (91 22) 2340 1667

UCO Bank
UCO Bhavan, Near Sanyas Ashram
Ashram Road, Ahmedabad 380 009
Tel: (91 79) 2658 1389
Fax: (91 79) 2657 7525

Union Bank
CU Shah Chambers,
Near Gujarat Vidyapith
Ashram Road, Ahmedabad 380 014
Tel: (91 79) 2754 2123
Fax: (91 79) 2754 0524

Auditors to the Company

Deloitte Haskins & Sells
Chartered Accountants
Heritage, 3rd Floor, Near Gujarat Vidhyapith
Off Ashram Road, Ahmedabad 380 014
Tel: (91 79) 2758 2542, Fax: (91 79) 2758 2551
Email: atd@deloitte.com

Monitoring Agency

IFCI Limited
IFCI Tower
61, Nehru Place
New Delhi 110 019
Tel: (91 11) 4173 2000
Fax: (91 11) 2623 0201
Email: helpdesk@ifciltd.com

Appraising Entity

ICICI Bank Limited
ICICI Bank Towers
Bandra Kurla Complex, Mumbai 400 051
Tel.: (91 22) 2653 1414
Fax: (91 22) 2653 1122
Email: sukumar.jain@icicibank.com

SBI Capital Markets Limited
202, Maker Tower E
Cuffe Parade, Mumbai 400 005
Tel.: (91 22) 2218 7052
Fax : (91 22) 2216 0379
Email: gh.pafs@sbicaps.com

Statement of inter-se Allocation of Responsibilities between the BRLMs for the Issue

Sr. No.	Activity	Responsibility	Co-ordination
1.	Capital Structuring with relative components and formalities such as type of instruments, etc.	DSPML, ENAM, ISEC, IDFC-SSKI, JMF, KMCC, SBICAPS and MS	DSPML
2.	Due diligence of Company's operations / management / business plans / legal etc. Drafting and design of Red Herring Prospectus including memorandum containing salient features of the Prospectus. The BRLMs shall ensure compliance with stipulated requirements and completion of prescribed formalities with the Stock Exchanges, ROC and SEBI including finalisation of Prospectus and ROC filing. Drafting and approval of all statutory advertisement	DSPML, ENAM, ISEC, IDFC-SSKI, JMF, KMCC, SBICAPS and MS	DSPML
3.	Drafting and approval of all publicity material other than statutory advertisement as mentioned in 2 above including corporate advertisement, brochure etc.	DSPML	DSPML
4.	Appointment of other intermediaries viz., Registrar's, Printers, Advertising Agency and Bankers to the Issue	DSPML	DSPML
5.	Institutional Marketing strategy * Preparation of Road show presentation * Finalise the list and division of investors for one to one meetings, in consultation with the Company, and * Finalizing the International road show schedule and investor meeting schedules	DSPML, ENAM, ISEC, IDFC-SSKI, JMF, KMCC, SBICAPS and MS	DSPML
6.	Retail marketing of the Issue, which will cover, inter alia, * Formulating marketing strategies, preparation of publicity budget * Finalise Media and PR strategy * Finalising centers for holding conferences for press and brokers * Follow-up on distribution of publicity and Issuer material including form, RHP, prospectus and deciding on the quantum of the Issue material * Co-ordination with Stock Exchanges for Book Building Software, bidding terminals and mock trading	DSPML, ENAM, ISEC, IDFC-SSKI, JMF, KMCC, SBICAPS and MS	DSPML
7.	Non-Institutional marketing of the Issue, which will cover, inter alia, * Formulating marketing strategies, preparation of publicity budget * Finalise Media and PR strategy * Finalising centers for holding conferences for press and brokers * Follow-up on distribution of publicity and Issuer material including form, RHP, Prospectus and deciding on the quantum of the Issue material	DSPML, ENAM, ISEC, IDFC-SSKI, JMF, KMCC, SBICAPS and MS	DSPML
8.	Finalisation of Pricing, in consultation with the Company	DSPML	DSPML
9.	The post bidding activities including management of escrow accounts, co-ordination of non-institutional allocation, intimation of allocation and dispatch of refunds to bidders etc. The post Offer activities for the Offer involving essential follow up steps, which include the finalisation of trading and dealing of instruments and demat of delivery of shares, with the various agencies connected with the work such as the registrar's) to the Issue and Bankers to the Issue and the bank handling refund business. The merchant banker shall be responsible for ensuring that these agencies fulfil their functions and enable it to discharge this responsibility through suitable agreements with the Company.	DSPML, ENAM, ISEC, IDFC-SSKI, JMF, KMCC, SBICAPS and MS	DSPML

Credit Rating

As this is an Issue of Equity Shares, there is no credit rating for this Issue.

IPO Grading

This Issue has been graded by ICRA Limited and has been assigned IPO Grade 3 indicating average fundamentals through its letter dated July 2, 2009.

The IPO grading is assigned on a five point scale from 1 to 5 with an “IPO Grade 5” indicating strong fundamentals and an “IPO Grade 1” indicating poor fundamentals. For details in relation to the Report of the Grading Agency, please refer to Annexure beginning on page 447 of this Red Herring Prospectus. Attention is drawn to the disclaimer appearing on page 390 of this Red Herring Prospectus.

Experts

Except the report of ICRA Limited in respect of the IPO grading of this Issue annexed herewith, the Company has not obtained any expert opinions.

Trustee

As this is an Issue of Equity Shares, the appointment of a trustee is not required.

Book Building Process

The Book Building Process, with reference to the Issue, refers to the process of collection of Bids on the basis of the Red Herring Prospectus within the Price Band. The Issue Price is finalised after the Bid/Issue Closing Date. The principal parties involved in the Book Building Process are:

- The Company;
- The BRLMs;
- Syndicate Members who are intermediaries registered with SEBI or registered as brokers with BSE/NSE and eligible to act as Underwriters. The Syndicate Members are appointed by the BRLMs;
- Registrar to the Issue;
- Escrow Collection Banks; and
- SCSBs.

In terms of Rule 19(2)(b) of SCRR, this being an Issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be allocated on a proportionate basis to QIB Bidders. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price. Further, up to 8,000,000 Equity Shares shall be available for allocation on a proportionate basis to Eligible Employees, subject to valid Bids being received at or above the Issue Price.

In accordance with the SEBI Guidelines, QIBs are not allowed to withdraw their Bid(s) after the Bid/Issue Closing Date. In addition, QIBs are required to pay not less than 10% of the Bid Amount payable on application upon submission of the Bid cum Application Form during the Bid/Issue Period and allocation to QIBs will be on a proportionate basis. For further details, see “Terms of the Issue” on page 392 of this Red Herring Prospectus.

The Company will comply with the SEBI Guidelines and any other ancillary directions issued by SEBI for this Issue. In this regard, the Company has appointed the BRLMs to manage the Issue and procure subscriptions to the Issue.

The process of Book Building under the SEBI Guidelines is subject to change from time to time and the investors are advised to make their own judgment about investment through this process prior to making a Bid or application in the Issue.

Illustration of Book Building and Price Discovery Process *(Investors should note that this example is solely for illustrative purposes and is not specific to the Issue)*

Bidders can bid at any price within the price band. For instance, assume a price band of Rs. 20 to Rs. 24 per share, issue size of 3,000 equity shares and receipt of five bids from bidders, details of which are shown in the table below. A graphical representation of the consolidated demand and price would be made available at the bidding centres during the bidding period. The illustrative book below shows the demand for the shares of the issuer company at various prices and is collated from bids received from various investors.

Bid Quantity	Bid Price (Rs.)	Cumulative Quantity	Subscription
500	24	500	16.67%
1,000	23	1,500	50.00%
1,500	22	3,000	100.00%
2,000	21	5,000	166.67%
2,500	20	7,500	250.00%

The price discovery is a function of demand at various prices. The highest price at which the issuer is able to issue the desired number of shares is the price at which the book cuts off, i.e., Rs. 22 in the above example. The Issuer, in consultation with the GCBRLM, will finalise the issue price at or below such cut-off price, i.e., at or below Rs. 22. All bids at or above this issue price and cut-off bids are valid bids and are considered for allocation in the respective categories.

Steps to be taken by the Bidders for Bidding

1. Check eligibility for making a Bid (see "Issue Procedure - Who Can Bid?" on page 399 of this Red Herring Prospectus);
2. Ensure that you have a demat account and the demat account details are correctly mentioned in the Bid cum Application Form;
3. Ensure that you have mentioned PAN in your Bid cum Application Form. In accordance with the SEBI Guidelines, the PAN would be the sole identification number for participants transacting in the securities market, irrespective of the amount of transaction;
4. Ensure that the Bid cum Application Form is duly completed as per instructions given in this Red Herring Prospectus and in the Bid cum Application Form; and
5. Bids by QIBs will only have to be submitted to the BRLMs.

Withdrawal of the Issue

Our Company, in consultation with the GCBRLM, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares without assigning any reason therefore.

Bid/Issue Programme

BID/ISSUE OPENS ON	**TUESDAY, JULY 28, 2009**
BID/ISSUE CLOSES ON	**FRIDAY, JULY 31, 2009**

The Company may consider participation by Anchor Investors in terms of the SEBI Guidelines. The Anchor Investor Bid/ Issue Period shall be one day prior to the Bid/ Issue Opening Date.

Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 3.00 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form. On the Bid/Issue Closing Date, Bids (excluding the ASBA Bidders) shall be uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders, Non-Institutional Bidders and Employees bidding under the Employee Reservation Portion where the Bid Amount is in excess of Rs. 100,000 and (ii) until 5.00 p.m. or such extended time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders and Employees bidding under the Employee Reservation Portion where the Bid Amount is up to Rs. 100,000. It is clarified that Bids not uploaded in the book, would be rejected. Bids by ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the NSE and the BSE.

In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment. In case of discrepancy in the data entered in the electronic book vis-à-vis the data contained in the physical or electronic Bid cum Application Form, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing date, the bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than the times mentioned above on the Bid/Issue Closing Date. All times mentioned in the Red Herring Prospectus are Indian Standard Time. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in pubic offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. If such Bids are not uploaded, the Issuer, BRLMs, Syndicate Members and the SCSB will not be responsible. Bids will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holidays).

On the Bid/Issue Closing Date, extension of time will be granted by the Stock Exchanges only for uploading the Bids received by Retail Bidders after taking into account the total number of Bids received upto the closure of the time period for acceptance of Bid-cum-Application Forms as stated herein and reported by the BRLMs to the Stock Exchange within half an hour of such closure.

The Company reserves the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI Guidelines provided that the Cap Price is less than or equal to 120% of the Floor Price. The Floor Price can be revised up or down to a maximum of 20% of the Floor Price advertised at least one day before the Bid /Issue Opening Date.

In case of revision of the Price Band, the Issue Period will be extended for three additional working days after revision of the Price Band subject to the total Bid /Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/Issue, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release and also by indicating the changes on the web sites of the BRLMs and at the terminals of the Syndicate.

Underwriting Agreement

After the determination of the Issue Price and allocation of our Equity Shares, but prior to the filing of the Prospectus with the RoC, our Company will enter into an Underwriting Agreement with the Underwriters for the Equity Shares proposed to be offered through the Issue. It is proposed that pursuant to the terms of the Underwriting Agreement, the BRLMs shall be responsible for bringing in the amount devolved in the event that the Syndicate Members do not fulfil their underwriting obligations. The underwriting shall be to the extent of the Bids uploaded by the Underwriters including through its Syndicate/Sub Syndicate. The Underwriting Agreement is dated [•]. Pursuant to the terms of the Underwriting Agreement, the obligations of the Underwriters are several and are subject to certain conditions specified therein.

The Underwriters have indicated its intention to underwrite the following number of Equity Shares:

This portion has been intentionally left blank and will be filled in before filing of the Prospectus with the RoC

Name and Address of the Underwriter	Indicated Number of Equity Shares to be Underwritten	Amount Underwritten (In Rs. Million)
[•]	[•]	[•]
[•]	[•]	[•]
[•]	[•]	[•]

In the opinion of our Board of Directors (based on a certificate given by the Underwriters), the resources of the above mentioned Underwriters is sufficient to enable them to discharge its underwriting obligations in full. The abovementioned Underwriters are registered with SEBI under Section 12 (1) of the SEBI Act or registered as brokers with the Stock Exchange(s). Our Board of Directors/Committee of Directors, at its meeting held on [•], has accepted and entered into the Underwriting Agreement mentioned above on behalf of our Company.

Allocation among the Underwriters may not necessarily be in proportion to their underwriting commitments. Notwithstanding the above table, the BRLMs and the Syndicate Members shall be responsible for ensuring payment with respect to Equity Shares allocated to investors procured by them. In the event of any default in payment, the respective Underwriter, in addition to other obligations defined in the underwriting agreement, will also be required to procure/subscribe to Equity Shares to the extent of the defaulted amount in accordance with the underwriting agreement.

CAPITAL STRUCTURE

The share capital of the Company as at the date of this Red Herring Prospectus is set forth below:

(In Rs. Million, except share data)

		Aggregate Value at Face Value	Aggregate Value at Issue Price
A	**AUTHORISED CAPITAL**		
	2,500,000,000 Equity Shares of Rs. 10 each	25,000.00	
	500,000,000 Cumulative Compulsorily Convertible Participatory Preference shares of Rs. 10 each	5,000.00	
		30,000.00	
B	**ISSUED, SUBSCRIBED AND PAID-UP CAPITAL BEFORE THE ISSUE**		
	1,878,383,169 Equity Shares of Rs. 10 each	18,783.83	
C	**PRESENT ISSUE IN TERMS OF THIS RED HERRING PROSPECTUS**(1)		
	301,652,031 Equity Shares of Rs. 10 each fully paid up	3,016.52	[•]
	Of which		
	Employee Reservation Portion:		
	8,000,000 Equity Shares of Rs. 10 each fully paid up	80.00	[•]
	Net Issue to the Public:		
	293,652,031 Equity Shares of Rs. 10 each fully paid up	2,936.52	[•]
D	**SHARE PREMIUM ACCOUNT**		
	Before the Issue		7,922.05
	After the Issue		[•]
E	**EQUITY CAPITAL AFTER THE ISSUE**		
	2,180,035,200 Equity Shares of Rs. 10 each fully paid up	21,800.35	[•]

(1) The present Issue in terms of this Red Herring Prospectus has been authorized by our Board of Directors and our shareholders, pursuant to their resolutions dated February 27, 2009 and April 4, 2009 respectively.

Note - The Company has allotted 36,047,969 Equity Shares to certain investors pursuant to a Pre-IPO Placement through a resolution of the Board of Directors dated June 25, 2009. The Company has entered into an agreement dated June 25, 2009 with 3i Power, one of the investors. For details of this agreement, please see "Description of Certain Key Contracts" on page 87 of the Red Herring Prospectus

Changes in the Authorised Capital

1. The initial authorised share capital of Rs. 10,000,000 divided into 1,000,000 Equity Shares of Rs. 10 each was increased to Rs. 11,000,000 divided into 1,100,000 Equity Shares of Rs. 10 each pursuant to a resolution of the shareholders on August 1, 2006.
2. The authorised share capital of Rs. 11,000,000 divided into 1,100,000 Equity Shares of Rs. 10 each was increased to Rs. 15,000,000,000 divided into 1,500,000,000 Equity Shares of Rs. 10 each pursuant to a resolution of the shareholders on September 1, 2006.

3. The authorised share capital of Rs. 15,000,000,000 divided into 1,500,000,000 Equity Shares of Rs. 10 each was increased to Rs. 25,000,000,000 divided into 2,500,000,000 Equity Shares of Rs. 10 each pursuant to a resolution of the shareholders on March 28, 2007.

4. The authorised share capital of Rs. 25,000,000,000 divided into 2,500,000,000 Equity Shares of Rs. 10 each was increased to Rs. 30,000,000,000 divided into 2,500,000,000 Equity Shares of Rs. 10 each and 500,000,000 Cumulative Convertible Preference Shares of Rs. 10 each pursuant to a resolution of the shareholders on July 30, 2007.

5. The authorised capital was reorganized on September 21, 2007 as follows:

   Rs. 25,000,000,000 divided into 2,500,000,000 Equity Shares of Rs. 10 each ranking pari passu with the existing Equity Shares; and

   Rs. 5,000,000,000 divided into 500,000,000 Cumulative Compulsorily Convertible Participatory Preference Shares of Rs. 10 each.

Notes to the Capital Structure

1. Share Capital History of the Company

(a) Equity Share Capital History

Date of allotment of the Equity Shares	No. of Equity Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment	Name of allottee	Cumulative No. of Equity Shares	Cumulative paid-up Equity Capital (Rs.)	Cumulative Share Premium (Rs.)
August 22, 1996	1,000	10	10	Cash	Subscription to Memorandum	1,000	10,000	Nil
November 5, 2001	49,000	10	10	Cash	Allotment to Mr. Gautam S. Adani, Ms. Priti G. Adani, Mr. Rajesh S. Adani, Ms. Shilin R. Adani, Mr. Vasant S. Adani, Ms. Pushpa V. Adani, Mr. Mahasukh S. Adani, Ms. Suvarna M. Adani, Mr. Vinod S. Adani and Ms. Ranjan V. Adani	50,000	500,000	Nil
December 1, 2003	900,000	10	10	Cash	Allotment to Gautam S. Adani Family Trust, Rajesh S. Adani Family Trust, Vasant S. Adani Family Trust, Mahasukh S. Adani Family Trust, Vinod S. Adani Family Trust	950,000	9,500,000	Nil
August 5, 2006	150,000	10	10	Cash	Adani Enterprises Limited	1,100,000	11,000,000	Nil
October 16, 2006	196,090,000	10	10	Cash	Adani Enterprises Limited	197,190,000	1,971,900,000	Nil
January 4, 2007	45,000,000	10	10	Cash	Adani Enterprises Limited	242,190,000	2,421,900,000	Nil
February 21, 2007	18,500,000	10	10	Cash	Adani Enterprises Limited	260,690,000	2,606,900,000	Nil
June 11, 2007	77,580,000	10	10	Cash	Adani Enterprises Limited	338,270,000	3,382,700,000	Nil
September 17, 2007	18,530,000	10	10	Cash	Adani Enterprises Limited	356,800,000	3,568,000,000	Nil
October 1, 2007	52,083,333	10	144	Cash	3i Power Investments A1 Limited	408,883,333	4,088,833,330	6,979,166,622
December 12, 2007	21,759,900	10	10	Cash	Adani Enterprises Limited	430,643,233	4,306,432,330	6,979,166,622
March 31, 2008	121,440,100	10	10	Cash	Adani Enterprises Limited	552,083,333	5,520,833,330	6,979,166,622
April 25, 2008	350,800,000	10	10	Cash	Adani Enterprises Limited	902,883,333	9,028,833,330	6,979,166,622
April 25, 2008	32,059,002	10	46.79	Conversion of Preference shares of the Company	3i Power Investments A1 Limited	934,942,335	9,349,423,350	8,158,576,602
April 25, 2008	49,200,000	10	10	Cash	Grow Power Trust	984,142,335	9,841,423,350	8,158,576,602
April 28, 2008	787,313,868	10	-	Other than cash	Bonus in the ratio of 4:5*	1,771,456,203	17,714,562,030	285,437,922
March 31, 2009	70,520,033	10	70	Cash	Ventura Power	1,841,976,236	18,419,762,360	4,516,639,902
April 3, 2009	358,964	10	70	Cash	Ventura Power	1,842,335,200	18,423,352,000	4,538,177,742
June 25, 2009	9,142,139	10	81.42	Cash	3i Power Investments A1 Limited**	1,851,477,339	18,514,773,390	5,191,109,309
June 25, 2009	26,905,830	10	111.50	Cash	Capital Trade & Investment Private Limited**	1,878,383,169	18,783,831,690	7,922,051,054

* *Bonus Equity Shares have been issued out of the share premium account by capitalising Rs. 7,873,138,680.*

** *Allotted pursuant to pre-IPO placement.*

(b) Preference Share Capital History

Date of allotment of the Preference Shares	No. of Preference Shares	Face Value (Rs.)	Issue Price (Rs.)	Nature of Payment	Reasons for allotment	Cumulative no. of Preference Shares	Cumulative Paid-up Preference Capital (Rs.)	Cumulative Share Premium (Rs.)
October 1, 2007	150,000,000	10	10	Cash	Allotment to 3i Power Investments A1 Limited*	150,000,000	1,500,000,000	Nil

** On April 25, 2008 150,000,000 preference shares were converted into 32,059,002 Equity Shares at an aggregate price of Rs. 1,500 million.*

2. Build-up of Promoter Shareholding

Date of Allotment/ Transfer	Nature of consideration	No. of Equity Shares	Face Value (Rs.)	Issue/ Acquisition Price (Rs.)	Nature of Transaction	Cumulative no. of Equity Shares
Adani Enterprises Limited						
May 29, 2006	Cash	950,000*	10	10	Transfer from Mundra Special Economic Zone Limited	950,000
August 5, 2006	Cash	150,000	10	10	Allotment	1,100,000
October 16, 2006	Cash	196,090,000	10	10	Allotment	197,190,000
January 4, 2007	Cash	45,000,000	10	10	Allotment	242,190,000
February 21, 2007	Cash	18,500,000	10	10	Allotment	260,690,000
June 11, 2007	Cash	77,580,000	10	10	Allotment	338,270,000
September 17, 2007	Cash	18,530,000	10	10	Allotment	356,800,000
December 12, 2007	Cash	21,759,900	10	10	Allotment	378,559,900
March 31, 2008	Cash	121,440,100	10	10	Allotment	500,000,000
April 25, 2008	Cash	350,800,000	10	10	Allotment	850,800,000
April 28, 2008	Other than cash	680,640,000**	10	-	Bonus issue in the ratio 4:5	1,531,440,000
Gautam S. Adani						
August 22, 1996	Cash	100	10	10	Subscription to Memorandum	100
November 5, 2001	Cash	4,900	10	10	Allotment	5,000
November 12, 2001	Cash	(2,500)	10	10	Transfer to Ms. Priti G. Adani	2,500
June 30, 2004	Cash	(2,500)	10	10	Transfer to Mundra Special Economic Zone Limited	0
Rajesh S. Adani						
August 22, 1996	Cash	100	10	10	Subscription to Memorandum	100
November 5, 2001	Cash	4,900	10	10	Allotment	5,000
November 12, 2001	Cash	(2,500)	10	10	Transfer to Ms. Shilin R. Adani	2,500
June 30, 2004	Cash	(2,500)	10	10	Transfer to Mundra Special Economic Zone Limited	0

** 30,000 Equity Shares are held by various nominees on behalf of Adani Enterprises Limited.*

*** Includes 24,000 Equity Shares allotted to various nominees on behalf of Adani Enterprises Limited.*

3. Promoters' Contribution and Lock-in

Pursuant to the SEBI Guidelines, an aggregate of 20% of the post-Issue equity share capital of the Company shall be locked in by the Promoters as minimum Promoters' contribution. Such lock-in shall commence from the date of Allotment in the Issue and shall continue for a period of three years from the date of Allotment in the Issue or from the first date of commencement of commercial production, whichever is later. The Equity Shares, which are being locked-in, are not ineligible for computation of Promoter's contribution under Clause 4.6 and 4.11 of the SEBI Guidelines. Equity shares offered by Promoters for minimum promoter contribution are not subject to pledge.

(a) Details of the Equity Shares forming part of Promoters' contribution, which shall be locked-in for three years, are as follows:

Sr. No.	Date of Transfer/Allotment	Nature of Consideration	Number of Equity Shares	Face Value (Rs.)	Issue/Acquisition Price per Equity Share (Rs.)	Percentage of post-Issue paid-up capital
Adani Enterprises Limited						
1.	October 16, 2006	Cash	133,197,040	10	10	5.98
2.	January 4, 2007	Cash	45,000,000	10	10	2.08
3.	February 21, 2007	Cash	18,500,000	10	10	0.86
4.	June 11, 2007	Cash	77,580,000	10	10	3.59
5.	September 17, 2007	Cash	18,530,000	10	10	0.86
6.	December 12, 2007	Cash	21,759,900	10	10	1.01
7.	March 31, 2008	Cash	121,440,100	10	10	5.62
Total			**436,007,040**			**20.00**

The minimum Promoters contribution has been brought to the extent of not less than the specified minimum lot and from the persons defined as Promoters under the SEBI Guidelines. The Company has obtained specific written consent from the Promoter for inclusion of the Equity Shares held by them in the minimum Promoters' contribution subject to lock-in. Further, the Promoters have given an undertaking to the effect that they shall not sell/transfer/dispose of in any manner, Equity Shares forming part of the minimum Promoters' contribution from the date of filing the Red Herring Prospectus till the date of commencement of lock-in as per the SEBI Guidelines.

Equity Shares held by our Promoters and offered as minimum Promoters' contribution are free from pledge. AEL, one of our Promoters, has pledged 531,436,831 Equity Shares with IDBI Security Trustee Limited, on behalf of the consortium for our Mundra Phase I and II Power Projects on June 28, 2008. Further, AEL has pledged 141,867,800 Equity Shares with IDBI Security Trustee Limited on behalf of the consortium for our Mundra Phase III Power Project on July 1, 2009.

(b) Details of pre-Issue Equity Share capital locked in for one year:

In terms of Clause 4.14.1 of the SEBI Guidelines, in addition to the lock-in of 20% of the post-Issue shareholding of the Promoters for three years, as specified above, the balance pre-Issue share capital of the Company 1,442,376,129 Equity Shares shall be locked-in for a period of one year from the date of Allotment in the Issue.

In terms of Clause 4.15 of the SEBI Guidelines, the locked-in Equity Shares held by the Promoters can be pledged only with banks or financial institutions as collateral security for any loans granted by such banks or financial institutions, provided that the pledge of shares is one of the conditions under which the loan is sanctioned. Further, Equity Shares locked in as minimum Promoters' contribution may be pledged only in respect of a financial facility which has been granted for the purpose of financing one or more of the objects of the Issue.

In terms of Clause 4.16.1 (a) of the SEBI Guidelines, the Equity Shares held by persons other than Promoters prior to the Issue may be transferred to any other person holding the Equity Shares which are locked-in as per Clause 4.14 of the SEBI Guidelines, subject to the continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

Further, in terms of Clause 4.16.1(b) of the SEBI Guidelines, the Equity Shares held by the Promoters may be transferred to and among the Promoter Group or to a new promoter or persons in control of the Company subject to continuation of the lock-in in the hands of the transferees for the remaining period and compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, as applicable.

4. Shareholding Pattern of the Company

(i) The table below presents the shareholding pattern of Equity Shares before the proposed Issue and as adjusted for the Issue:

	Pre-Issue		Post-Issue*	
	No. of Equity Shares	**Percentage of Equity Share capital**	**No. of Equity Shares**	**Percentage of Equity Share capital**
Promoters				
Adani Enterprises Limited	1,531,440,000	81.53	1,531,440,000	70.25
Gautam S. Adani	0	0	0	0
Rajesh S. Adani	0	0	0	0
Total Holding of Promoters (A)	1,531,440,000	81.53	1,531,440,000	70.25
Promoter Group (Ventura Power Investment Private Limited) (B)	70,878,997	3.77	70,878,997	3.25
Total Holding of Promoters and Promoter Group (C = A + B)	**1,602,318,997**	**85.30**	**1,602,318,997**	**73.50**
Others (D)				
3i Power Investments A1 Limited	160,598,342	8.55	160,598,342	7.37
Adishree Tradelinks Private Limited	68,285,000	3.64	68,285,000	3.13
Capital Trade and Investment Private Limited	26,905,830	1.43	26,905,830	1.23
Others	20,275,000	1.08	20,275,000	0.93
Eligible Employees (pursuant to Employee Reservation Portion) (E)	-	-	8,000,000	0.37
Public (pursuant to the Issue) (F)	-	-	293,652,031	13.47
Total (C+D+E+F)	**1,878,383,169**	**100.00**	**2,180,035,200**	**100.00**

** Assuming that the Employee Reservation Portion is fully subscribed by the Eligible Employees and the non-promoter group shareholders do not apply for, and are not Allotted, Equity Shares in this Issue.*

5. The list of top ten shareholders of the Company and the number of Equity Shares held by them is as under:

(a) As of the date and 10 days prior to the date of the Red Herring Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage
1.	Adani Enterprises Limited*	1,531,440,000	81.53
2.	3i Power Investments A1 Limited	160,598,342	8.55
3.	Ventura Power Investment Private Limited	70,878,997	3.77
4.	Adishree Tradelinks Private Limited	68,285,000	3.64
5.	Capital Trade & Investment Private Limited	26,905,830	1.43
6.	Warden Trade and Investment Private Limited	8,000,000	0.43
7.	Chang Chungling	930,000	0.05
8.	Jubilee Tradelinks Private Limited	700,000	0.04
9.	K. S. Tradelinks Private Limited	600,000	0.03
10.	Rakshit Bhavikbhai Shah	505,000	0.03
	Total	**1,868,843,169**	**99.49**

** This includes 54,000 Equity Shares held by nominees of Adani Enterprises Limited.*

(b) Two years prior to date of the Red Herring Prospectus:

Sr. No.	Name of the shareholder	No. of Equity Shares held	Percentage
1.	Adani Enterprises Limited*	338,270,000	100.00
	Total	**338,270,000**	**100.00**

* *This includes 30,000 Equity Shares held by nominees of Adani Enterprises Limited*

6. Since the date of the Draft Red Herring Prospectus, as per the records obtained from the Depositories, the following key changes have taken place in the shareholding of the top 10 shareholders of the Company:

(a) Transfers made by existing shareholders (Non-Promoter and Non-Promoter Group):

Name of the transferor	Shareholding as on the date of the Draft Red Herring Prospectus	No. of Equity Shares sold	Shareholding as on the date of the Red Herring Prospectus
Grow Power Trust	84,560,000	84,560,000	Nil
K S Tradelinks Private Limited	700,000	100,000	600,000
Ambitious Tradelinks Private Limited	600,000	587,600	12,400

(b) Purchases made by Non-Promoter and Non-Promoter Group third party entities:

Name of the purchaser*	Number of shares acquired and current holding
Adishree Tradelinks Private Limited	68,285,000
Rakshit Bhavikbhai Shah	505,000
Warden Trade and Investments Private Limited	8,000,000

* NIL holding as on the date of the Draft Red Herring Prospectus

Apart from the changes in shareholding as disclosed above, pursuant to secondary transfers the members of the Company (including Directors, employees and others) have increased to 3,737.

7. The Company, the Directors, the Promoters, the Promoter Group, their respective directors, and the BRLMs have not entered into any buy-back and/or standby arrangements for purchase of Equity Shares from any person.

8. The Company, the Directors, the Promoters or the Promoter Group shall not make any, direct or indirect, payments, discounts, commissions or allowances under this Issue, except as disclosed in this Red Herring Prospectus.

9. AEL, one of our Promoters, has pledged 531,436,831 Equity Shares with IDBI Security Trustee Limited, on behalf of the consortium for our Mundra Phase I and II Power Projects on June 28, 2008. Further, AEL has pledged 141,867,800 Equity Shares with IDBI Security Trustee Limited on behalf of the consortium for our Mundra Phase III Power Project on July 1, 2009.

10. None of our Directors or Key Management Personnel holds any Equity Shares in our Company, except as stated in the section "Our Management" on page 141 of this Red Herring Prospectus.

11. The Promoters and Promoter Group have not undertaken any transactions of Equity Shares during a period of six months preceding the date on which this Red Herring Prospectus is filed with SEBI. However, Mr. Vinod S. Shah, acquired Ventura Power on April 8, 2009, pursuant to which Ventura Power has become our Promoter Group company. Ventura Power had undertaken the following transactions of Equity Shares in the last six months:

Name of the Promoter Group company	Date of Allotment of Equity Shares	No. of Equity Shares	Issue Price (In Rs.)	Nature of payment
Ventura Power	March 31, 2009	70,520,033	70	Cash
Ventura Power	April 3, 2009	358,964	70	Cash

12. Except as disclosed below, the Directors of the Company have not undertaken any transactions in the Equity Shares of the Company during a period of six months preceding the date of this Red Herring Prospectus.

Sr. No.	Name of the Director	Date of the Transaction	No. of Equity Shares	Price (In Rs.)	Particulars of the Transaction
1.	Mr. Ameet H. Desai*	July 1, 2009	75,000	10	Purchase
2.	Mr. R.K. Gupta	June 22, 2009	1,000	90	Purchase
		July 1, 2009	5,000	90	Purchase

Sr. No.	Name of the Director	Date of the Transaction	No. of Equity Shares	Price (In Rs.)	Particulars of the Transaction
3.	Mr. Vijay Ranchan	June 24, 2009	5,000	10	Purchase
4.	Mr. Surendra Kumar Tuteja	June 24, 2009	5,000	10	Purchase
5.	Mr. B.B. Tandon	June 24, 2009	5,000	10	Purchase
6.	Mr. Chinubhai R. Shah	June 24, 2009	5,000	10	Purchase

**Including relatives*

The Company has not allotted any Equity Shares to the Directos and these have been acquired by the Directors through secondary purchases.

13. A total of upto 8,000,000 Equity Shares, have been reserved for allocation to Eligible Employees, subject to valid Bids being received at or above the Issue Price and subject to the maximum Bid in this portion being 5,000 Equity Shares. Only Eligible Employees as on June 30, 2009 would be eligible to apply in this Issue under Reservation for Eligible Employees. The Employee Reservation Portion will not result in increasing, either directly or indirectly, the shareholding of the Promoters in the Company. Eligible Employees may Bid in the Net Issue as well and such Bids shall not treated as multiple Bids.

14. A Bidder cannot make a Bid for more than the number of Equity Shares offered through the Issue, subject to the maximum limit of investment prescribed under relevant laws applicable to each category of investor.

15. There are no outstanding warrants, options or rights to convert debentures, loans or other instruments convertible into the Equity Shares.

16. There will be no further issue of Equity Shares, whether by way of issue of bonus shares, preferential allotment, and rights issue or in any other manner during the period commencing from submission of this Red Herring Prospectus with SEBI until the Equity Shares have been listed.

17. The Company presently does not intend or propose to alter the capital structure for a period of six months from the Bid/Issue Opening Date, by way of split or consolidation of the denomination of Equity Shares or further issue of Equity Shares (including issue of securities convertible into or exchangeable, directly or indirectly for Equity Shares) whether preferential or otherwise, except that if the Company enters into acquisitions, joint ventures or other arrangements, the Company may, subject to necessary approvals, consider raising additional capital to fund such activity or use Equity Shares as currency for acquisitions or participation in such joint ventures.

18. There shall be only one denomination of the Equity Shares, unless otherwise permitted by law. The Company shall comply with such disclosure and accounting norms as may be specified by SEBI from time to time.

19. The Company has 3,737 members as of the date of filing of this Red Herring Prospectus.

20. The Company has availed certain bridge financing in the nature of unsecured loans for utilising such funds towards Net Proceeds. The Company intends to repay such bridge loans from the Net Proceeds or existing equity. The Company may refinance such bridge loans from time to time depending on its funding requirements, including by obtaining further bridge loans. For further details of such unsecured loans, please refer to "Financial Indebtedness" on page 323 of this Red Herring Prospectus.

21. The Company has not issued any Equity Shares out of revaluation reserves. The Company has not issued any Equity Shares for consideration other than cash except as stated above.

22. As per the RBI regulations, OCBs are not allowed to participate in the Issue.

23. In terms of Rule 19(2)(b) of the Securities Contracts Regulations Rules, 1957 ("SCRR"), this being an Issue for less than 25% of the post-Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue shall be allocated on a proportionate basis to QIB Bidders. 5% of the QIB Portion shall be available for allocation on a proportionate basis to Mutual Funds only and the remainder of the QIB Portion shall be available for allocation on a proportionate basis to all QIB Bidders, including Mutual Funds, subject to valid Bids being received at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Net Issue shall be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue shall be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the GCBRLM and the Designated Stock Exchange. Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue Portion at the discretion of the GCBRLM and the Company. In case of under subscription in the Net Issue, spill over to the extent of under subscription shall be permitted from the Employee Reservation Portion subject to the Net Issue constituting 10% of the post Issue capital of the Company.

OBJECTS OF THE ISSUE

We intend to utilize the Issue Proceeds, after deducting the underwriting and issue management fees, selling commissions and other expenses associated with the Issue (the "Net Proceeds") for the following objects:

(a) To part finance the construction and development of Mundra Phase IV Power Project for 1,980 MW;

(b) Funding equity contribution in our subsidiary Adani Power Maharashtra Limited to part finance the construction and development cost of power project for 1,980 MW at Tiroda, Maharashtra; and

(c) General corporate purposes.

The main objects clauses of our Memorandum of Association and the memorandum of association of APML enable us to undertake our existing activities and the activities for which the funds are being raised by us through this Issue. Further, we confirm that the activities we and APML have been carrying out until now are in accordance with the respective objects clause of our and APML's Memorandum of Association.

The details of the Net Proceeds of the Issue are summarized in the table below:

(In Rs. Million)

	Amount
Proceeds from the Issue*	[•]
Issue related expenses*	[•]
Net Proceeds from the Issue*	**[•]**

* *To be finalised upon determination of the Issue Price.*

Means of Finance

The following table sets forth the total expenditure expected to be incurred on our projects, amount proposed to be financed from Net Proceeds of this Issue, and other means of financing:

(In Rs. Million)

Project	Total Estimated Expenditure	Amount proposed to be financed from Net Proceeds	Balance amount	Amount financed/ proposed to be financed from Internal Accruals/ Equity other than current Issue	Amount financed/ proposed to be financed from secured loans	Amount deployed as of May 31, 2009[(1)]	Amount deployed as of May 31, 2009 from Equity	Amount deployed as of May 31, 2009 from secured loans
Mundra IV, Gujarat	89,600	11,530[(3)]	78,070	6,390	71,680	9,666.25	649.95	-[(3)]
Tiroda, Maharashtra implemented by our Subsidiary[(2)]	92,630	10,400	82,230	8,126	74,104	3,194.05	3,194.05	-
General Corporate Purposes	[•]	[•]	[•]	-	-	-	-	-
Total	[•]	[•]	[•]	**14,516**	**145,784**	**12,860.30**	**3,844.00**	-

[(1)]As certified by Deloitte Haskins & Sells, Chartered Accountants vide their certificate dated July 1, 2009 and certified by C. C. Chokshi & Co., Chartered Accountants vide their certificate dated July 1, 2009.

[(2)] Pursuant to a shareholders agreement dated January 15, 2008 with Millennium Developers, APML allotted 37,500,000 equity shares aggregating to Rs. 375 million to Millennium Developers. Subsequently, pursuant to a share subscription agreement dated March 27, 2009 with Somerset Fund, APML has allotted 33,000,000 equity shares aggregating to Rs. 330 million to Somerset Fund. Subsequently, APML allotted 20,000,000 equity shares aggregating Rs. 200 million to Somerset Fund on May 18, 2009.

[3]The Company has drawn down an amount of Rs. 9,000 million unsecured loans as bridge financing as at May 31, 2009. Out of the above, short-term loans aggregating Rs. 7,500 million shall be adjusted from first drawdown of the senior debt secured loans of Mundra Phase IV Power Project. For further details please see, "Financial Indebtedness" on page 323 of this Red Herring Prospectus. The Company intends to repay balance bridge loan of Rs. 1,500 million from the Net Proceeds or from existing equity. The Company may refinance such bridge loans from time to time depending on its funding requirements, including by obtaining further bridge loans. Further, in the month June 2009, we have raised Rs. 1,000 million as bridge loan which we intend to repay from the Net Proceeds or from existing equity.

Note (a) – *As certified by C. C. Chokshi & Co., Chartered Accountants vide their certificate dated July 1, 2009, an amount of Rs 782 million has been received in APML pursuant to shares allotted to the Company on June 27, 2009.*

Note (b) *– As on May 31, 2009 the Company has current liabilities of Rs. 586.80 million in Mundra Phase IV Power Project and APML has current liabilities of Rs. 337.3 million.*

The fund requirements mentioned above are based on our current business plan. We may have to revise our estimated costs and fund requirements owing to factors such as geological assessments, exchange or interest rate fluctuations, changes in design and configuration of the projects, increase in input costs of steel & cement, other construction materials and labour costs, incremental rehabilitation, other pre-operative expenses and other external factors which may not be in our control. This may include rescheduling of our capital expenditure programs or changes in the capital expenditure for a particular purpose vis-à-vis current plans at the discretion of our management. There may also be requirements that may arise on account of new acquisitions, mergers and winning of various projects that we have either bid for or are in the process of bidding. In case of any increase in the actual utilisation of funds earmarked for the above activities or actual Net Proceeds from this Issue being lower than contemplated, such shortage will be met from a combination of internal accruals, additional equity or debt infusion. In case of surplus funds either due to lower utilization than what is stated above or surplus Issue proceeds after meeting all the above mentioned objects, the same shall be utilised towards general corporate purposes. Please refer to "Risk Factors" on page xiii of this Red Herring Prospectus.

Funding Arrangement

The total funds required for the Mundra Phase IV Power Project and Tiroda Power Project are about Rs. 182,230 million. 75% of the stated means of finance, excluding funds to be raised through the Issue have been arranged as follows:

Sr. No.	Particulars	In Rs. Million
1.	Aggregate funds required for the Objects of the Issue	182,230.00
2.	Funding through the proceeds of the Issue	21,930.00
3.	Funds required excluding the Issue proceeds	160,300.00
4.	75% of the funds required excluding the proceeds Issue	120,225.00
Arrangements regarding 75% of the funds required excluding the proceeds Issue		
1.	Funded through existing equity	4,626.00*
2.	Funded through third party debt	
	Loan Agreements	124,160.00
	Sanction Letters	15,520.00
	Total Debt	139,680.00
	Grand Total	**144,306.00**

* *Including an amount of Rs 782 million received by APML pursuant to shares allotted to the Company on June 27, 2009.*

Following are the details of loans/ sanction letters/ underwriting letters from banks and financial institutions availed in respect of the two projects:

Sr. No.	Name of the Bank/Financial Institution	Project	Total Sanctioned Amount (Rs. Million)	Amount outstanding as of May 31, 2009 (In Rs. Million)
1.	State Bank of India and consortium (loan agreement dated June 24, 2009)	Mundra IV	67,200	Nil
2.	State Bank of India and consortium (subordinate loan agreement dated June 24, 2009)	Mundra IV	4,480	Nil
3.	State Bank of India and consortium (loan agreement dated January 30, 2009)	Tiroda I	49,200	Nil
4.	State Bank of India and consortium (subordinate loan agreement dated January 30, 2009)	Tiroda I	3,280	Nil
5.	UCO Bank (sanction letter dated February 24, 2009)	Tiroda II	3,050	Nil
6.	Rural Electrification Corporation (sanction letter dated January 05, 2009)	Tiroda II	3,000	Nil
7.	IDBI Bank (sanction letter dated January 29, 2009 and revalidation letter dated June 24, 2009 for senior debt of Rs. 2,220 million and subordinate debt of Rs. 500 million)	Tiroda II	2,720	Nil
8.	State Bank of Travancore (sanction letter dated February 4, 2009)	Tiroda II	750	Nil
9.	Power Finance Corporation Limited (sanction letter dated June 12, 2009)	Tiroda II	6,000	Nil
Total			**139,680**	

Loan Agreements

For further details of the loan agreements, please refer to the section titled "Financial Indebtedness" on page 323 of the Red Herring Prospectus.

Sanction Letters

We have received five sanction letters from lenders for debt facilities in the form of various Rupee term loans along with letter of credit facilities (the "Facilities"). The Facilities have been sanctioned subject to certain terms and conditions which include execution of other documents relating to the Facilities by us in such form as may be required by the banks, creation of charge over assets in terms of the sanction and upfront equity contribution to be brought in by our promoters. The Facilities have been sanctioned as a means to finance the cost of the project. The banks shall have the right to appoint a nominee director on our board of directors.

These letters also provide for the security stipulations including security by way of first priority charges, assignment of project contracts, first charge of the project's various bank accounts etc. Sub-debt, if any, for the project shall have a second charge on the above security. The execution and effectiveness of each project agreement and financing document shall be undertaken to the satisfaction of the lender for the first drawdown of the Facility. The loan documentation shall contain customary clauses including standard representations, warranties and covenants.

Cost of the Projects

The breakdown of construction and development cost, as per the project appraisal reports dated December 2008, November 2007 and January 2008 for Mundra IV, Tiroda Phase I and Tiroda Phase II, respectively by SBI Capital Markets Limited, is as follows:

(In Rs. Million)

Particulars	Project		
	Mundra IV	Tiroda	Total
Land and site development	400	640	1,040
Building, Civil Works, Engineering, Procurement and Construction Cost	68,690	70,970	139,660
Transmission Line /Railway Line	8,800	3,160	11,960
Mining Cost/Coal Supply Cost	0	4,400	4,400
Preliminary & Pre-operative expenses	690	1,260	1,950
Interest during construction period	7,800	8,680	16,480
Contingency	1,620	1,980	3,600
Margin money for working capital	1,600	1,540	3,140
Total Cost	**89,600**	**92,630**	**182,230**

Schedule of Implementation

1. ***Implementation schedule of Mundra Phase IV Power Project of 1,980 MW***

Sr. No.	Particulars	Estimated Date of Completion/Status
1.	Land and site development	Completed*
2.	Technical and engineering work	May 2010
3.	Civil work	May 2011
4.	Transmission line	August 2011
5.	Installation of equipment	December 2011
6.	Trial run	March 2012

**Whilst we have possession of the land on the basis of MoU with MPSEZL, our Promoter Group company, the lease agreements have not yet been executed. For details of the MOU between the Company and MPSEZL, please see "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.*

We expect the entire capacity of the project to be operational by April 2012.

2. ***Implementation schedule of Tiroda Power Project of 1,980 MW***

Sr. No.	Particulars	Estimated Date of Completion /Status
1.	Land and site development	Partially completed*
2.	Technical and engineering work	July 2010
3.	Civil work	June 2011
4.	Transmission Line	July 2011
5.	Installation of equipment	November 2011
6.	Trial run	March 2012

**For further details, please see "Our Business" section on page 64 of this Red Herring Prospectus.*

We expect the entire capacity of the project to be operational by April 2012.

Details of estimated project costs and investment schedule

The details of the estimated projects costs and investments schedule is as under:

(In Rs. Million)

Particulars	Project		
	Mundra IV	Tiroda	Total
Estimated Project Cost	89,600.00	92,630.00	182,230.00
Investment Schedule			
Already deployed up to May 31, 2009	9,666.25	3,194.05	12,860.30
From June 1, 2009 till March 31, 2010	17,413.75	33,557.95	50,971.70
For FY 2010-2011	26,822.00	31,049.00	57,871.00
For FY 2011-2012	35,698.00	24,829.00	60,527.00
Total	**89,600.00**	**92,630.00**	**182,230.00**

The Net Proceeds are currently expected to be deployed in the above projects in accordance with the following schedule.

(In Rs. Million)

Fiscal Year	Amount proposed to be financed from Net Proceeds		
	Mundra IV	Tiroda	Total
For FY 2009-2010	3,522	3,911	7,433
For FY 2010-2011	4,508	5,674	10,182
For FY 2011-2012	3,500	815	4,315
Total	**11,530**	**10,400**	**21,930**

Details of the Projects

I. Mundra Phase IV Power Project

Mundra Phase IV Power Project will comprise of three super critical units of 660 MW each. As set out in the information memorandum dated December 2008 prepared by SBI Capital Markets Limited, the breakdown of the project cost for Mundra IV project is set out below:

Particulars	In Rs. Million
Land and site development	400
Building, Civil Works, Engineering, Procurement and Construction Cost	68,690
Transmission Line	8,800
Preliminary & Pre-operative expenses	690
Interest during construction period	7,800
Contingency	1,620
Margin money for working capital	1,600
Total Cost	**89,600**

Land & Site Development

The cost for acquiring the land and site development is estimated at Rs. 400 million. Land for Mundra power projects will be leased from MPSEZL, our Promoter Group company.

Building, Civil Works, Engineering, Procurement and Construction Cost

This head includes cost of building, civil works and plant and machineries.

Primarily civil works and infrastructure includes expenditure of independent systems such as main plant building, cooling water system, RCC chimney, various pump house buildings, storage tanks, coal handling plant, ash handling plant etc.

The complete plant and machinery for Mundra Phase IV Power Project is to be procured through a turnkey EPC contract. The EPC contracts would comprise of civil works contracts, Boiler Turbine generator package (for super critical technology), cooling tower, DM water system, Coal handling system, other BoP mechanical, LT Switchgear, Control & Instrumentation, Initial spares etc.

Transmission Line

Transmission cost includes fabrication and supply of transmission towers, supply of earth wire, hardware fittings and accessories for conductor, insulators etc. To set up a dedicated around 800 km ±500KV HVDC Transmission Line from Mundra IV power project to Mohindergarh (Haryana). We have entered into contracts with Jyoti Structures Limited, Siemens AG, Germany, Dalian Insulator Group Corporation Limited and APAR Industries Limited for construction of transmission lines and ancillary infrastructure.

Preliminary & Pre-operative expenses

Preliminary expenses broadly include design and engineering, appraisal fees, upfront fees to lenders, advisor fees, start up fuel, employee recruitment, audit and accounts, site supervision, operators training and insurance.

Interest during construction period

Interest during construction period includes interest payable on debt incurred for the project. This has been calculated based on the capital expenditure phasing schedule estimated.

Contingency

Provision for contingency has been provided at about 1.84% of the total project costs, excluding contingencies.

Margin Money for Working Capital

Provision for margin money for working capital has been made at Rs. 1,600.0 million. For the purpose of the estimates, the current assets comprising of receivables of 60 days, fuel stock of 30 days, O&M expenses of 30 days and spares requirement equal to 1% of the capital cost has been considered.

II. Tiroda Project

The Tiroda Power Project is being developed by Adani Power Maharashtra Limited ("APML"), a subsidiary of the Company. On the date of this Red Herring Prospectus, the Company held 77.38% of the paid up equity share capital of APML. For details of shareholding pattern of APML, please see "Our Subsidiaries" on page 134 of this Red Herring Prospectus. As on the date of this Red Herring Prospectus the equity contribution in APML has been Rs. 4,000.00 million which has been brought in at par by us and other APML shareholders in the ratio of our respective current shareholding. Pursuant to a shareholders agreement dated January 15, 2008 between the Company and Millennium Developers, Millennium Developers has agreed to acquire, either directly or through its nominee, equity shares of APML representing 26% of the issued and paid-up share capital of APML, while the balance 74% will be held by the Company (or any other Adani Group company). Further, the Company and Somerset Fund have entered into a subscription share agreement dated March 27, 2009 in terms of which Somerset Fund has agreed to subscribe to equity shares of APML aggregating to Rs. 1,000 million. For further details, see "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

The Company is implementing Tiroda Project through its subsidiary, APML, for various reasons, which include:

- diversification of risk;
- ease of availing finance through independent corporate entities;

- availing different fiscal and other benefits;
- optimising operational efficiency;
- efficient supervision of projects; and
- independent assessment for participating in bids for power supply.

Phase I

Phase I of the Tiroda Power Project will comprise of two super critical units of 660 MW each. As set out in the information memorandum dated November 2007 prepared by SBI Capital Markets Limited, the breakdown of the project cost for the first phase of Tiroda project is set out below :

Particulars	In Rs. Million
Land and site development	390
Building, Civil Works, Engineering, Procurement and Construction Cost	48,000
Transmission Line	3,160
Mining Cost \ Coal Transport Arrangement	4,400
Preliminary & Pre-operative expenses	810
Interest during construction period	6,340
Contingency	1,460
Margin money for working capital	1,040
Total Cost	**65,600**

Land & Site Development

The cost for acquiring the land and site development is estimated at Rs. 390 million.

Building, Civil Works, Engineering, Procurement and Construction Cost

This head includes cost of building, civil works and plant and machineries.

Primarily civil works and infrastructure includes expenditure of independent systems such as main plant building, cooling water system, additional RCC chimney, various pump house buildings, storage tanks, coal handling plant, ash handling plant etc.

The complete plant and machinery is proposed to be procured through a turnkey EPC contract. The EPC contracts would comprise of civil works contracts, Boiler Turbine generator package (for super critical technology), cooling tower, DM water system, Coal handling system, other BoP mechanical, LT Switchgear, Control & Instrumentation, Initial spares etc.

Transmission Line

Transmission cost includes supply of transmission towers, earth wire, hardware fittings and accessories for conductor, insulators and cost of ROU/ROW, land etc. to set up two double circuit 400 KV transmission line, one connecting the Project site to the PGCIL substation at Wardha and other to the MSETCL substation at Koradi. Total cost of transmission lines is estimated to be about Rs. 3,160 million.

Mining Cost

The Company plans to carry out mining by itself for which Company proposes to install equipment and systems required. The requisite equipments and system will be procured and installed by one of the reputed vendor and the contract for the same would be awarded though competitive bidding process. The capital expenditure for mining as estimated by the Company is about Rs. 4,000 million.

Water Arrangement

The water arrangement for the Project involves building a barrage/dam, raw water pipeline up to plant, pump house and a raw water reservoir. The water arrangement is estimated to cost about Rs. 2,060 million.

Coal Transportation Arrangement

The Company proposes to transport the coal from mines in wagons. Kolkata-Mumbai Electrified rail route (BG) of SE Railways passes close to Tiroda Town. A spur from the Kachewani Railway Station will be drawn from this rail route to connect the plot. This would have track length of about 2 km. Another railway spur would be required to be drawn from Chandrapur railway station to the mines, which is about 20 kms.

The coal transportation infrastructure required for the Project as estimated by the Company is about Rs. 400 million.

Township

The Company proposes to develop a township for the employees of the Proposed Project. Township will include the residential units, school, hospital, community centre etc. Total cost of township development is estimated to be about Rs. 500 million.

Preliminary & Pre-operative expenses

Preliminary expenses broadly include design and engineering, appraisal fees, upfront fees to lenders, advisor fees, start up fuel, employee recruitment, audit and accounts, site supervision, operators training and insurance.

Interest during construction period

Interest during construction period includes interest payable on debt incurred for the project. This has been calculated based on the capital expenditure phasing schedule estimated.

Contingency

Provision for contingency has been provided at about 2.28% of the total project costs, excluding contingencies.

Margin Money for Working Capital

Provision for margin money for working capital has been made at Rs. 1,040 million. For the purpose of estimates, the current assets comprising of receivables of 1.5 months, primary fuel stock of 1 month, secondary fuel stock of 2 month, O&M expenses of 1 month and spares requirement equal to 1% of the capital cost has been considered.

Phase II

Phase II of the Tiroda Power Project will comprise of one super critical unit of 660 MW. As set out in the information memorandum dated January 2008 prepared by SBI Capital Markets Limited, the break up of the project cost for the second phase of Tiroda project is set out below :

Particulars	**In Rs. Million**
Land and site development	250
Building, Civil Works, Engineering, Procurement and Construction Cost	22,970
Preliminary & Pre-operative expenses	450
Interest during construction period	2,340
Contingency	520
Margin money for working capital	500
Total Cost	**27,030**

Land & Site Development

The cost for acquiring the land and site development is estimated at Rs. 250 million.

Building, Civil Works, Engineering, Procurement and Construction Cost

This head includes cost of building, civil works and plant and machineries.

The broad civil works and infrastructure includes expenditure of independent systems such as main plant building, cooling water system, additional RCC chimney, various pump house buildings, storage tanks, coal handling plant, ash handling plant etc.

The complete plant and machinery is proposed to be procured through a turnkey EPC contract. The EPC contracts would comprise of civil works contracts, Boiler Turbine generator package (for super critical technology), cooling tower, DM water system, Coal handling system, other BoP mechanical, LT Switchgear, Control & Instrumentation, Initial spares etc.

Preliminary & Pre-operative expenses

Preliminary expenses broadly design and engineering, appraisal fees, upfront fees to lenders, advisor fees, start up fuel, employee recruitment, audit and accounts, site supervision, operators training and insurance etc.

Interest during construction period

Interest during construction period includes interest etc. This has been calculated based on the capital expenditure phasing schedule estimated.

Contingency

Provision for contingency has been provided at about 1.96% of the total project costs, excluding contingencies.

Margin Money for Working Capital

Provision for margin money for working capital has been made at Rs. 500 million. For the purpose of estimates, the current assets comprising of receivables of 1.5 months, primary fuel stock of 1 month, secondary fuel stock of 2 month, O&M expenses of 1 month and spares requirement equal to 1% of the capital cost has been considered.

Manpower

For details of our employees, please see "Our Business - Employees" on page 83 of this Red Herring Prospectus.

Government and Environmental Clearances

We have obtained certain of the required government and environmental clearances for the Projects. We are in the process of the obtaining the balance or we may apply for the same based on the stage of development. For more details, see "Government Approvals" on page 375 of this Red Herring Prospectus.

Issue Expenses

The estimated issue related expenses are as follows:

(In Rs. Million)

Activity	Expenses*	Percentage of the Issue Expenses*	Percentage of the Issue Size*
Lead management, underwriting and selling commission	[•]	[•]	[•]
Advertising and Marketing expenses	[•]	[•]	[•]
Printing and stationery	[•]	[•]	[•]
Others (Monitoring agency fees, Registrar's fee, legal fee, listing fee, etc.)	[•]	[•]	[•]
Total estimated Issue expenses	[•]	[•]	[•]

** Will be incorporated after finalisation of Issue Price.*

General Corporate Purposes

We intend to deploy the balance Net Proceeds aggregating Rs. [•] million for General Corporate Purposes, including but not restricted to, meeting working capital requirements, initial development costs for projects other than the Projects specified, fund project cost overruns (if any), strategic initiatives, partnerships, joint ventures and acquisitions, meeting exigencies, which our Company in the ordinary course of business may face, or any other purposes as approved by our Board.

Bridge Loan

As at the date of this Red Herring Prospectus, the Company has availed Rs. 10,000 million unsecured loans as bridge financing. Out of the above, short-term loans aggregating Rs. 7,500 million shall be adjusted from first drawdown of the senior debt secured loans of Mundra Phase IV Power Project. The Company intends to repay balance bridge loan of Rs. 2,500 million from the Net Proceeds or from existing equity. For further details please see, "Financial Indebtedness" on page 323 of this Red Herring Prospectus. The Company may refinance such bridge loans from time to time depending on its funding requirements, including by obtaining further bridge loans.

Interim Use of Net Proceeds

We, in accordance with the policies established by the Board, will have flexibility in deploying the Net Proceeds received by us from the Issue. The particular composition, timing and schedule of deployment of the Net Proceeds will be determined by us based upon the development of the projects. Pending utilization for the purposes described above, we intend to temporarily invest the funds from the Issue in interest bearing liquid instruments including deposits with banks and investments in mutual funds and other financial products, such as principal protected funds, derivative linked debt instruments, other fixed and variable return instruments, listed debt instruments and rated debentures.

Monitoring of Utilisation of Funds

We have appointed IFCI Limited as the monitoring agency in relation to the Issue. Our Board and IFCI Limited will monitor the utilization of the proceeds of the Issue. We will disclose the utilization of the proceeds of the Issue under a separate head along with details, for all such proceeds of the Issue that have not been utilized. We will indicate investments, if any, of unutilized proceeds of the Issue in our Balance Sheet for the relevant Financial Years subsequent to our listing.

Pursuant to Clause 49 of the Listing Agreement, the Company shall on a quarterly basis disclose to the Audit Committee the uses and applications of the proceeds of the Issue. On an annual basis, the Company shall prepare a statement of funds utilised for purposes other than those stated in this Red Herring Prospectus and place it before the Audit Committee. Such disclosure shall be made only until such time that all the proceeds of the Issue have been utilised in full. The statement will be certified by the statutory auditors of the Company. In addition, the report submitted by the monitoring agency will be placed before the Audit Committee of the Company, so as to enable the Audit Committee to make appropriate recommendations to the Board of Directors of the Company.

The Company shall be required to inform material deviations in the utilisation of Issue proceeds to the stock exchanges and shall also be required to simultaneously make the material deviations/adverse comments of the Audit committee/ monitoring agency public through advertisement in newspapers.

No part of the proceeds from the Issue will be paid by us as consideration to our Promoters, our Directors, Promoter Group companies or key managerial employees, except in the normal course of our business.

BASIS FOR ISSUE PRICE

The Issue Price will be determined by the Company in consultation with the GCBRLM on the basis of the assessment of market demand for the offered Equity Shares by the book building process. The face value of the Equity Shares of the Company is Rs. 10 each and the Issue Price is [•] times of the face value at the lower end of the Price Band and [•] times the face value at the higher end of the Price Band.

Qualitative Factors

Some of the qualitative factors which form the basis for computing the price are:

- The Company expects to benefit from the strong linkages of the Adani Group in the power sector through presence in coal mining, coal trading, shipping and power trading.
- The Company has secured supply of coal for most of its projects under development.
- The Company's power projects enjoy locational advantages.
- The Company expects to benefit from SEZ co-developer status related tax and other benefits.
- The Company has entered into long-term power off-take arrangements aggregating 4,744 MW.
- The Company has an experienced management team with experience of project execution and operations.

For details, please see, "Our Business" and "Risk Factors" beginning on page 64 and xiii, respectively, of this Red Herring Prospectus.

Quantitative Factors

1. **Earnings Per Share (EPS)**

Particulars	Earning Per Share (Face Value Rs. 10 per share)	
	Rupees	Weight
Year ended March 31, 2007	NA	1
Year ended March 31, 2008	NA	2
Year ended March 31, 2009	NA	3
Weighted Average	NA	

The company has not commenced any commercial activities; hence, there are no earnings, as a result EPS cannot be computed.

2. **Price/Earning (P/E) ratio in relation to Issue Price of Rs. [•]**

   (a) Based on the financial statements for years ended March 31, 2007, March 31, 2008 and March 31, 2009, the weighted average EPS is not available.

   (b) P/E based on profits after taxes, as restated, for the year ended March 31, 2009 is not available.

   (c) The company has not commenced any commercial activities; hence, there are no earnings as a result P/E cannot be computed.

   (d) Industry P/E

      (i) Highest: 72.8

      (ii) Lowest: 8.9

      (iii) Industry Composite: 20.8

   Source: *Capital Market Vol. XXIV/09; June 29 – July 12, 2009*

   Industry: Power Generation and Supply

3. Return on Average Net Worth (RONW) as per restated Indian GAAP financials:

Particulars	RONW %	Weight
Year ended March 31, 2007	NA	1
Year ended March 31, 2008	NA	2
Year ended March 31, 2009	NA	3
Weighted Average	NA	

The company has not commenced any commercial activities; hence, there are no earnings, as a result EPS cannot be computed.

4. Minimum RONW required for maintaining pre-issue EPS is not applicable.

5. Net Asset Value per Equity Share

(i) Net Asset Value per Equity Share as on March 31, 2009 is Rs. 12.35 [(1)]

(ii) After the Issue: [•]

(iii) Issue Price: Rs. [•]

Issue Price per Equity Share will be determined on conclusion of book building process.

[(1)]The Company has further allotted 36,406,933 Equity Shares after March 31, 2009. For further details, please see Note 1(a) to Capital Structure on page 26 of this Red Herring Prospectus.

6. Comparison of Accounting Ratios with Industry Peers

Sr. No.	Name of the company	Face Value (Rs. per Share)	EPS (Rs.)	P/E Ratio[(3)]	RoNW (%)	NAV (Rs.)	Sales (Rs. Million)
1.	Reliance Infrastructure Limited[(1)]	10	50.3	24.0	11.5	465.3	96,199
2.	NTPC Limited[(1)]	10	9.9	19.3	14.4	69.6	419,237
3.	Tata Power[(1)]	10	32.1	34.5	8.1	366.6	70,715
4.	Gujarat Industries Power Co. Limited[(2)]	10	6.3	19.7	9.2	78.2	9,355
5.	Reliance Power Limited[(1)]	10	1.0	NA	1.1	57.5	NA
6.	Torrent Power Limited [(1)]	10	8.6	16.7	7.6	68.4	43,158
7.	Adani Power Limited [(1)]	10	NA	NA	NA	NA	NA

Source: *Capital Market Vol. XXIV/09; June 29 – July 12, 2009*

[(1)] *For the year ended March 31, 2009*

[(2)] *For the year ended March 31, 2008*

[(3)] *Based on market price as on June 22, 2009*

7. The Issue Price of Rs. [•] has been determined by our Company in consultation with the GCBRLM on the basis of the demand from investors for the Equity Shares through the Book Building Process. The GCBRLM believes that the Issue Price of Rs. [•] is justified in view of the above qualitative and quantitative parameters. Prospective investors should also review the entire Red Herring Prospectus, including, in particular the sections titled "Risk Factors", "Our Business" and "Financial Statements" beginning on pages xiii, 64 and 237 respectively, of this Red Herring Prospectus to have a more informed view.

STATEMENT OF TAX BENEFITS

Statement of special tax benefits:

Adani Power Limited (herein after referred to as 'the Company') is a co-developer of Special Economic Zone (SEZ) being developed by Mundra Port & Special Economic Zone Limited ("MPSEZL") in Kutch, Gujarat over an area of 6472.8684 hectares. The Central Government has already notified the above SEZ vide Notification no. S.O. 1365(E) dated 27th May 2009 (herein after referred to as the 'Notification'). The letter of approval for acting as a co-developer of the said SEZ has been granted by the Central Government vide their letter No. F.1/144/2007-EPZ dated 27th February 2009 (herein after referred to as the 'Letter of Approval').

Being a co-developer of SEZ, the Company is entitled to certain special tax benefits and the same are listed below. Several of these benefits are dependent on the Company fulfilling the conditions prescribed under the tax law as well as subject to the overall compliance of the law relating to SEZ (including the Notification and the Letter of Approval). Hence, the ability of the Company to derive the tax benefits is dependent upon fulfilling such conditions, which based on business imperatives the Company faces in the future, the Company may or may not choose to fulfil.

A. Direct Taxes

1. The Company has been approved to act as a co-developer of the SEZ. Accordingly, the Company is eligible for deduction of 100% of the profits and gains from business of developing a Special Economic Zone, under section 80-IAB of the Income Tax Act, 1961 ('ITA'), subject to compliance with conditions specified in Section 80-IAB. This deduction can be claimed for a period of 10 consecutive years in a block of 15 years starting from the year in which the SEZ has been notified by the Central Government.

2. The Company proposes to be engaged in generation of power and therefore it is eligible for deduction of 100% of the profits and gains from the business of generation of power, under section 80-IA of ITA, for a period of 10 consecutive years in a block of 15 years starting from the year in which the company starts generating power, subject to compliance with conditions specified in Section 80-IA. It may be mentioned that deduction u/s. 80-IA shall be available only in respect of an undertaking which starts generating power on or before 31st March 2010.

   It may be noted that deduction with respect to same business profits cannot be claimed simultaneously u/s. 80-IAB as well as u/s. 80-IA.

3. The provisions of Minimum Alternative Tax, as contained in section 115JB of ITA, shall not apply to the income accrued or arising on or after April 1, 2005 from business carried on by the Company in SEZ.

4. The Company, being co-developer of SEZ, no tax on distributed profits shall be chargeable u/s. 115-O of the ITA in respect of the total income of the Company on any amount of dividends (whether interim or otherwise) declared, distributed or paid by it on or after the April 1, 2005 out of its current income from the activities of developing or developing and maintaining SEZ.

5. Since the company proposes to be engaged in the business of generation of power, by virtue of clause (*i*) of sub-section (1) of Section 32 of the ITA, the Company has an option to claim depreciation on straight line method on actual cost of the assets instead of written down value method on written down value of block of assets, in respect of the assets acquired on or after 1st April 1997. It may be mentioned here that once the option is exercised, it will apply for all subsequent assessment years.

B. Indirect Taxes

1. Under Section 26(1) of the Special Economic Zone Act, 2005 the company is entitled to the following exemptions, drawbacks and concessions for initial setting up of the power plant, subject to the fulfilment of terms and conditions prescribed by the Central Government in this regard, namely:

   a. Exemption from any duty of excise, under the Central Excise Act, 1944 or the Central Excise Tariff Act, 1985 or any other law for the time being in force, on goods brought from Domestic Tariff Area to a Special Economic Zone.

   b. Drawback or such other benefits as may be admissible from time to time on goods brought or services provided from the Domestic Tariff Area into a Special Economic Zone or services provided in a Special Economic Zone by the service providers located outside India.

c. Exemption from any duty of customs, under the Customs Act, 1962 or the Customs Tariff Act, 1975 or any other law for the time being in force, on goods imported into, or service provided in a Special Economic Zone.

d. Exemption from any duty of customs, under the Customs Act, 1962 or the Customs Tariff Act, 1975 or any other law for the time being in force, on goods exported from, or services provided, from a Special Economic Zone, to any place outside India.

e. Exemption from service tax under Chapter-V of the Finance Act, 1994, as amended, on taxable services provided to a co-developer, read with and subject to conditions specified by notification no.9/2009-ST dated 3rd March'2009 and notification no. 15/2009-ST dated 20th May 2009. In terms of the said notifications unconditional exemption is available where the services provided in relation to authorized operations are wholly consumed within SEZ. In other cases where services provided in relation to authorized operations are consumed partly or wholly outside SEZ, the exemption is available by way of refund.

f. Exemption from the levy of taxes on the sale or purchase of goods other than newspaper under the Central Sales Tax Act, 1956 if such goods are meant to carry on the authorized operations by the co-developer of Special Economic Zone.

The above mentioned benefits shall not be available in respect of operating and maintaining the power plant and related facilities.

2. As per Section 7 of the SEZ Act, 2005, any goods or services exported out of by the co-developer or imported into or procured from the Domestic Tariff Area by the co-developer for the purpose of initial setting up of the power plant shall, subject to such terms, conditions and limitations, as may be prescribed, be exempt from the payment of taxes, duties or cess under enactments specified in the First Schedule of the SEZ Act, 2005.

   This exemption would *inter alia* apply to taxes and cess payable under Agricultural Produce Cess Act, Oil Industry (Development) Act, Tobacco Cess Act, Research and Development (R&D) Cess Act, 1986, etc.

   The above mentioned benefits shall not be available in respect of operating and maintaining the power plant and related facilities.

3. As per Section 21(3) r.w.s. 21(1) of the Gujarat SEZ Act, 2004 as amended the Company is entitled to exemption from stamp duty and registration fees payable on transfer of land, loan agreements, credit deeds and mortgages executed by the company.

4. As per Section 21(3) r.w.s. 21(1) of the Gujarat SEZ Act, 2004 as amended, the Company is entitled to exemption from tax on sale of goods (other than goods specified in Schedule III of the GVAT Act 2003) by the Company within SEZ. Further, the company is also entitled to exemption from payment of luxury tax, entertainment tax and other taxes and cess payable on sales. Exemption benefit shall be available to the Company on the sales and transactions of goods which have been actually and physically involved in the movement of goods.

5. As per Section 21(3) r.w.s. 21(2) of the Gujarat SEZ Act 2004 as amended, subject to section 5A and section 9(5) of the Gujarat Value Added Tax Act 2003, inputs (goods and services) procured by the Company from Domestic Tariff Area will be exempt from tax on purchase of goods (other than the goods specified in Schedule III of the Gujarat Value Added Tax Act 2003 or goods as notified by the state government) and other taxes under the State law.

6. As per Section 11(2) of Gujarat SEZ Act, 2004 SEZ shall cease to be an area under the jurisdiction of any municipal corporation, municipal council, nagar panchayat or gram panchayat or the notified area constituted under the State laws. Accordingly, it shall have exemption from Municipal Taxes like property tax etc.

Statement of General Tax Benefits:

These are the general tax benefits available to the all companies and shareholders, subject to compliance with relevant provisions.

A. Under the Income Tax Act, 1961 ("ITA")

I. Benefits available to the company

1. As per section 10(34) of the ITA, any income by way of dividends referred to in section 115-O (i.e. dividends declared, distributed or paid on or after 1st April, 2003 by domestic companies) received on the shares of any company is exempt from tax.

2. As per section 10(35) of the ITA, the following income will be exempt in the hands of the Company:

   (a) Income received in respect of the units of a Mutual Fund specified under clause (23D) of section 10; or

   (b) Income received in respect of units from the Administrator of the specified undertaking; or

   (c) Income received in respect of units from the specified company:

   However, this exemption does not apply to any income arising from transfer of units of the Administrator of the specified undertaking or of the specified Company or of a mutual fund, as the case may be.

   For this purpose (i) "Administrator" means the Administrator as referred to in section 2(a) of the Unit Trust of India (Transfer of Undertaking and Repeal) Act, 2002 and (ii) "Specified Company" means a Company as referred to in section 2(h) of the said Act.

3. As per section 2(29A) read with section 2(42A), shares held in a company or a Unit of a Mutual Fund specified under clause (23D) of section 10 are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares in a company or a Unit of a Mutual Fund specified under clause (23D) of section 10 are held for more than twelve months.

4. As per section 10(38) of the ITA, long term capital gains arising to the company from the transfer of long term capital asset being an equity share in a company or a unit of an equity oriented fund where such transaction is chargeable to securities transaction tax will be exempt in the hands of the Company.

   For this purpose, "Equity Oriented Fund" means a fund –

   (i) where the investible funds are invested by way of equity shares in domestic companies to the extent of more than sixty five percent of the total proceeds of such funds; and

   (ii) which has been set up under a scheme of a Mutual Fund specified under section 10(23D) of the ITA.

   As per section 115JB, while calculating "book profits" the Company will not be able to reduce the long term capital gains to which the provisions of section 10(38) of the ITA apply and will be required to pay Minimum Alternate Tax @ 10% (plus applicable surcharge and education cess) of the book profits.

5. The company will be entitled to amortise preliminary expenditure, being expenditure incurred on public issue of shares, under section 35D(2)(c)(iv) of the ITA, subject to the limit specified in section 35D(3).

6. As per section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.

   However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

A "long term specified asset" for making investment under this section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after the 1st April 2007 by:

(i) National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988; or

(ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

7. As per section 111A of the ITA, short term capital gains arising to the Company from the sale of equity share or a unit of an equity oriented fund transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

8. As per section 112 of the ITA, taxable long-term capital gains, if any, on sale of listed securities or units or zero coupon bonds will be charged to tax at the concessional rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits in accordance with and subject to the provisions of section 48 of the ITA or at 10% (plus applicable surcharge and education cess) without indexation benefits, at the option of the Company. Under section 48 of the ITA, the long term capital gains arising out of sale of capital assets excluding bonds and debentures (except Capital Indexed Bonds issued by the Government) will be computed after indexing the cost of acquisition/ improvement.

9. Under section 115JAA(1A) of the ITA, credit is allowed in respect of any Minimum Alternate Tax ('MAT') paid under section 115JB of the ITA for any assessment year commencing on or after April 1, 2006. Tax credit eligible to be carried forward will be the difference between MAT paid and the tax computed as per the normal provisions of the ITA for that assessment year. Such MAT credit is allowed to be carried forward for set off purposes for up to 7 years succeeding the year in which the MAT credit is allowable.

II. Benefits available to Resident Shareholders

1. As per section 10(34) r. w. s. 115-O(6) of the ITA, any income by way of dividends referred to in section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003 by the domestic companies) received on the shares of the Company is exempt from tax.

2. As per section 2(29A) read with section 2(42A), shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.

3. As per section 10(38) of the ITA, long term capital gains arising from the transfer of a long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt in the hands of the shareholder.

4. As per section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.

   However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A "long term specified asset" means any bond, redeemable after three years and issued on or after the 1st day of April 2007:

   (i) by the National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988; or

   (ii) by the Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

5. As per section 54F of the ITA, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) will be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years. Such benefit will not be available:

   (a) if the individual or Hindu Undivided Family-

   - owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or

   - purchases another residential house within a period of one year after the date of transfer of the shares; or

   - constructs another residential house within a period of three years after the date of transfer of the shares; and

   (b) the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

   If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain, the same proportion as the cost of the new residential house bears to the net consideration, will be exempt.

   If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, will be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

6. As per Section 74 Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

7. As per section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

8. As per section 112 of the ITA, taxable long-term capital gains, if any, on sale of listed securities will be charged to tax at the rate of 20% (plus applicable surcharge and education cess) after considering indexation benefits or at 10% (plus applicable surcharge and education cess) without indexation benefits, whichever is less. Under section 48 of the ITA, the long term capital gains arising out of sale of capital assets excluding bonds and debentures (except Capital Indexed Bonds issued by the Government) will be computed after indexing the cost of acquisition/ improvement.

III. Benefits available to Non-Resident Indians/Non-Resident Shareholders (Other than FIIs)

1. As per section 10(34) r. w. s. 115-O(6) of the ITA, any income by way of dividends referred to in section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003 by the domestic companies) received on the shares of the Company is exempt from tax.

2. As per section 2(29A) read with section 2(42A), shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.

3. As per section 10(38) of the ITA, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt in the hands of the shareholder.

4. As per first proviso to section 48 of the ITA, in case of a non resident shareholder, the capital gain/loss arising from transfer of shares of the Company, acquired in convertible foreign exchange, is to be computed by converting the cost of acquisition, sales consideration and expenditure incurred wholly and exclusively incurred in connection with such transfer, into the same foreign currency which was initially utilized in the purchase of shares. Cost Indexation benefit will not be available in such a case. As per section 112 of the ITA, taxable long-term capital gains, if any, on sale of shares of the company will be charged to tax at the rate of 20% (plus applicable surcharge and education cess).

5. As per section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.

   However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A "long term specified asset" for making investment under this section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after the 1st April 2007 by:

   (i) National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988; or

   (ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

6. As per section 54F of the ITA, long term capital gains (in cases not covered under section 10(38)) arising on the transfer of the shares of the Company held by an individual or Hindu Undivided Family (HUF) will be exempt from capital gains tax if the net consideration is utilised, within a period of one year before, or two years after the date of transfer, in the purchase of a residential house, or for construction of a residential house within three years. Such benefit will not be available:

   (a) if the individual or Hindu Undivided Family-

   - owns more than one residential house, other than the new residential house, on the date of transfer of the shares; or
   - purchases another residential house within a period of one year after the date of transfer of the shares; or
   - constructs another residential house within a period of three years after the date of transfer of the shares; and

   (b) the income from such residential house, other than the one residential house owned on the date of transfer of the original asset, is chargeable under the head "Income from house property".

   If only a part of the net consideration is so invested, so much of the capital gain as bears to the whole of the capital gain, the same proportion as the cost of the new residential house bears to the net consideration, will be exempt.

   If the new residential house is transferred within a period of three years from the date of purchase or construction, the amount of capital gains on which tax was not charged earlier, will be deemed to be income chargeable under the head "Capital Gains" of the year in which the residential house is transferred.

7. As per Section 74 Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

8. As per section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

9. As per section 115E of the ITA, in the case of a shareholder being a Non-Resident Indian, and subscribing to the shares of the Company in convertible foreign exchange, in accordance with and subject to the prescribed conditions, long term capital gains arising on transfer of the shares of the Company (in cases not covered under section 10(38) of the ITA) will be subject to tax at the rate of 10% (plus applicable surcharge and education cess), without any indexation benefit.

10. As per section 115F of the ITA and subject to the conditions specified therein, in the case of a shareholder being a Non-Resident Indian, gains arising on transfer of a long term capital asset being shares of the Company will not be chargeable to tax if the entire net consideration received on such transfer is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the ITA. If part of such net consideration is invested within the prescribed period of six months in any specified asset or savings certificates referred to in section 10(4B) of the ITA then such gains would not be chargeable to tax on a proportionate basis. Further, if the specified asset or savings certificate in which the investment has been made is transferred within a period of three years from the date of investment, the amount of capital gains tax exempted earlier would become chargeable to tax as long term capital gains in the year in which such specified asset or savings certificates are transferred.

11. As per section 115G of the ITA, Non-Resident Indians are not obliged to file a return of income under section 139(1) of the ITA, if their only source of income is income from specified investments or long term capital gains earned on transfer of such investments or both, provided tax has been deducted at source from such income as per the provisions of Chapter XVII-B of the ITA.

12. As per section 115H of the ITA, where Non-Resident Indian becomes assessable as a resident in India, he may furnish a declaration in writing to the Assessing Officer, along with his return of income for that year under section 139 of the ITA to the effect that the provisions of Chapter XII-A shall continue to apply to him in relation to such investment income derived from the specified assets for that year and subsequent assessment years until such assets are converted into money.

13. As per section 115I of the ITA, a Non-Resident Indian may elect not to be governed by the provisions of Chapter XII-A for any assessment year by furnishing a declaration along with his return of income for that assessment year under section 139 of the ITA, that the provisions of Chapter XII-A shall not apply to him for that assessment year and accordingly his total income for that assessment year will be computed in accordance with the other provisions of the ITA.

    For the purpose of aforesaid clauses "Non-Resident Indian" means an Individual, being a citizen of India or a person of Indian origin who is not a "resident". A person shall be deemed to be of Indian origin if he, or either of his parents or any of his grand-parents, was born in undivided India.

Provisions of the ITA vis-à-vis provisions of the Tax Treaty

1. In respect of non-residents, the tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the non-resident is resident. As per the provisions of section 90(2) of the ITA, the provisions of the ITA would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the non-resident.

IV. Benefits available to Foreign Institutional Investors ('FIIs')

1. As per section 10(34) r. w. s. 115-O(6) of the ITA, any income by way of dividends referred to in section 115-O (i.e. dividends declared, distributed or paid on or after 1 April 2003 by the domestic companies) received on the shares of the Company is exempt from tax.

2. As per section 2(29A) read with section 2(42A), shares held in a company are treated as long term capital asset if the same are held by the assessee for more than twelve months period immediately preceding the date of its transfer. Accordingly, the benefits enumerated below in respect of long term capital assets would be available if the shares are held for more than twelve months.

3. As per section 10(38) of the ITA, long term capital gains arising from the transfer of long term capital asset being an equity share of the Company, where such transaction is chargeable to securities transaction tax, will be exempt to tax in the hands of the FIIs.

4. As per section 54EC of the ITA and subject to the conditions and to the extent specified therein, long-term capital gains (in cases not covered under section 10(38) of the ITA) arising on the transfer of a long-term capital asset will be exempt from capital gains tax to the extent such capital gains are invested in a "long term specified asset" within a period of 6 months after the date of such transfer. It may be noted that investment made on or after April 1, 2007 in the long term specified asset by an assessee during any financial year cannot exceed Rs. 50 Lacs.

   However, if the assessee transfers or converts the long term specified asset into money within a period of three years from the date of its acquisition, the amount of capital gains exempted earlier would become chargeable to tax as long-term capital gains in the year in which the long term specified asset is transferred or converted into money.

   A "long term specified asset" for making investment under this section on or after 1st April 2007 means any bond, redeemable after three years and issued on or after the 1st April 2007 by:

   (i) National Highways Authority of India constituted under section 3 of the National Highways Authority of India Act, 1988; or

   (ii) Rural Electrification Corporation Limited, a company formed and registered under the Companies Act, 1956.

5. As per Section 74 Short-term capital loss suffered during the year is allowed to be set-off against short-term as well as long-term capital gains of the said year. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' short-term as well as long-term capital gains. Long-term capital loss suffered during the year is allowed to be set-off against long-term capital gains. Balance loss, if any, could be carried forward for eight years for claiming set-off against subsequent years' long-term capital gains.

6. As per section 111A of the ITA, short term capital gains arising from the sale of equity shares of the Company transacted through a recognized stock exchange in India, where such transaction is chargeable to securities transaction tax, will be taxable at the rate of 15% (plus applicable surcharge and education cess).

7. As per section 115AD of the ITA, FIIs will be taxed on the capital gains that are not exempt under the provision of section 10(38) of the ITA, at the following rates:

Nature of income	**Rate of tax (%)**
Long term capital gains	10
Short term capital gains (other than referred to in section 111A)	30

   The above tax rates have to be increased by the applicable surcharge and education cess.

   In case of long term capital gains, (in cases not covered under section 10(38) of the ITA), the tax is levied on the capital gains computed without considering the cost indexation and without considering foreign exchange fluctuation.

8. As per section 196D, no tax is to be deducted from any income, by way of capital gains arising from the transfer of shares payable to Foreign Institutional Investor.

Provisions of the ITA vis-à-vis provisions of the Tax Treaty

1. The tax rates and consequent taxation mentioned above will be further subject to any benefits available under the Tax Treaty, if any, between India and the country in which the FII is resident. As per the provisions of section 90(2) of the ITA, the provisions of the ITA would prevail over the provisions of the Tax Treaty to the extent they are more beneficial to the FII.

V. Benefits available to Mutual Funds

As per section 10(23D) of the ITA, any income of Mutual Funds registered under the Securities and Exchange Board of India Act, 1992 or Regulations made thereunder, Mutual Funds set up by public sector banks or public financial institutions and Mutual Funds authorised by the Reserve Bank of India will be exempt from income tax, subject to such conditions as the Central Government may, by notification in the Official Gazette, specify in this behalf.

B. Benefits available under the Wealth Tax Act, 1957

Asset as defined under section 2(ea) of the Wealth Tax Act, 1957 does not include shares in companies and hence, shares of the Company are not liable to wealth tax in the hands of shareholders.

C. Benefits available under the Gift Tax Act, 1958

Gift tax is not leviable in respect of any gifts made on or after October 1, 1998. Therefore, any gift of shares of the Company will not attract gift tax.

Notes:

(i) All the above benefits are as per the current laws. Accordingly, any change or amendment in the laws/regulation would impact the same.

(ii) In view of the individual nature of tax consequences, each investor is advised to consult his/her own tax advisor with respect to specific tax consequences of his/her investments in the shares of the company.

The above Statement of Possible Tax Benefits sets out the provisions of law in a summary manner only and is not a complete analysis or listing of all potential tax consequences of the purchase, ownership and disposal of shares.

INDUSTRY OVERVIEW

Unless otherwise indicated, all financial and statistical data in the following discussion is derived from websites of and publicly available documents from, various sources, including the website of the Ministry of Power and Central Electricity Authority ("CEA"). The data may have been re-classified by us for the purpose of presentation. Unless otherwise indicated, the data presented excludes captive capacity and generation.

Overview of the Indian Economy

India is the fourth largest economy in the world after the United States of America, China and Japan in purchasing power parity terms (*Source: CIA World Factbook website*). India is also amongst the fastest growing economies globally and has grown at an average rate of 7.4% per annum during the last five years. The following table presents a comparison of India's real GDP growth rate with the real GDP growth rate of certain other countries (in percentages).

Countries	2003	2004	2005	2006	2007	2008 (Estimated)
Australia	3.6	2.8	3.5	2.6	2.8	2.5
Brazil	1.0	0.1	5.1	2.4	3.1	5.2
China	8.0	9.1	9.1	9.3	10.5	9.8
India	**4.3**	**7.6**	**6.2**	**7.6**	**8.5**	**7.3**
Japan	- 0.3	2.3	2.9	2.4	2.8	0.7
Korea South	6.2	2.8	4.6	3.9	5.1	4.3
Malaysia	4.2	4.9	7.1	5.2	5.5	5.5
Russia	4.2	7.3	6.7	5.9	6.6	6.0
Thailand	5.2	6.3	6.1	4.4	4.4	4.8
UK	1.6	2.1	3.2	1.7	2.6	1.1
USA	2.5	3.1	4.4	3.5	3.4	1.4

(Source: CIA World Factbook website)

Industry Demand-Supply Overview

The Indian power sector has historically been characterized by energy shortages which have been increasing over the years. In the period from April 2009 to May 2009, peak energy deficit was estimated to be at 12.3% and normative energy deficit was estimated to be 8.9%. The following table sets forth the peak and normative shortages of power in India from 2003 to May 2009:

Fiscal Year	Peak				Normative			
	Requirement (MW)	Availability (MW)	Shortage (MW)	Shortage (%)	Requirement (MU)	Availability (MU)	Shortage (MU)	Shortage (%)
2003	81,492	71,547	9,945	12.2	545,983	497,890	48,093	8.8
2004	84,574	75,066	9,508	11.2	559,264	519,398	39,866	7.1
2005	87,906	77,652	10,254	11.7	591,373	548,115	43,258	7.3
2006	93,255	81,792	11,463	12.3	631,757	578,819	52,938	8.4
2007	100,715	86,818	13,897	13.8	690,587	624,495	66,092	9.6
2008	108,866	90,793	18,073	16.6	739,345	666,007	73,338	9.9
2008-09	109,809	96,685	13,124	12.0	774,324	689,021	85,303	11.0
April-May, 2009	110,958	97,355	13,603	12.3	135,812	123,699	12,113	8.9

(Source: CEA, "Power Scenario at a Glance", May 2009)

Regional Demand-Supply Scenario

The following table displays the peak and normative power shortages in India for the period from April 2009 – May 2009 across different regions in India:

	Peak				*Normative*			
Fiscal Year	**Requirement**	**Availability**	**Shortage**		**Requirement**	**Availability**	***Shortage***	
	(MW)	**(MW)**	**(MW)**	***(%)***	**(MU)**	**(MU)**	**(MU)**	***(%)***
North	32,223	28,075	4,148	12.9%	38,704	35,535	3,169	8.2%
West	35,992	30,273	5,719	15.9%	44,696	39,254	5,442	12.2%
South	29,216	26,369	2,847	9.7%	36,146	33,626	2,520	7.0%
East	12,913	11,610	1,303	10.1%	14,816	14,036	780	5.3%
North-East	1,569	1,342	227	14.5%	1,450	1,248	202	13.9%

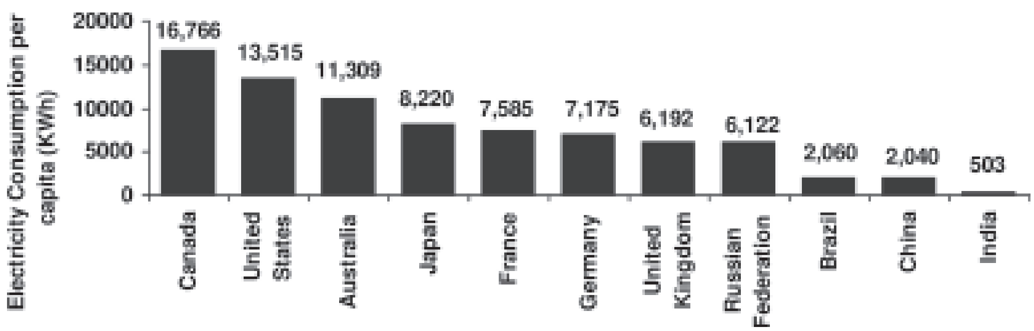
(Source: CEA, "Power Scenario at a Glance", May 2009)

Energy deficit varies widely across India, with the western region having the highest peak energy shortages followed by the northern region.

According to the 17th Electric Power Survey, India's peak demand will reach approximately 152,746 MW with an energy requirement of approximately 968 billion units by fiscal year 2012. By the fiscal year 2017, peak demand is expected to reach 218,209 MW with an energy requirement of 1,392 billion units.

Large Energy Deficit Results in Low Per Capita Consumption of Electricity

Due to inadequate supply and distribution infrastructure, the per capita consumption of energy in India is extremely low in comparison to most other parts of the world. The following chart shows per capita electricity consumption of energy in 2006 in various developed and developing countries.

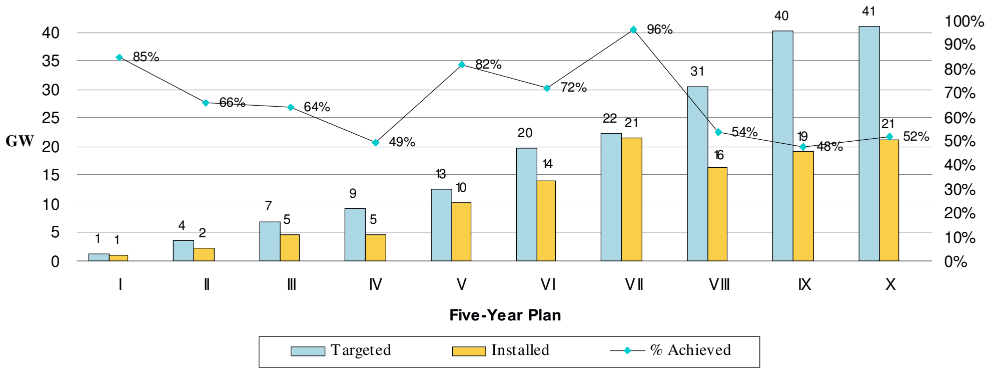


(Source: IEA, Key World Energy Statistics 2008)

Historical Capacity Additions

The energy deficit in India is a consequence of slow progress in the development of additional energy capacity. The Indian economy is based on planning through successive five year plans ("Five-Year Plans") that set out targets for economic development in various sectors, including power sector. In the implementation of the last three Five-Year Plans (the Eighth, Ninth, and Tenth Five-Year Plans, covering fiscal years 1992 to 2006), less than 50% of the targeted additional energy capacity was added. India added an average of approximately 20,000 MW to its energy capacity in each of the Ninth and Tenth Five-Year Plan periods (fiscal years 1997 to 2001 and 2002 to 2006). *(Source: White Paper on Strategy for Eleventh Plan, prepared by CEA and Confederation of Indian Industry (the "White Paper").*

The following chart sets forth the targeted energy capacity addition for Five-Year Plans, the installed capacity actually achieved at the end of those Five-Year Plans and the installed capacity actually achieved as a percentage of the targeted capacity additions for each of those Five-Year Plans:



(Source: The White Paper)

The total capacity addition during the past 25 years between the VI[th] and the X[th] Five-Year Plans was approximately 91,000 MW. A total capacity addition of 78,577 MW is planned for the XI[th] Five-Year Plan (2007-12) which should result in substantial investments in the power generation sector.

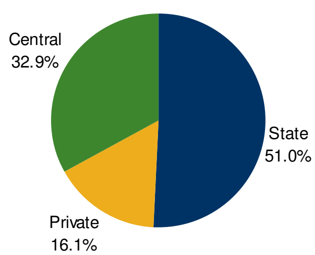
Installed Generation Capacity by Sector and Fuel

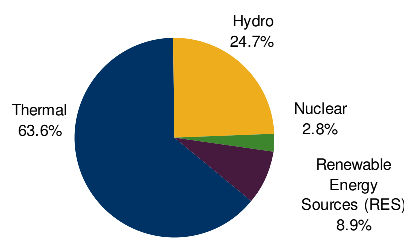
The following table and diagrams set forth a summary of India's energy generation capacity as of May 31, 2009 in terms of fuel source and ownership:

(in MW)

Sector	Hydro	Thermal				Nuclear	R.E.S.	Total
		Coal	Gas	Diesel	Total	(MNRE)		
Central	8,592.0	29,760.0	6,638.3	0.0	36,398.3	4,120.0	0.0	49,110.3
State	27,055.7	42,397.5	3,672.2	602.6	46,672.3	0.0	2,247.7	75,975.7
Private	1,230.0	5,791.4	5,412.0	597.1	11,800.5	0.0	10,994.7	24,025.2
Total	**36,877.7**	**77,948.9**	**15,722.5**	**1,199.7**	**94,871.1**	**4,120.0**	**13,242.4**	**149,111.2**

(Source: CEA, "Power Scenario at a Glance", May 2009)





(Source: CEA, "Power Scenario at a Glance", May 2009)

The Central and State governments together own and operate over 85.0% of the installed power capacity in India. The private sector has historically been reluctant to enter the market for power plants because of onerous governmental regulations on the construction and operation of power plants and sourcing of fuel for such plants. The participation of the private sector has however been increasing over time owing to power sector reforms.

Thermal Power Generation

Thermal power plants account for over 63.0% of India's installed capacity, within which over 82.0% of the capacity is accounted for by coal based plants, on total available thermal capacity, as of May 31, 2009. *(Source: CEA "Power Scenario at a Glance", May 2009)*

Future Capacity Additions

According to the CEA Executive Summary, as on May 31, 2009, India has an installed generation capacity of 149,111.2 MW that has increased at a compound annual growth rate ("CAGR") of 4.5% between 2003 and 2009.

A key risk to the continued growth of the Indian economy is inadequate infrastructure. Infrastructure investment in India is on the rise, but growth may be constrained without further improvements. The Government of India (the "Government") has identified the power sector as a key sector of focus to promote sustained industrial growth by embarking on an aggressive mission – "Power for All" by 2012 backed by extensive reforms to make the power sector more attractive for private sector investment. According to the Integrated Energy Policy ("IEP") report dated August 2006 issued by the Planning Commission, India would require additional capacity of about 71-84 gigawatt ("GW") by 2012, 157-188 GW by 2017 and 276–339 GW by 2022, respectively, based on normative parameters in order to sustain a 8-9% GDP growth rate *(Source: IEP, Expert Committee on Power)*. The following table sets forth the additional capacity required by 2012, 2017 and 2022 under different GDP growth rate scenarios:

	Assumed GDP Growth	Electricity Generation Required	Peak Demand	Installed Capacity	Capacity Addition Required[1]
	(%)	(BU)	(GW)	(GW)	(GW)
By fiscal 2012	8.0	1,097	158	220	71
	9.0	1,167	168	233	84
By fiscal 2017	8.0	1,524	226	306	157
	9.0	1,687	250	337	188
By fiscal 2022	8.0	2,118	323	425	276
	9.0	2,438	372	488	339

Note:

(1) Based on the existing installed capacity of 149 GW in India.

Source: IEP Report, Expert Committee on Power

The likely capacity addition during the 11th Five-Year Plan is 78,700 MW. *(Source: CEA, "Power Scenario at a Glance", May 2009)*

Given India's large coal reserves, coal is expected to continue to dominate as a source of fuel for power plants in India. India has the fourth largest coal reserves in the world. However, in the past there were restrictions on the entry of private sector players into coal mining, which had caused India's coal production to remain low in comparison to its reserves. These restrictions have now been removed and private participation is allowed in coal mining. The total coal production for the fiscal year 2005 was 377.27 million tonnes and for April-December 2005 was 282.43 million tonnes. The total geological coal reserves of India have been estimated at 253.30 billion tonnes as of January 1, 2006. *(Source: Ministry of Coal)*

In 2004, the Government of India set up a committee on coal sector reforms that led to several new initiatives being launched to encourage coal-based independent power plants in the country. These have increased the prospects of coal blocks being allotted to various private sector entities. Coal is already the key contributor to India's energy scenario with 55.0% of the current total commercial energy needs being met by coal. Given India's large coal reserves and favourable policy outlook, coal is expected to continue to be the dominant source of energy for India and play a major role in sustaining India's economic growth.

Power Scenario in Western India

The power requirements of Western India are met by the power generated by state utilities, Independent Power Producers ("IPPs") and the state government's share in the power generated by the central power stations. The total installed capacity in the western region as on May 31, 2009 was 46,632 MW. Details of the installed capacity in the Western region are given below:

Installed Capacity as on May 31, 2009:

Sector	Hydro	Thermal				Nuclear	R.E.S (MNRE)	Total
		Coal	Gas	Diesel	Total			
Central	1,520.0	6,895.2	3,511.3	0.0	10,406.5	1,840.0	0.0	13,766.5
State	5,484.5	15,502.5	1,430.8	17.3	16,950.6	0.0	330.9	22,766.0
Private	444.0	3,540.0	2,423.0	0.2	5,963.2	0.0	3,692.7	10,099.9
Total	**7,448.5**	**25,937.7**	**7,365.1**	**17.5**	**33,320.3**	**1,840.0**	**4,023.6**	**46,632.4**

(Source: CEA, "Power Scenario at a Glance", May 2009)

Demand Supply Scenario in Western India

Period	Peak Demand (MW)	Peak Met (MW)	Peak Deficit/ Surplus (MW)	Peak Deficit/ Surplus (%)	Energy Requirement (MU)	Energy Availability (MU)	Energy Deficit/ Surplus (MU)	Energy Deficit/ Surplus (%)
9th plan end	26,510	22,024	-4,486	-16.9	175,016	156,793	-18,223	-10.4
2002-03	28,677	22,853	-5,824	-20.3	190,745	166,687	-24,058	-12.6
2003-04	29,704	23,657	-6,047	-20.4	191,680	171,236	-20,444	-10.7
2004-05	31,085	24,128	-6,957	-22.4	204,048	181,010	-23,038	-11.3
2005-06	31,772	25,257	-6,515	-20.5	215,983	186,904	-29,079	-13.5
2006-07	36,453	27,463	-8,990	-24.7	232,391	196,117	-36,274	-15.6
2007-08	38,277	29,385	-8,892	-23.2	247,173	208,228	-38,945	-15.8
2008-09	35,992	30,273	-5,719	-15.9	44,696	39,254	-5,442	-12.2
April-May, 2009	35,992	30,273	-5,719	-15.9	22,227	20,144	-2,083	-9.4

(Source: CEA, "Power Scenario at a Glance", May 2009)

State-wise Demand Supply Scenario in Western India for the period April 2009 to May 2009

	Peak				Normative			
State/Union Territories	Requirement	Availability	Shortage		Requirement	Availability	Shortage	
	(MW)	(MW)	(MW)	(%)	(MU)	(MU)	(MU)	(%)
Gujarat	8975	8481	494	5.5%	11865	11489	376	3.2%
Chhattisgarh	2819	2703	116	4.1%	2901	2851	50	1.7%
M.P.	6522	5250	1272	19.5%	6712	5601	1111	16.6%
Maharashtra	18645	14292	4,353	23.3%	21879	18034	3,845	17.6%
Daman and Diu	280	255	25	8.9%	291	270	21	7.2%
Dadra and Nagar Haveli	485	441	44	9.1%	556	525	31	5.6%
Goa	455	400	55	12.1%	492	484	8	1.6%

(Source CEA, "Power Scenario at a Glance", May 2009)

Likely Capacity Addition in XIth Five-Year Plan Period (Sector-Wise)

The likely capacity addition (sector-wise and state-wise) in the Western region during XIth Five-Year Plan is given below:

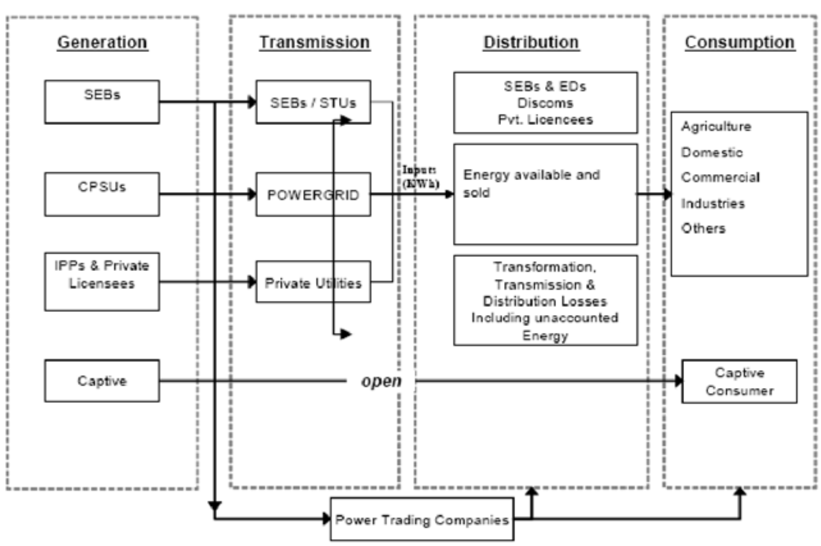
Sector	Hydro	Thermal				Nuclear	Wind	Total (MW)
		Coal	Gas	Diesel	Total			
State	250.0	7,525.0	1,467.0	0.0	8,992.0	0.0	0.0	9,242.0
Private	400.0	4,370.0	1,128.0	0.0	5,498.0	0.0	0.0	5,898.0
Central	520.0	4,980.0	740.0	0.0	5,720.0	0.0	0.0	6,240.0
Total	**1,170.0**	**16,875.0**	**3,335.0**	**0.0**	**20,210.0**	**0.0**	**0.0**	**21,380.0**

(Source: CEA, "Power Scenario at a Glance", May 2009)

It is expected that despite the planned capacity addition, the Western region will continue to have deficit in peak power.

Organization of the Power Industry

The following diagram depicts the current structure of the Indian power industry:



Key to the diagram:

CPSUs	Central Public Sector Undertakings
Discoms	Distribution Companies
ED	Electricity Department
IPP	Independent Power Producer
SEB	State Electricity Board
STU	State Transmission Units

Transmission and Distribution

In India, the transmission and distribution system is a three-tier structure comprising regional grids, state grids and distribution networks. The five regional grids, structured on a geographical contiguity basis, facilitate transfer of power from a power surplus state to a power deficit state. The regional grids also facilitate the optimal scheduling of maintenance outages and better co-ordination between the power plants. The regional grids are to be gradually integrated to form a national grid, whereby surplus power from a region could be transferred to another region facing power deficits, thereby facilitating a more optimal utilization of the national generating capacity.

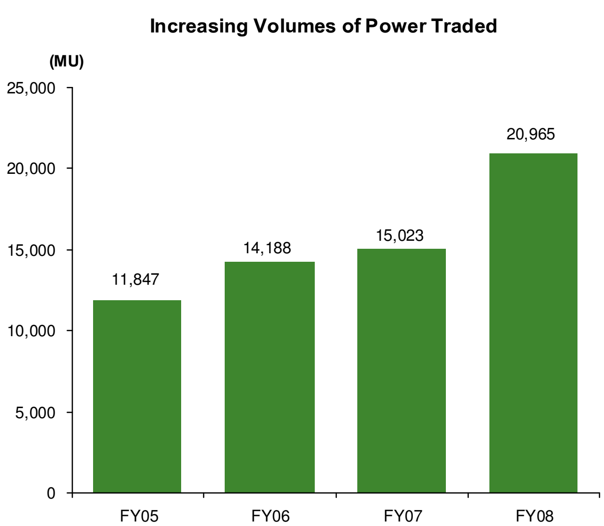
Most inter-regional and interstate transmission links are owned and operated by the Power Grid Corporation of India Limited ("PGCIL") though some are jointly owned by the State Electricity Boards ("SEBs"). PGCIL is the central transmission utility of India and possesses one of the largest transmission networks in the world. PGCIL has a pan India network presence of around 69,480 circuit kms of transmission network, 116 extra high voltage alternation current and high voltage direct current substations, and a total transformation capacity of 77,217 mega volt ampere. About 45% of the total generating capacity in India is transmitted through PGCIL's system. *(Source: http:powermin.nic.in and http:powergridindia.com).*

PGCIL is working towards establishment of an integrated national power grid, in a phased manner, in order to strengthen the regional grids and to support the generation capacity addition program of about 80,000 MW during the Eleventh Five-Year Plan period. The existing inter-regional power transfer capacity of 17,000 MW is expected to be enhanced to 37,000 MW by 2012 through creation of "Transmission Super Highways". Based on expected generation capacity addition in XIth Five Year Plan, an investment of approximately Rs. 750.00 billion is envisaged in central sector and approximately Rs. 650.00 billion is envisaged in the state sector. *(Source: http://powermin.nic.in)*

State grids and distribution networks are primarily owned and operated by the respective SEBs or state governments (through state electricity departments). State distribution networks are managed at the state level and continue to be affected by high aggregate technical and commercial ("AT&C") losses estimated to be approximately 35%, which implies that 35% of power entering the system is lost during distribution. *(Source: http://powermin.nic.in)* A direct consequence of the high AT&C losses is the poor financial condition of SEBs, thereby constraining the SEBs from making any meaningful investments in generation and in upgrading the transmission and distribution ("T&D") network.

Power Trading

Historically the main suppliers and consumers of bulk power in India have been the various government controlled generation and distribution companies who typically contracted power on a long term basis by way of power purchase agreements ("PPAs") with regulated tariffs. However, in order to encourage the entry of merchant power plants and private sector investment in the power sector, the Electricity Act recognized power trading as a distinct activity from generation, T&D and has facilitated the development of a trading market for electricity in India by providing for open access to transmission networks for normative charges. Power trading involves the exchange of power from suppliers with surpluses to suppliers with deficits. Seasonal diversity in generation and demand, as well as the concentration of power generation facilities in the resources-rich eastern region of India, has created ample opportunities for the trading of power. Recent regulatory developments include the announcement of rules and provisions for open access and licensing related to interstate trading in electricity. Several entities have started trading operations or have applied for trading licenses. With the aid of the reforms, the volume of power traded as well as its traded price has grown rapidly over the last few years. The following graph and table shows the increasing volume and higher prices of power traded in India for the periods indicated:-



Source: CERC, Annual Reports for FY 2006, FY 2007 and FY 2008

Increasing Traded Volume at Higher Prices

	Electricity Traded (Units MUs)	
Price Rs.	**FY07**	**FY08**
Rs.0.00 – 2.00	252.2	4729.6
Rs.2.00 – 4.00	2732.7	2647.7
Rs.4.00 – 6.00	10507.4	4094.1
Rs.6.00 – 8.00	461.7	5292.5
Rs.8.00 – 10.00		556.9
Rs.10.00 – 12.00		0
Total	**13953.9**	**17325.1**

Source: CERC, Annual Reports

Tariffs

The main objectives of the National Tariff Policy ("NTP") notified by the Government of India on January 6, 2006, include promoting competition, efficiency in operations and improvements in the quality of supply and ensuring the availability of electricity to consumers at reasonable and competitive rates. The NTP reiterates the importance of implementing competition in different segments of the electricity industry as highlighted in the Electricity Act and that competition will lead to significant benefits to consumers through reduction in capital costs and improved efficiency of operations. It will also facilitate the determination of price through competition.

The NTP stipulates that all future power requirements should be procured competitively by distribution licensees except in cases of expansion of existing projects or where there is a state controlled or state-owned developer involved, in which case, regulators will need to resort to tariffs determined by reference to standards of the CERC, provided that expansion of generating capacity by private developers for this purpose will be restricted to a one-time addition of not more than 50% of the existing capacity. Under the NTP, even for public sector projects, tariffs for all new generation and transmission projects will be decided on the basis of competitive bidding after a certain period of time.

Merchant Power Plants

Merchant power plants ("MPPs") generate electricity for sale at market driven rates in the open wholesale market. Typically, the MPPs do not have long-term PPAs and are built and owned by private developers. Merchant sales, however, include sale of power under short-term PPAs and on spot basis. Many new private sector players are beginning to adopt the MPP model for their projects to generate higher returns as opposed to selling power through a long term PPA, as the off take risk is perceived to be low in view of significant power shortages in the country. The MPPs can sell power to the power trading companies (like the Power Trading Corporation), the SEBs and industrial and bulk customers.

Indian Energy Exchange (IEX)

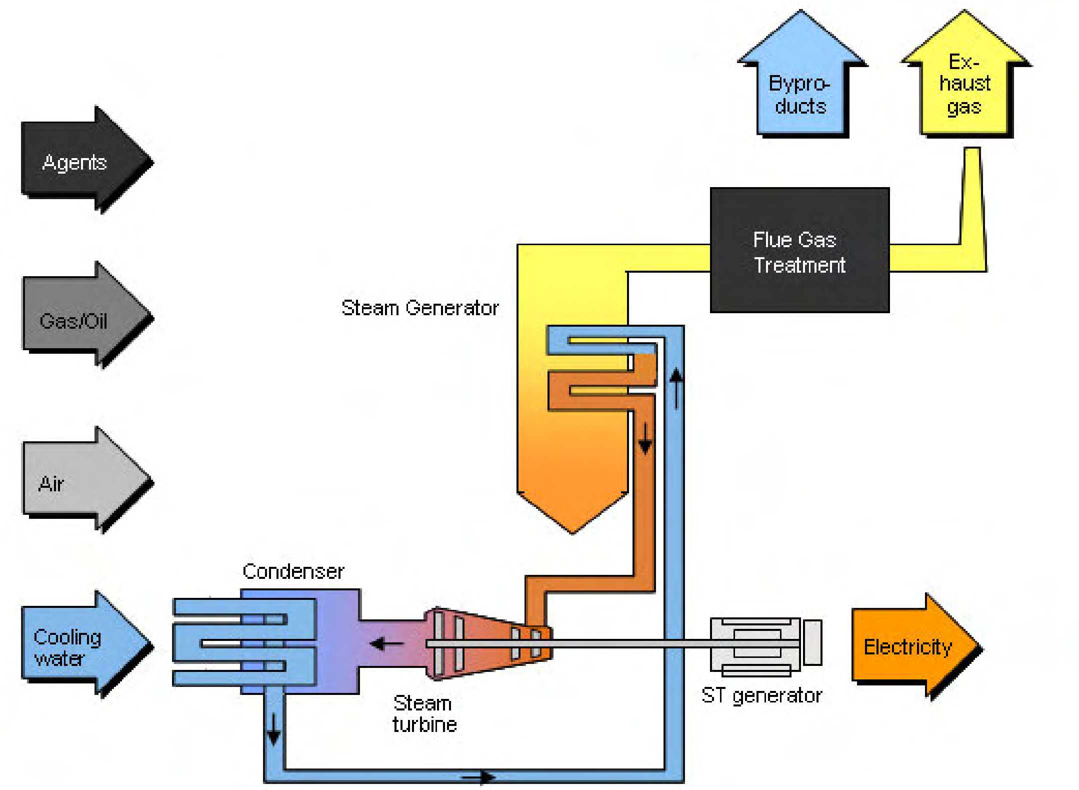
Indian Energy Exchange ("IEX") is India's first nation-wide automated and online electricity trading platform. IEX seeks to catalyze the modernization of electricity trade in India by allowing trading through a technology enabled platform. On June 9, 2008, IEX received Central Electricity Regulatory Commission approval for commencing operations. IEX is a demutualised exchange that will enable efficient price discovery and price risk management in the power trading market. IEX offers a broader choice to generators and distribution licensees for sale and purchase of power facilitating trade in smaller quantities. IEX enables participants to precisely adjust their portfolio as a function of consumption or generation. *(Source: www.iexindia.com).*

Steam Power Plants

The process of generation of power from steam power plants, utilizing coal or lignite fuel, essentially entails two stages. In the first stage, the chemical energy stored in the coal is converted into heat energy in coal-fired boilers. In the second stage, high-pressure steam, which is generated in the boilers, is passed through turbines (through conversion of heat energy into mechanical energy), which in turn is coupled to generators (through conversion of mechanical energy into electrical energy), thereby generating electricity.

The water steam cycle essentially contains a coal-fired steam generator, a steam turbine with condenser, a feed-water tank, low-pressure ("LP") heaters and high-pressure ("HP") heaters and connecting pipelines. The superheated steam produced in the steam generator is supplied to the steam turbine, which drives the three-phase AC generator. After leaving the HP turbine, the steam is reheated in the steam generator and fed to the intermediate pressure ("IP") turbine. In the LP turbine, the steam coming directly from the IP turbine expands to condenser pressure and is condensed in the condenser.

Closed cycle water system is used for cooling the condenser. The condensation collected in the condenser hot well is discharged by the condensate pumps and supplied via the LP condensate heaters into the feedwater tank. The feedwater is further heated by bled steam from turbine and dissolved gases from the feedwater are liberated. The boiler feed pumps discharge feed water from the feedwater tank via the HP heaters to the economizer. Steaming starts from this point onwards. The high temperature steam water mix is further converted into steam in water walls and finally passed through the super heaters sections for converting the saturated steam into superheated steam.



Steam power plant cycles are characterized by the pressure level at which they operate. Sub-critical cycles use pressures below the critical pressure of water. Typical popular unit sizes of large plants are in multiples of 125 /135 MW, 250/300 MW, 500 MW or 600 MW. On the other hand, supercritical cycles operate above the critical pressure providing higher efficiency. These cycles have varying unit sizes and varying parameters.

Boiler types can be alternatives of various capacity parameters, namely:

- Atmospheric Fluidized Bed Combustion type ("AFBC");
- Circulating Fluidized Bed Combustion type ("CFBC");
- Pulverized Fuel type ("PF"); and
- Stoking Boilers.

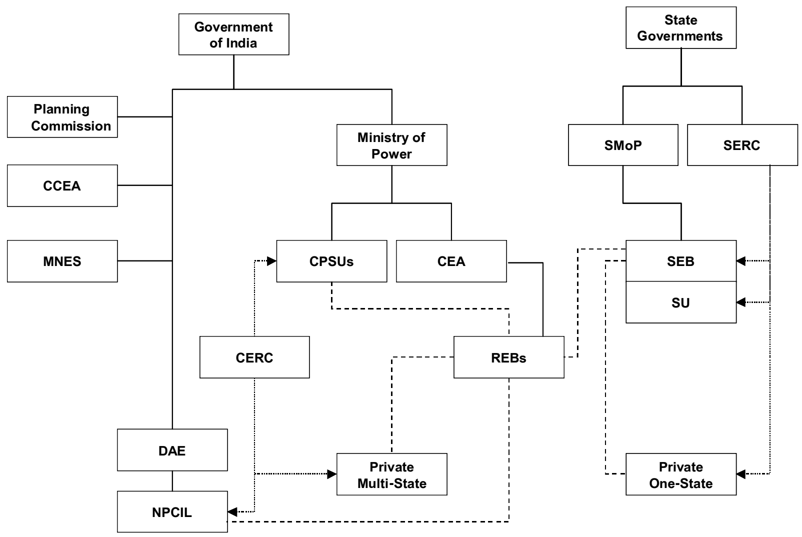
Regulatory Control

In India, control over the development of the power industry is shared between the central and the state governments. The Ministry of Power is the highest authority governing the power industry in India. The CEA, a statutory organization constituted under the Supply Act (as defined hereinafter), is the technical branch of the Ministry of Power assisting in technical, financial and economic matters relating to the electricity industry. The CEA is responsible for giving concurrence to schemes involving capital expenditure beyond a certain limit fixed by the Government from time to time, and it is also responsible for the development of a sound, adequate and uniform power policy in relation to the control and utilization of national power resources. The Central Electricity Regulatory Commission constituted under the Electricity Regulatory Commissions Act 1998 is an independent statutory body with quasi-judicial powers. Its main functions include the formulation of policy and the framing of guidelines with regard to electricity tariffs.

Several states have set up State Electricity Regulatory Commissions ("SERCs"). The SERCs are engaged in regulating the purchase, distribution, supply and utilization of electricity, tariff and charges payable, as well as the quality of service. State governments have set up SEBs at the state level, which are responsible for ensuring that the supply, transmission and distribution of electricity in such states is carried out in the most economical and efficient manner. These SEBs are required to coordinate with power generating companies, as well as the government entities that control the relevant power grids. Some states have amalgamated their respective SEBs to form Regional Electricity Boards, to ensure that electricity supply, transmission and distribution policies are consistently applied.

Private sector companies operating in the electricity supply, transmission and distribution industry report to the Ministry of Power, as well as their respective SEBs and their SERCs.

Regulatory Structure



Key to the diagram:

CCEA	Cabinet Committee on Economic Affairs
MNES	Ministry of Non-Conventional Energy Sources
CPSUs	Central Public Sector Undertakings
CEA	Central Electricity Authority
CERC	Central Electricity Regulatory Commission
REBs	Regional Electricity Boards
SMoP	State Ministry of Power
SU	State Undertaking
SEB	State Electricity Board
SERC	State Electricity Regulatory Commission
DAE	Department of Atomic Energy
NPCIL	Nuclear Power Corporation of India Limited

Regulations

The Electricity (Supply) Act, 1948 of India (the "Supply Act") lays down the broad institutional framework for regulating the power industry. The Supply Act led to the setting-up of the SEBs, which are the state government agencies with the sole responsibility for generation, transmission and distribution of electricity within each state. However, due to systemic deficiencies and the need to overcome shortcomings of the existing regime, which focused primarily on generation and not on T&D, the Government passed the Electricity Act in 2003.

The Electricity Act is a comprehensive legislation which replaced the Indian Electricity Act, 1910, the Supply Act and the Electricity Regulatory Commission Act, 1998 (the "ERC Act"). The Electricity Act was introduced with the aim to increase commercial growth and enable the states and the central agencies to progress in harmony. Until now, 13 states including Delhi and Orissa have unbundled/corporatized their SEBs under the Accelerated Power Development and Reforms Programme ("APDRP") *(Source: Ministry of Power Performance Report 2005-06)*.

The Electricity Act has liberalized and de-licensed the power generation sector. This has resulted in an increase in the captive capacity additions by industrial units, thereby reducing the dependence on external providers. The requirement of techno-economic clearance has also been eliminated (except for hydro-electric projects). Open access has been allowed to transmission lines, both by distribution licensees as well as generating companies. Distribution licensees will be free to take up generation and generation companies will be free to take up distribution. Trading has been permitted as a distinct activity. The Electricity Act also provides for multiple distribution licensees in a single area.

In May 2007, the Government passed the Electricity (Amendment) Bill, 2007 recommending amendments to the Electricity Act. Subsequent to this, the Electricity (Amendment) Act was passed in June 2007. The amendments broadly relate to:

- the term "elimination" has been omitted in relation to cross-subsidies;
- captive units will not require a license to supply power to any user;
- strict action against unauthorized usage of power; and
- power theft has been recognized as a criminal offence, punishable under Section 173 of the Code of Criminal Procedure, 1973.

The Government has omitted the term "eliminated" in the context of cross-subsidies. Earlier, the Electricity Act stated that the cross-subsidy surcharge and cross subsidies shall be progressively reduced and eliminated. In the tariff policy issued in January 2006, the Government suggested that by the end of 2010-11, tariffs should be +/- 20% of the cost of supply, in conjunction to the Electricity Act, which envisaged a complete elimination of cross-subsidies. For this, the policy suggested that SERCs prepare a road map to achieve this target. However, the amendment suggests that cross-subsidies would be reduced gradually, and not completely eliminated, in accordance with the earlier provision of "elimination of cross-subsidy". Hence, the amendment is likely to make states more lenient in setting targets for cross-subsidy reduction. Consequently, this may act as a setback to the reformation process, as elimination of cross-subsidies is an important pre-requisite for tariff rationalization and improving the financials of state utilities.

The amendments related to penalties for unauthorized usage of power and recognition of power theft as an offence punishable under Section 173 of the Code of Criminal Procedure, 1973, are to ensure strict action against power theft. These amendments would simplify the process of identifying those consumers stealing power, as well as increase the assessment amount, which would help curb losses in the system. This is expected to further strengthen the drive by respective state utilities to eliminate power theft and improve operational efficiencies. According to the Central Electricity Authority, India faced T&D losses of around 33% in 2003-2004, which implies that one-third of the power is lost due to theft, pilferage and technical inefficiencies. In fact, a large part of the power lost is through theft and unaccounted agricultural consumption. Therefore, focused efforts towards eliminating theft of power can help reduce distribution losses substantially.

Ultra Mega Power Projects

With the aim of meeting India's significant power requirements, the Government has proposed the construction of nine Ultra Mega Power Projects ("UMPPs"). The award of the projects is based on competitive bidding processes, with the amount of the normalized tariff for 25 years being a significant factor in the selection process. Each of the UMPPs will provide a power generation capacity of 4,000 MW and use coal as fuel. The Government will ensure land and environmental clearances, off-take agreements, payment security mechanisms and also provide for fuel linkages in some cases to ensure efficient implementation of the UMPPs. The UMPPs will be awarded to developers on a Build-Own-Operate basis in which the developer builds, owns and operates the UMPP. The nine UMPPs, with a total power generation capacity of 36,000 MW, are expected to be awarded and built at nine different locations in India over the next seven to eight years. To date, four UMPPs have been awarded – the project in Mundra, Gujarat has been awarded to The Tata Power Company Limited and the projects in Sasan, Madhya Pradesh, Krishnapattam, Andhra Pradesh and Tilaiya, Jharkhand have been awarded to Reliance Power Limited.

Captive Power Generation in India

Captive power refers to power generation from a project set up for captive industrial consumption. Due to the continuing shortage of power and India's economic growth, there has been an increase in the requirement for captive power projects in India. As most captive units are based on diesel generator sets, the cost of generation has increased sharply with rising crude oil and diesel prices.

OUR BUSINESS

Overview

We are a power project development company, which is developing, and will operate and maintain, power projects in India. We have four thermal power projects under various stages of development, with a combined installed capacity of 6,600 MW. In addition, we are also planning to develop two power projects with a combined installed capacity of 3,300 MW. We intend to sell the power generated from these projects under a combination of long-term power purchase agreements to industrial and state-owned consumers and on merchant basis.

We are part of the Adani Group, a leading business group in India. Adani Enterprise Limited ("AEL"), our Promoter, is the flagship company of the Adani Group, with total revenues of Rs. 196,097.10 million for the fiscal year 2008. We believe AEL was one of the largest traders of coal in India for the three years period ended March 31, 2008, with coal mining rights both in the international and domestic markets, and according to Central Electricity Regulatory Commission, for the three years period ended March 31, 2008, AEL was one of the largest power traders, by volume, in India. With the commissioning of our power projects, the Adani Group will be vertically integrated in power sector value chain through presence in related activities such as coal mining, coal trading, shipping, power generation, power transmission and power trading. Another Adani Group company, Mundra Port and Special Economic Zone Limited ("MPSEZL"), owns and operates one of the largest private sector commercial ports in India, a Special Economic Zone ("SEZ") at Mundra and a railway line between Mundra and Adipur, leading to strong synergies with our projects being set up in close vicinity. In addition, the Adani Group also has operations in other industries, including commodities trading, real estate development, agro processing and logistics. We expect that we will benefit from Adani Group's strategy of vertical integration, which gives us greater control over various activities of power generation and trading.

Our Power Projects

We currently have four thermal power projects under various stages of development:

- Mundra Phase I and II Power Project will have four sub-critical generation units of 330 MW each, with combined capacity of 1,320 MW. The boiler, turbine and generator ("BTG") package for Mundra I and II was awarded to Sichuan Machinery and Equipment Import and Export Company Limited and Kowa Company Limited, respectively. We currently expect that the first 330 MW unit of Mundra Phase I and II Power Project will be commissioned by July 2009, and that the power project will be fully commissioned by February 2010.

- Mundra Phase III Power Project will have two super-critical generation units of 660 MW each, with combined capacity of 1,320 MW. The engineering, procurement and construction ("EPC") contract for Mundra III was awarded to SEPCO-III Electric Power Construction Corporation and Shandong Tiejun Electric Power Engineering Company Limited. We currently expect that the first 660 MW unit of Mundra Phase III Power Project will be commissioned by January 2011, and that the power project will be fully commissioned by June 2011.

- Mundra Phase IV Power Project will have three super-critical generation units of 660 MW each, with combined capacity of 1,980 MW. The EPC contract for Mundra IV was awarded to SEPCO-III Electric Power Construction Corporation and Shandong Tiejun Electric Power Engineering Company Limited. We currently expect that the first 660 MW unit of Mundra Phase IV Power Project will be commissioned by August 2011, and that the power project will be fully commissioned by April 2012.

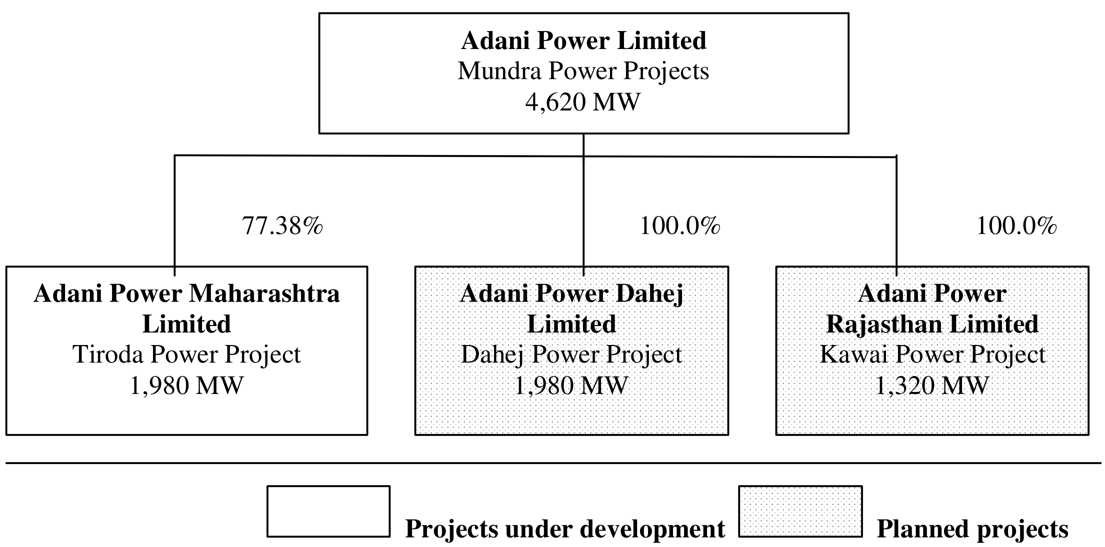
- Tiroda Power Project will have three super-critical generation units of 660 MW each, with combined capacity of 1,980 MW. The BTG package for Tiroda was awarded to Sichuan Machinery and Equipment Import and Export Company Limited. We currently expect that the first 660 MW unit of Tiroda Power Project will be commissioned by July 2011, and that the power project will be fully commissioned by April 2012. Our 77.38% owned subsidiary, Adani Power Maharashtra Limited ("APML"), is developing the Tiroda Power Project.

We are also planning to develop two thermal power projects at Dahej and Kawai with a combined installed capacity of 3,300 MW.

Power projects set up under the SEZ policy and the Mega Power Project policy are eligible for certain tax and other benefits. For further details, see "Statement of Tax Benefits" on page 44 of this Red Herring Prospectus. We received approval for developing our Mundra Power Project as a sector-specific SEZ. MPSEZL is developing two multi product SEZs, which have been combined with our sector-specific SEZ ("Combined SEZ"), pursuant to an application filed by MPSEZL and us. We have applied to the Government of India to act as a co-developer for the Combined SEZ at Mundra with MPSEZL as the developer. The Ministry of Commerce and Industry, Government of India ("Ministry of Commerce") has approved our proposal and the Combined SEZ has been notified pursuant to a gazette notification. As a co-developer, we will avail of certain exemptions from income tax, excise duty, central sales tax, service tax, dividend distribution tax and customs duty on import of goods and services for setting up the power plant. We have applied for an approval to develop the power project located at Tiroda under the Mega Power Project policy of the Government of India.

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

The following chart outlines the corporate organizational structure of our power projects under development or planning:



Our Competitive Strengths

We believe that we are well positioned to benefit from the growth opportunities in the Indian power sector due to the following competitive strengths:

We expect to benefit from the strong linkages of the Adani Group in the power sector through presence in coal mining, coal trading, shipping and power trading

We are part of the Adani Group, which seeks to be vertically integrated in the Indian power sector. As illustrated below, the Adani Group has active operations in coal mining, coal trading, shipping and power trading, and has ventured into power generation and power transmission through projects being set up by our Company.

- Exclusive mining contracts in Indonesia
- Mining blocks in India

- One of the largest trader of coal in India importing 10.2 MMT during FY 2008

- Two capesize vessels ordered and to be delivered by 2010

- Four projects under development for 6,600 MW; two projects under planning for 3,300 MW

- Transmission lines being constructed / constructed to evacuate power generated at our power projects

- One of the largest power trader in India for FY 2008, 1.32 billion units traded

The Adani Group has coal mining rights in both the international and domestic markets. PT Adani Global, a wholly owned subsidiary of AEL, has entered into agreements with holders of long-term exploitation licenses to exclusively mine coal in Bunyu island, Indonesia. In addition, we have also been allocated two coal blocks in India to mine coal for our Tiroda Power Project. Adani Shipping Pte Limited, Singapore, a wholly owned subsidiary of AEL, has entered into a contract for the purchase of two newly-built capesize vessels with expected delivery by December 2010 for transportation of coal from the Indonesian coal mines operated by AEL. AEL was also one of the largest power traders, by volume, in India for the three years period ended March 31, 2008. To further integrate the Adani Group's power generation and trading operations, we are constructing transmission lines for evacuating power generated at our power projects. The first of such transmission lines from Mundra to Dahegham, Gandhinagar has already been constructed.

We believe that the Adani Group has established diversified sourcing and distribution networks and that its industry expertise enables it to effectively capitalize on and manage risks associated with opportunities across markets. We expect that we will benefit from the Adani Group's strategy of vertical integration which gives us greater control over various activities of power generation.

We have access to experienced personnel in mining and power trading businesses pursuant to the shared services agreement with MPSEZL and AEL. We also expect to benefit from the Adani Group's strong project development and management experience while developing our power projects.

We have secured supply of fuel for many of our power projects

One of the critical success factors for any power generation project is the availability of cost-effective fuel sources throughout the lifetime of the power project.

Mundra power projects: Our Mundra power projects are located along the coast and will utilize imported coal as primary fuel for its operations. We have entered into long-term coal supply arrangements for coal with AEL for our Mundra power projects. PT Adani Global, a wholly owned subsidiary of AEL, has entered into agreements with holders of long-term exploitation licenses to exclusively mine coal in Bunyu island, Indonesia. For Mundra Power Projects, AEL proposes to procure the coal from these mines in Indonesia. Additionally, we received a letter from Mahanadi Coalfields Limited ("Mahanadi Coalfields") on June 25, 2009, wherein Mahanadi Coalfields provisionally agreed to supply approximately 6.4 MTPA of Grade 'F' coal for our Mundra Phase IV Power Project. The letter received from Mahanadi Coalfields is conditional upon us achieving certain milestones over the next 24 months and then signing of a fuel supply agreement and the balance coal requirement, if any, will be supplied by AEL to the power project site. As a result of our long-term coal supply agreements and relationship with the supplier, we believe we benefit from competitive pricing for coal for the Mundra power projects.

Tiroda Power Project: We have been allocated coal blocks at Lohara West and Lohara Extension for generating up to 1,000 MW of power at our Tiroda Power Project which have estimated coal reserves of approximately 170 million metric tons ("MMT") and an average gross calorific value ("GCV") ranging between 4,290 and 5,590 Kcal/kg, according to the geological report prepared by the Central Mine Planning and Design Institute Limited. Additionally, APML received letters from South Eastern Coalfields Limited ("South Eastern Coalfields") and Western Coalfields Limited ("Western Coalfields") on June 6, 2009 and June 1, 2009, wherein South Eastern Coalfields and Western Coalfields provisionally agreed to supply approximately 2.5 MTPA of Grade 'F' coal and 2.2 MTPA of Grade 'E' coal for our Tiroda Power Project, respectively. The coal quantity agreed to be supplied by South Eastern Coalfields and Western Coalfields is conditional upon us achieving certain milestones over the next 24 months and then signing of fuel supply agreements.

Our power projects enjoy locational advantages

Our power projects enjoy locational advantages in terms of easy access to fuel, water and proximity to power deficit areas. All our power projects under development are located in Western India, where according to the CEA, the peak deficit was 7,086 MW for the period between April 2008 and March 2009. We believe that our power projects are well positioned to serve this deficit in power supply.

Our Mundra power projects are located close to the Mundra port, which is owned and operated by MPSEZL, Promoter Group company. MPSEZL has proposed to set-up a coal jetty at a distance of approximately five km from the Mundra power project site and imported coal can be transferred from this coal jetty to the power project by conveyor belts and/or railway lines. Close proximity to the sea will ensure water for steam generation and cooling.

The Tiroda Power Project is located in Tiroda Industrial Area developed by the Maharashtra Industrial Development Corporation ("MIDC"), adjacent to the state highway. The project is approximately 260 km from the Lohara West and Lohara Extension coal blocks, which are the designated coal blocks to supply coal for the Tiroda Power Project. The project site is expected to be connected to the coal blocks by rail. We have been allocated water for the project from the nearby Wainganga river. We expect to evacuate power through Power Grid Corporation of India Limited ("PGCIL") and Maharashtra State Electricity Distribution Company Limited ("MSEDCL") sub-stations.

We expect to benefit from SEZ Co-developer status and the Mega Power Project status related tax and other benefits

We received approval for developing our Mundra Power Project as a sector-specific SEZ. MPSEZL is developing two multi product SEZs, which have been combined with our sector-specific SEZ ("Combined SEZ"), pursuant to an application filed by MPSEZL and us. We have applied to the Government of India to act as a co-developer for the Combined SEZ at Mundra with MPSEZL as the developer. The Ministry of Commerce and Industry, Government of India ("Ministry of Commerce") has approved our proposal and the Combined SEZ has been notified pursuant to a gazette notification. As a co-developer, we will avail of certain exemptions from income tax, excise duty, central sales tax, service tax, dividend distribution tax and customs duty on import of goods and services for setting up the power plant. We have applied to develop the Tiroda Power Project under the Mega Power Project Policy of the Government of India, under which we will able to benefit from certain exemptions from income tax, excise duty and customs duty on import of goods and services for setting up the project. For further details, please see "Regulations and Policies" and "Statement of Tax Benefits" on pages 122 and 44, respectively, of this Red Herring Prospectus. These benefits will help us reduce the cost of equipment and improve our profit margins once we commence operations.

We have entered into long-term power off-take arrangements for our Mundra and Tiroda power projects

We have entered into two off-take agreements with Gujarat Urja Vikas Nigam Limited ("GUVNL") for the supply of 1,000 MW of power produced from the Mundra Phase I and II Power Project, and for the supply of 1,000 MW of power produced from the Mundra Phase III Power Project. We have also entered into two off-take agreements with Uttar Haryana Bijli Vitran Nigam Limited ("UHBVNL") and Dakshin Haryana Bijli Vitran Nigam Limited ("DHBVNL"), for the sale of a total of 1,424 MW of power produced from Mundra Phase IV Power Project. We have also entered into an off-take arrangement with MSEDCL for the supply of 1,320 MW of power generated from the Tiroda Power Project. Off-take agreements generally provide that the consumer purchases power in pre-determined quantities at fixed rates and surplus power, if any, may then be sold to other consumers in the unregulated market. We expect that the power produced in excess of what is sold under our Mundra Phase I and II Power Project, Mundra

Phase IV Power Project, and Tiroda Power Project off-take agreements will be sold on merchant basis. Further, we have entered into an agreement with AEL for selling up to 221 MW of surplus power from Mundra Phase III Power Project on merchant basis. In addition, we may supply surplus power to various units within the MPSEZL. These arrangements will allow us to mitigate our off-take risk, while enabling us to sell the residual power at market determined rates.

We have an experienced management team with a track record of project execution

We have been able to attract managerial and technical talent. Our management team has an established track record, knowledge in the power generation sector and relevant experience in India. We are managed by experienced and highly qualified professionals. The team has prior exposure in implementing and operating large power projects, and we believe this is one of our key competitive strengths in view of the large size of the projects that we are simultaneously implementing. See "Our Management" on page 141 of this Red Herring Prospectus.

Our Strategy

Capitalize on the growth of the Indian power generation sector

The power sector in India has historically been characterized by power shortages that have consistently increased over time. According to the Central Electricity Authority, the total peak shortage was 12,838 MW in May 2009. As per the IEP Report, the Expert Committee on Power, in the XIth Plan (2007-2012), a capacity addition of 71 Gigawatts ("GW") and 84 GW, assuming an 8.0% and 9.0% GDP growth rate, respectively, would be required by 2012. Although recent reports indicate that the GDP growth rate is likely to be lower, we believe that our four power projects under development will play a significant role in the growth of the Indian power sector. Further, we will continue to look at further opportunities to set up power projects in various locations across India.

Realize the opportunities presented by power sector reforms and benefits extended by the Government of India

In 1991, the Indian power sector began a process of deregulation that is continuing today. The Electricity Act of 2003 and subsequent reforms have generated significant opportunities in the power sector. These changes include the following:

- Liberalization and de-licensing in the power generation sector, and doing away with the requirement of techno-economic clearances for thermal power projects, which expedites the thermal power project development process;
- Power trading recognized as a distinct activity;
- Distribution licensees can now procure power through a process of international competitive bidding; projects are no longer awarded on a cost-plus basis. We believe that competitive bidding presents attractive opportunities for efficient generation of power;
- Power generation companies can now sell power to any distribution licensees, or where allowed by the state regulatory commissions, directly to consumers. The market has evolved for merchant sales, which allows for the supply of peak power at premium rates;
- Power generation companies have open access to transmission lines, which will facilitate the direct sale of power to distribution and trading licensees;
- Improved payment security mechanisms, which we believe will improve sector stability and enhance our ability to obtain financing for our projects;
- No distinction between foreign and domestic investor under electricity laws; and
- 100.0% FDI allowed in the power sector.

Our projects are positioned and structured to take advantage of these benefits and also the benefits under the SEZ and Mega Power Project policy of the Government of India. Future power sector reforms may present additional opportunities for us and we intend to capitalize upon these opportunities as they arise.

Benefit from the power scenario in Western India

Our Mundra power project is located in Gujarat, and the Tiroda Power Project is located in Maharashtra. These states are leading industrial states in the Western part of India with high power demand, and they are currently experiencing a significant power deficit. This deficit is expected to increase in the future. These states have formulated policies for substantial investments in the power sector to support increased industrial activities. We believe that the stable and assured availability of power will lead to an increase in industrial activity in these states, which will further increase the power requirements. Though a number of power projects are under various stages of implementation in these states, such projects may not eliminate the deficit in power. We are investing in the development and planning of power projects in states facing high energy deficits in order to be in a strong position to capture the opportunity.

Secure fuel supply

Having a dedicated, cost-efficient and established fuel supply line for a power project is fundamental to our success. Our strategy has been to establish dedicated fuel lines prior to setting up a power project. We try to ensure that we have adequate supplies of cost-efficient fuel through captive fuel sources, long-term contracts or coal linkages to meet the fuel requirements for our power projects. We will continue to explore other options and sources for procuring and strengthening our fuel supplies.

Further integrate our power generation business with the installation of transmission lines

In order to ensure evacuation of power from the power project, it is critical to have appropriate transmission linkages. We are constructing transmission lines connecting our power projects at Mundra and Tiroda to state and central government sub-stations for evacuation of power. In light of the transmission constraints facing inter-regional links, we believe that the proposed Mundra and Tiroda transmission lines will be cost-efficient for evacuating power. They will also mitigate the risk, which may arise in the event power purchasers under long-term PPAs reduce their procurement of contracted power from the Mundra and Tiroda power projects.

In addition, we entered into a bulk power transmission agreement with PGCIL to avail long term open access facilities for evacuation of power from our Mundra power projects. We have applied to MSEDCL for similar approval to evacuate power from our Tiroda Power Project.

Optimize operational efficiency

We have invested in technology to drive operational efficiency. For example, all of our power projects, with the exception of the Mundra Phase I and II Power Project, will deploy super-critical technology to reduce the amount of coal consumed to generate power. The efficiency of steam generation through super-critical technology is significantly higher than that from the conventional sub-critical technology. Higher steam generation efficiency will lead to lower coal consumption and hence increase overall efficiency.

Further, we expect that our experienced management team coupled with our project management, execution and operational skills, will drive higher operational efficiencies in our power projects.

Engage in an optimal mix of off-take arrangements with state-owned and industrial consumers

We are developing four power projects that are capable of generating an aggregate 6,600 MW of power. We believe that state-run utility companies will require substantial amounts of power in order to meet their power demands and to cope adequately with power shortages in their respective states. We intend to utilize our marketing and trading capacities by optimizing our off-take arrangements between state-run utility companies and industrial consumers. This will enable us to enter into secured long-term off-take arrangements with state-run utility companies and industrial consumers as well as carry out merchant sales of power at market rates.

Our Power Projects

We currently have four power projects under various stages of development. A summary of these projects is given below:

Project Name, Location	Proposed Installed Capacity, Technology	Procurement Status	Fuel Supply Status	Off-take Arrangement Status	Expected Commissioning Date of First Unit/Expected Date for Project to be Fully Commissioned	Estimated Project Cost (Rs. in Million)
Mundra Phase I and II Power Project, Gujarat	1,320 MW coal fired, sub- critical	BTG and BoP contracts entered	Coal Supply Agreement entered with AEL	Long term PPA for 1,000 MW entered with GUVNL	July 2009/February 2010	43,500.00
Mundra Phase III Power Project, Gujarat	1,320 MW coal fired, super-critical	EPC contracts entered	Coal Supply Agreement entered with AEL	Long term PPA for 1,000 MW entered with GUVNL Agreement for merchant sale of up to 221 MW of surplus power entered with AEL	January 2011/June 2011	57,960.00
Mundra Phase IV Power Project, Gujarat	1,980 MW coal fired, super- critical	EPC contracts entered	Coal Supply Agreement entered with AEL; Provisional letter of assurance received from Mahanadi Coalfields	Long term PPAs for 1,424 MW entered with UHBVNL and DHBVNL	August 2011/April 2012	89,600.00
Tiroda Power Project (Phase I and II), Maharashtra	1,980 MW coal fired, super- critical	BTG and BoP contracts entered	Captive mines allocated by Ministry of Coal for generating up to 1,000 MW of power; Provisional letters of assurance received from South Eastern Coalfields and Western Coalfields	Long term PPA for 1,320 MW entered with MSEDCL	July 2011/April 2012	92,630.00
Total	**6,600 MW**					**283,690.00**

1,320 MW Mundra Phase I and II Power Project – Mundra, Gujarat

Introduction

The Mundra Phase I and II Power Project is a coal-based power project with four sub-critical units of 330 MW each and an aggregate capacity of 1,320 MW of power. The power project is situated at Tunda and Siracha, Mundra village, Kutch district in the state of Gujarat. We currently expect that the first unit of 330 MW will be commissioned by July 2009 and the remaining three units will be fully commissioned by February 2010. This power project has an estimated development cost of Rs. 43,500.00 million.

We received approval for developing our Mundra Power Project as a sector-specific SEZ. MPSEZL is developing two multi product SEZs, which have been combined with our sector-specific SEZ ("Combined SEZ"), pursuant to an application filed by MPSEZL and us. We have applied to the Government of India to act as a co-developer for the Combined SEZ at Mundra with MPSEZL as the developer. The Ministry of Commerce and Industry, Government of India ("Ministry of Commerce") has approved our proposal and the Combined SEZ has been notified pursuant to a gazette notification. As a co-developer, we will avail of certain exemptions from income tax, excise duty, central sales tax, service tax, dividend distribution tax and customs duty on import of goods and services for setting up the power plant.

The power project is located in the vicinity of the Mundra port owned by MPSEZL, a Promoter Group Company, which we expect will provide logistic benefits with respect to the transportation of imported coal. MPSEZL has proposed a coal jetty at a distance of approximately five kms from the power project site from where the imported coal can be transferred to the power project by conveyor belts and/or railway lines. In addition, we expect that the power project's close proximity to the coastline will ensure steady supply of water for steam generation and cooling. The site is accessible by National Highway 8A extension between the towns of Gandhidham and Mandvi, and the Kandla and Bhuj airports are at a distance of approximately 65 km each.

Financing

The total investment required for the Mundra Phase I and II Power Project is expected to be Rs. 43,500.00 million. The equity contribution of Rs. 7,060.00 million has been funded by our Promoters and strategic investors. The balance funding requirement of approximately 83.8%, which amounts to Rs. 36,440.00 million of the project cost has been obtained through secured debt financing from a consortium of project lenders, as follows:

For Mundra I, Rs. 16,940.00 million of financing has been obtained through secured loans from a consortium of lenders comprising of ICICI Bank Limited, Allahabad Bank, Punjab National Bank, Bank of India, Syndicate Bank, Small Industries Development Bank of India, Andhra Bank, Bank of Maharashtra, State Bank of Hyderabad, Oriental Bank of Commerce, Canara Bank, and UCO Bank, pursuant to a term loan agreement dated September 20, 2006 and novation notice dated August 6, 2008. As of May 31, 2009, we have drawn Rs. 7,974.43 million in principal amount, which remains outstanding.

For Mundra II, Rs. 15,500.00 million of financing has been obtained through secured loans from a consortium of lenders comprising of ICICI Bank Limited, Central Bank of India, Punjab National Bank, India Infrastructure Finance Company Limited, Allahabad Bank, Small Industries Development Bank of India, State Bank of Hyderabad, and Rural Electrification Corporation Limited, pursuant to a term loan agreement dated July 25, 2007. As of May 31, 2009, we have drawn Rs. 4,382.26 million in principal amount, which remains outstanding.

In addition, we have entered into an agreement to incur subordinated debt in the principal amount of Rs. 4,650.00 million from ICICI Bank. However, we currently intend to borrow not more than Rs. 4,000.00 million in principal amount under this subordinated debt facility. As of May 31, 2009, we have not drawn any amount under such facility. For further information on our indebtedness, see the section "Financial Indebtedness" on page 323 of this Red Herring Prospectus.

Procurement/Implementation

The power project is being implemented through a number of construction contracts. We have entered into a number of contracts with suppliers for machinery and equipment. The BTG package comprises approximately 50.0% of the total project cost. We undertook an international competitive bidding for procurement of the BTG package and subsequently awarded the contract for supply, erection and commissioning of the BTG package for two 330 MW units to Sichuan Machinery and Equipment Import and Export Company Limited pursuant to a letter of award dated June 30, 2006 for a total contract value of approximately US$ 206.00 million. For the other two 330 MW units, we have awarded the contract for supply, erection and commissioning of the BTG package to Kowa Company Limited pursuant to a letter of award dated March 1, 2007, for a total contract value of US$ 235.00 million. The supply, erection and construction of other equipment and civil structures ("BoP") is being undertaken by a number of contractors. Fitchner Consulting Engineers (India) Private Limited has been appointed to assist in formulating concepts, systems, basic and detailed engineering, and coordinating procurement, construction management services, preparing detailed project report, performance testing procedure and site supervision, inspection, quality control and project management. For further details regarding such contracts, see the section "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

Regulatory Approvals

We are developing the power project as a co-developer for the combined SEZ with MPSEZL as the developer, and we have received the necessary approvals from the Ministry of Commerce for such purpose.

We have received environment clearance from the Ministry of Environment and Forest ("MoEF") for the Mundra Phase I and II Power Project. We have received consent to establish the Mundra Phase I and II Power Project from Gujarat Pollution Control Board. We have also received coastal regulation zone clearance for the Mundra Phase I and II Power Project from the MoEF. We have received no objection certificates from the Airport Authority of India towards the construction and height of the chimneys required for the Mundra Phase I and II Power Project on December 1, 2006 and January 7, 2008, respectively. We have also received approval for sea water intake and discharge for the Mundra Phase I and II Power Project from the Gujarat Maritime Board. For further details of the approvals obtained, see the section "Government Approvals" on page 375 of this Red Herring Prospectus.

Fuel Supply

The primary fuel for the power project will be coal, which we propose to source from AEL, one of the largest traders of coal in India. The expected consumption of coal for the Mundra Phase I and II Power Project is 3.68 MTPA with an average GCV of 6,000 kcal/kg at 85.0% PLF. PT Adani Global, a wholly owned subsidiary of AEL, has entered into agreements to exclusively mine coal in Bunyu island, Indonesia. For Mundra Power Projects, AEL proposes to procure the coal from these mines in Indonesia. Under the coal supply agreement dated December 8, 2006, as amended for Mundra Phase I and Mundra Phase II Power Project, AEL has committed to supply 4.60 MTPA of coal with an average GCV of 5,200 Kcal/kg, annually for a period of 15 years from the date of commissioning of Mundra Phase I or Mundra Phase II power projects, whichever is later at US$ 36 per ton (CIF Mundra), adjusted for coal quality, with an escalation at the end of every five years from the commencement of operations of the power project. Further, at our request AEL shall supply up to 0.2 MTPA of coal each year. Additionally, AEL shall use best endeavours to sell a further amount of coal not exceeding 0.2 million tonnes each year at our request. For further details, see "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

We have entered into an agreement dated December 8, 2006 with MPSEZL to utilize their port and cargo handling services for a period of 15 years from the commercial operations date of the first unit of Mundra power project. The port and cargo handling services include berthing and unberthing of vessels, cargo handling services, such as unloading of imported coal, loading in rakes, and delivery of rakes to the power project site.

Secondary fuel in the form of light diesel oil or heavy fuel oil will be required for the start up of coal fired boilers, which we intend to source from local vendors.

Water Supply

The amount of water required for the Mundra Phase I and II Power Project is estimated to be approximately 13,700 cubic meters per hour. The power project will utilize sea water to meet consumptive and cooling water requirements. The site is located approximately three km from the coastline. On March 31, 2008, we entered into a five year agreement with Gujarat Water Infrastructure Limited to utilize 3.00 MLD of water. This agreement is valid until March 31, 2013 and shall be automatically renewed for successive terms of ten years unless terminated by either party by giving written notice, 12 months prior to the expiry of the term. The tariff rate and other terms and conditions of the agreement are subject to revision by the Government of Gujarat, from time to time.

On July 4, 2007, we entered into a contract with Ion Exchange Limited for the erection, commissioning and testing of a 7 MLD capacity sea water desalination plant. The desalination plant will be commissioned by August 2009 at a total cost of Rs. 206.50 million. In addition, on January 22, 2008 and February 16, 2008, we entered into two contracts with VA Tech Wabag Limited for erection, commissioning and testing of a 20 MLD capacity sea water desalination plant. This desalination plant will be commissioned in three phases between March 31, 2010 and December 31, 2010 at a total cost of Rs. 404.55 million. The desalination plants are located at the power project site, and will supply water for the consumptive and cooling requirements of the Mundra power projects.

Power Generation

The main generating equipment of the Mundra Phase I and II Power Project consists of four steam turbine generators and four pulverized coal fired boilers.

Off-take Arrangements

We have executed a long-term power off-take agreement dated February 6, 2007 with GUVNL for a term of 25 years from the date of commercial operation of the last of the four units of the power project. Pursuant to the off-take agreement, GUVNL is entitled to the supply of 1,000 MW of electricity at a tariff ranging from Rs. 2.81 per unit for the first year to Rs. 3.42 per unit in the 25th year. The tariff for the contracted power shall consist of capacity charges, energy charges, an incentive charge, and a penalty charge for less than 80.0% availability.

If the contracted capacity is not commissioned by its scheduled commercial operation date, we will be required to pay liquidated damages for the delay. If the power project fails to provide GUVNL's proportionate right of output energy during any settlement period, we will be liable for a penalty in the amount of 1.5 times the difference between the highest energy charges for industrial energy in Gujarat and the energy charges for each unit of energy for which GUVNL's right was breached.

GUVNL has a right of first refusal on any additional or surplus capacity from the power project, provided the price for such power is equal to or less than the contracted price in the PPA with GUVNL. Provided further, the right of first refusal shall also not apply if, (a) we intend to use such surplus capacity for our own consumption or consumption by an Adani Group company, or (b) we have contracted to sell such surplus capacity on a long term basis to a government controlled distribution licensee or to a government controlled entity responsible for supplying bulk power to distribution licensees in Gujarat.

The off-take agreement provides that for security, GUVNL shall deliver a revolving letter of credit and additional collateral in an escrow account. A third party sale of up to 25.0% of the electricity (including contracted capacity) is permitted if payment for purchase of power is not received within seven days from the due date. In addition, if the collateral is not restored within 30 days of the due date under the invoice, we have the right to sell 100.0% of the contracted capacity to third parties.

Subject to the right of first refusal of GUVNL, we intend to sell surplus power on merchant basis, including to businesses operating in the MPSEZL, through the power trading arm of AEL in order to take advantage of better pricing due to the short-term demand and supply gap in the market. For further details, see "Description of Certain key Contracts" on page 87 of this Red Herring Prospectus.

Power Evacuation

The power from Mundra Phase I and II Power Project is expected to be generated at low voltage at approximately 22 kV, which will be stepped up to 400 kV and connected to the 400 kV switchyard at the power project site. The power will be procured by GUVNL from the power project.

In addition, we intend to utilize the transmission lines built as part of Mundra Phase III Power Project for evacuation of surplus power from Mundra Phase I and II Power Project on merchant basis. The expected development cost for Mundra Phase III Power Project includes the cost of laying down these transmission lines. On March 3, 2009, we entered into a bulk power transmission agreement with PGCIL to avail long term open access facilities for evacuation of power from our Mundra power projects.

Property

We entered into a lease deed with MPSEZL dated December 28, 2006 for a plot measuring 231.61 hectares in Tunda and 62.27 hectares in Siracha, Mundra village, Kutch district in the state of Gujarat. The lease is for a term of 25 years and expires on December 27, 2031. Under this lease deed, we shall have access to land for all of our Mundra power projects. We have paid MPSEZL a one-time sum of Rs. 293.88 million, and have agreed to pay Rs. 2.94 million to MPSEZL annually, commencing December 28, 2007, in connection with the lease.

In addition, we entered into an infrastructure use agreement with MPSEZL dated December 28, 2006. This agreement grants us the right to use infrastructure facilities in the SEZ for a one-time fee of Rs. 2,351.05 million. The term of this agreement is co-terminus with the lease agreement.

1,320 MW Mundra Phase III Power Project

Introduction

The Mundra Phase III Power Project is a coal-based power project with two super-critical units of 660 MW each and an aggregate capacity of 1,320 MW of power. The power project is situated adjacent to the Mundra Phase I and II Power Project and thus will enjoy the same locational advantages. We currently expect that the first unit of 660 MW will be commissioned by January 2011, and the second unit will be commissioned by June 2011. This power project has an estimated development cost of Rs. 57,960.00 million.

We received approval for developing our Mundra Power Project as a sector-specific SEZ. MPSEZL is developing two multi product SEZs, which have been combined with our sector-specific SEZ ("Combined SEZ"), pursuant to an application filed by MPSEZL and us. We have applied to the Government of India to act as a co-developer for the Combined SEZ at Mundra with MPSEZL as the developer. The Ministry of Commerce and Industry, Government of India ("Ministry of Commerce") has approved our proposal and the Combined SEZ has been notified pursuant to a gazette notification. As a co-developer, we will avail of certain exemptions from income tax, excise duty, central sales tax, service tax, dividend distribution tax and customs duty on import of goods and services for setting up the unit.

Financing

The total investment required for the Mundra Phase III Power Project is expected to be Rs. 57,960.00 million. We have arranged financing of approximately 76.8% of the cost of this power project which amounts to approximately Rs. 44,540.00 million through third party debt. As of May 31, 2009, the equity contribution of Rs. 9,150.00 million has been funded by our Promoters and strategic investors. The balance is expected to be funded through equity contribution by our Promoters, strategic investors and internal accruals.

We entered into a rupee denominated senior debt agreement of Rs. 33,470.00 million with a consortium of lenders, including the State Bank of India, State Bank of Patiala, State Bank of Mysore, State Bank of Saurashtra, State Bank of Travancore, Axis Bank Limited, Bank of India, Corporation Bank, India Infrastructure Finance Company Limited, Indian Overseas Bank, Tamil Nadu Mercantile Bank Limited, Punjab National Bank Limited and Power Finance Corporation Limited, pursuant to a loan agreement dated March 27, 2008 and deed of modification dated May 18, 2009. As of May 31, 2009 we have drawn Rs. 6,915.03 million in principal amount, which remains outstanding.

We entered into an external commercial borrowing agreement for US$ 250.00 million of senior debt financing for Mundra III, with Standard Chartered Bank as the lead arranger and facility agent. This facility is for a term of 12 years.

In addition, we have entered into an agreement to incur subordinated debt in the principal amount of Rs. 1,070.00 million from State Bank of India, State Bank of Patiala and State Bank of Mysore. As of May 31, 2009, we have drawn Rs. 687.10 million in principle amount, which remains outstanding. For further information on our indebtedness, see the section "Financial Indebtedness" on page 323 of this Red Herring Prospectus.

Procurement/Implementation

We entered into a supply contract dated September 6, 2007 with SEPCO-III Electric Power Construction Corporation, for a total contract value of US$ 949.96 million. The scope of work under the supply contract includes supply of basic and detailed design, engineering, procurement and supply of goods and equipment for the Mundra Phase III Power Project.

The service contract will be implemented through an EPC contract, which was awarded through international competitive bidding to Shandong Tiejun Electric Power Engineering Company Limited on September 7, 2007 for a total contract value of Rs. 7,040.00 million. The scope of work under the EPC contract includes erection of the main plant, civil works for the plant, electrification, effluent treatment plant, water cooling systems and cooling towers, laying of pipelines, design, engineering, manufacturing, procurement, packing and forwarding, supply, transportation, receipt, unloading, installation, erection, testing and commissioning and performance guarantee tests. For further details regarding such contracts, see the section "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

Regulatory Approvals

We are developing the power project as a co-developer for the combined SEZ with MPSEZL as the developer, and we have received the necessary approvals from the Ministry of Commerce for such purpose.

We have received environment clearance from the MoEF for both of the 660 MW units. We have received consent to establish the Mundra Phase III Power Project from Gujarat Pollution Control Board. On July 28, 2008, we received a no objection certificate from the Airport Authority of India towards the construction and height of the chimneys required for the power project. We have also received approval for sea water intake and discharge for the power project from the Gujarat Maritime Board. We have received an in-principle approval from the Principal Chief Conservator of Forest for the purposes of setting up the transmission line for evacuation of power from Mundra Power Projects through a wildlife sanctuary. For further details of the approvals obtained, see the section "Government Approvals" on page 375 of this Red Herring Prospectus.

Fuel Supply

The primary fuel for the power project will be coal, which we propose to source from AEL. The expected consumption of coal for the Mundra Phase III Power Project is 4.06 MTPA with a GCV of 5,200 kcal per kg at 85.0% PLF. As described above, for our Mundra Power Projects, AEL proposes to procure the coal from the mines in Bunyu island, Indonesia. Under the coal supply agreement dated March 24, 2008, AEL has committed to supply 4.04 MTPA of coal with an average GCV of 5,200 Kcal/kg, as firm quantity, annually for a period of 15 years from the date of commissioning at US$ 36 per ton (CIF Mundra), adjusted for coal quality, with an escalation at the end of every five years from the commencement of operations of the power project. Further, AEL shall supply optional quantity which shall be 5% of the contracted capacity. Additionally, AEL shall, if requested by the Company, use best endeavours to sell an amount of coal not exceeding 5% of the firm quantity each contract year during the contract period. For further details, see "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

Secondary fuel in the form of light diesel oil or heavy fuel oil will be required for start up of the coal fired boilers, which we intend to source from local vendors.

Water Supply

The amount of water required for the Mundra Phase III Power Project is estimated to be approximately 12,000 cubic meters per hour and is expected to be supplied by desalination plants that we are developing. For details, see "- Our Projects – 1,320 MW Mundra Phase I and II Power Project – Water Supply".

Power Generation

The main generating equipment for the power project will consist of two steam turbine generators and two pulverized coal fired boilers.

Off-take Arrangements

We have executed a long-term power off-take agreement dated February 2, 2007 with GUVNL for a term of 25 years from the date of commercial operation of the second unit of the power project. Pursuant to the off-take agreement, GUVNL is entitled to the supply of electricity in bulk in the aggregate amount of 1,000 MW at a fixed tariff of Rs. 2.35 per unit. The tariff for the contracted power shall consist of capacity charges based on contracted capacity of 80.0%, energy charges, an incentive charge payable for availability beyond 85.0%, and a penalty charge for less than 75.0% availability.

If the contracted capacity is not commissioned by its scheduled commercial operation date, we will be required to pay liquidated damages for the delay. If the power project fails to provide GUVNL's proportionate right of output energy during any settlement period, we will be liable for a penalty in the amount of 1.5 times the difference between the highest energy charges for industrial energy in Gujarat and the energy charges for each unit of energy for which GUVNL's right was breached.

The off-take agreement provides that for security, GUVNL shall deliver a revolving letter of credit and additional collateral in an escrow account. A third party sale of up to 25.0% of the electricity (including contracted capacity) is permitted if payment for purchase of power is not received within seven days from the due date. In addition, if the collateral is not restored within 30 days of the due date under the invoice, we have the right to sell 100.0% of the contracted capacity to third parties. For further details, see "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

We have entered into an agreement dated March 24, 2008 with AEL for selling up to 221 MW of surplus power from Mundra Phase III Power Project on merchant basis. Such power will be purchased by AEL at market rates for a period of 15 years from the commercial operations date of the power project. We believe that sale of power through AEL will enable us to take advantage of better pricing due to the short-term demand and supply gap in the market. For further details, see "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

Power Evacuation

The power from Mundra Phase III Power Project is expected to be generated at low voltage at approximately 22 kV, which will be stepped up to 400 kV and connected to the 400 kV switchyard at the power project site. The power will be procured by GUVNL from the power project.

In addition, as described above, we have constructed a dedicated 433 km double circuit 400 kV transmission line connecting to the PGCIL grid at Dehgam, Gandhinagar for evacuation of surplus power from the Mundra Power Projects on merchant basis. We expect the transmission line to be commissioned by July 2009. We have entered into a bulk power transmission agreement with PGCIL as described under "1,320 MW Mundra Phase I and II Power Project – Power Evacuation" on page 73 of this Red Herring Prospectus.

Property

The land for Mundra Phase III Power Project forms part of the land leased pursuant to the lease deed dated December 28, 2006 that we entered into with MPSEZL, as described under " 1,320 MW Mundra Phase I and II Power Project – Property" on page 74 of this Red Herring Prospectus.

1,980 MW Mundra Phase IV Power Project – Mundra, Gujarat

Introduction

The Mundra Phase IV Power Project is proposed to be a coal-based power project with three super-critical units of 660 MW each and an aggregate capacity of 1,980 MW of power. The power project is situated at Tunda and Siracha, Mundra village, Kutch district in the state of Gujarat. This power project will be constructed in a single phase. The first 660 MW of Mundra Phase IV Power Project is expected to be commissioned by August 2011, and the last unit is expected to be commissioned by April 2012. This power project has an estimated development cost of Rs. 89,600.00 million.

We received approval for developing our Mundra Power Project as a sector-specific SEZ. MPSEZL is developing two multi product SEZs, which have been combined with our sector-specific SEZ, pursuant to an application filed by MPSEZL and us. We have applied to the Government of India to act as a co-developer for the Combined SEZ at Mundra with MPSEZL as the developer. The Ministry of Commerce has approved our proposal and the Combined SEZ has been notified pursuant to a gazette notification. As a co-developer, we will avail of certain exemptions from income tax, excise duty, central sales tax, service tax, dividend distribution tax and customs duty on import of goods and services for setting up the unit.

The power project is located approximately 25 km from Mundra port owned by MPSEZL, a Promoter Group company, which we expect will provide advantages with respect to the import of coal. MPSEZL has proposed a coal jetty at a distance of approximately five km from the power project site from where imported coal can be transferred to the power project by conveyor belts and railway lines.

Financing

The total investment required for the Mundra Phase IV Power Project is expected to be Rs. 89,600.00 million. We intend to finance approximately 80.0% of the cost of this power project through third party debt. As of May 31, 2009, the equity contribution of Rs. 649.95 million has been funded by our Promoters and strategic investors. The balance is expected to be funded through equity contribution by Promoters, strategic investors and through Net Proceeds of the Issue. For further details on the use of Net Proceeds of the Issue, see the section "Objects of the Issue" on page 32 of this Red Herring Prospectus. We expect the financing for the project to include senior debt of Rs. 67,200.00 million and subordinated debt of Rs. 4,480.00 million.

We entered into a rupee denominated senior debt agreement of Rs. 67,200.00 million with a consortium of lenders comprising of State Bank of India, Allahabad Bank, Punjab National Bank, Bank of India, Canara Bank, Union Bank of India, Corporation Bank, Life Insurance Corporation of India and UCO Bank, pursuant to a loan agreement dated June 24, 2009. As of May 31, 2009, we have not drawn any amount under such facility. See "Objects of the Issue" on page 32 of this Red Herring Prospectus.

In addition, we have entered into an agreement to incur subordinated debt in principal amount of Rs. 4,480.00 million from State Bank of India, Punjab National Bank, Bank of India and UCO Bank. As of May 31, 2009, we have not drawn any amount under such facility. For further information on our indebtedness, see the section "Financial Indebtedness" on page 323 of this Red Herring Prospectus.

Procurement/Implementation

We entered into a supply contract dated January 30, 2008 with SEPCO – III Electric Power Construction Corporation, China for a total contract value of US$ 1,450.64 million. The scope of work under the supply contract includes supply of basic and detailed design, engineering, procurement and supply of goods and equipment for the Mundra Phase IV Power Project.

The service contract was awarded to Shandong Tiejun Electric Power Engineering Company Limited, on January 31, 2008 for a total contract value of Rs. 10,586.00 million. The scope of work under the service contract includes design, engineering, inland transportation, erection, testing, commissioning, construction and construction management, demonstration of tests on completion, and tests after completion of the Mundra Phase IV Power Project. For further details regarding such contracts, see the section "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

Regulatory Approvals

We are developing the power project as a co-developer for the combined SEZ with MPSEZL as the developer, and we have received the necessary approvals from the Ministry of Commerce for such purpose. We have received approval from MoEF to conduct environmental impact assessment study for this project. On July 28, 2008, we received a no objection certificate from the Airport Authority of India towards the construction and height of the chimneys for the power project. We received a letter from Mahanadi Coalfields Limited on June 25, 2009, wherein Mahanadi Coalfields Limited provisionally agreed to supply approximately 6.4 MTPA of Grade 'F' coal for our Mundra Phase IV Power Project. We are also in the process of applying for required approval for sea water intake and discharge for the power project from the Gujarat Maritime Board. For further details of the approvals obtained, see the section "Government Approvals" on page 375 of this Red Herring Prospectus.

Fuel Supply

We expect that the primary fuel for the project will be coal, which will be sourced from AEL. The expected consumption of coal for the Mundra Phase IV Power Project is 5.81 MTPA with a GCV of 5,200 kcal/kg at 85.0% PLF. We received a letter from Mahanadi Coalfields on June 25, 2009, wherein Mahanadi Coalfields provisionally agreed to supply approximately 6.4 MTPA of Grade 'F' coal for our Mundra Phase IV Power Project. The coal quantity agreed to be supplied by Mahanadi Coalfields is conditional upon us achieving certain milestones over the next 24 months and then signing of a fuel supply agreement and the balance coal requirement, if any, will be procured internationally and supplied by AEL to the power project site. Under the coal supply agreement dated April 15, 2008, as amended AEL has committed to supply 6.50 MTPA of imported coal with an average GCV of 5,200 Kcal/kg annually, as firm quantity, for a period of 15 years from the date of commissioning at US$ 36 per ton (CIF

Mundra), adjusted for coal quality, with an escalation at the end of every five years from the commencement of operations of the power project. Further, AEL shall supply optional quantity to the Company which shall be 5% of the contracted capacity. Additionally, AEL shall, if requested by the Company, use best endeavours to sell an amount of coal not exceeding 5% of the firm quantity each contract year during the contract period. For further details, see "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

Secondary fuel in the form of light diesel oil or heavy fuel oil will be required for start up of the coal fired boilers, which we intend to source from local vendors.

Water Supply

The amount of water required for Mundra IV is estimated to be approximately 17,000 cubic meters per hour and is expected to be supplied by desalination plants that we are developing. For details of commissioning of the desalination plant, see "Our Projects – 1,320 MW Mundra Phase I and II Power Project – Water Supply" on page 72 of this Red Herring Prospectus.

Power Generation

The main generating equipment for the power project will consist of three steam turbine generators and three pulverized coal fired boilers.

Off-take Arrangements

We have executed long-term power off-take agreements with UHBVNL and DHBVNL, each dated August 7, 2008, for the sale of a total of 1,424 MW of electricity. The off-take agreements are for a term of 25 years from the date of commercial operation of the power project. Under the off-take agreements, UHBVNL and DHBVNL are each entitled to the supply of 712 MW of electricity at a tariff ranging from a maximum of Rs. 3.26 per unit to a minimum of Rs. 2.35 per unit during the terms of the off-take agreements. The tariff for the contracted power shall consist of capacity charges based on contracted capacity of 80.0%, energy charges, an incentive charge payable for availability beyond 85.0% and a penalty charge for less than 75.0% availability.

If the contracted capacity is not commissioned by its scheduled commercial operation date, we will be required to pay liquidated damages for the delay. The off-take agreement provides that for security, UHBVNL and DHBVNL shall each deliver a revolving letter of credit and additional collateral in an escrow account. A third party sale of up to 25.0% of the electricity (including contracted capacity) is permitted if payment for purchase of power is not received within seven days from the due date. In addition, if the collateral is not restored within 30 days of the due date under the invoice, we have the right to sell 100.0% of the contracted capacity to third parties. For further details, see "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

Power Evacuation

We expect that the power from the proposed power project will be generated at low voltage at approximately 22 kV, which will be stepped up to 400 kV and connected to the 400 kV switchyard at the power project site. We have entered into a contract with Jyoti Structures Limited, Siemens AG, Germany, Siemens Limited, Dalian Insulator Group Corporation Limited and APAR Industries Limited to build an approximately 800 km double circuit 500 kV HVDC transmission line from Mundra to Mohindergarh, in the state of Haryana. The expected development cost for this power project includes the cost of laying down the transmission lines.

Property

The land for Mundra Phase IV Power Project forms part of the land leased pursuant to the lease deed dated December 28, 2006 that we entered into with MPSEZL, as described under "1,320 MW Mundra Phase I and II Power Project – Property" on page 74 of this Red Herring Prospectus. In addition, on August 2, 2008, we entered into a memorandum of understanding with MPSEZL, pursuant to which MPSEZL has agreed to lease an area of 159.0 hectares to us. Under the terms of the memorandum of understanding, we are required to enter into a lease agreement within a period of one year, however such period may be mutually extended by both parties. The lease agreement shall be valid for a period of fifty years from the date of execution of lease agreement, subject to payment of one-time fee of Rs. 159.00 million and annual rent of Rs. 1.59 million to MPSEZL. The time limit for execution of lease deed has been extended for a period of nine months from August 3, 2009 through a letter agreement dated June 24, 2009 between the Company and MPSEZL.

1,980 MW Tiroda Power Project – Tiroda, Maharashtra

Introduction

Our 77.38% owned subsidiary Adani Power Maharashtra Limited ("APML") is developing the Tiroda Power Project, a coal based power project consisting of three super critical units of 660 MW each and an aggregate capacity of 1,980 MW. The Tiroda Power Project will be commissioned in two parts, wherein Tiroda I will have two super critical units of 660 MW and Tiroda II will have one super critical unit of 660 MW. The power project will be developed in two phases at village Tiroda in the district of Gondia in Maharashtra, India. This power project has an estimated development cost of Rs. 92,630.00 million.

We and APML have entered into a shareholders agreement dated January 15, 2008 with Millennium Developers Private Limited ("Millennium Developers") in connection with the subscription of 26.0% equity interest in APML to Millennium Developers. As of the date of this Red Herring Prospectus, 9.37% equity interest has been allotted to Millennium Developers. We and APML have also entered into a share subscription agreement dated March 27, 2009 with Somerset Emerging Opportunities Fund ("Somerset Fund") in connection with the subscription of equity interest in APML to Somerset Fund. As of the date of this Red Herring Prospectus, 13.25% equity interest has been allotted to Somerset Fund. For details of the shareholders agreement, see "Description of Certain Key Contracts". The first 660 MW unit of the Tiroda Power Project is expected to be commissioned by July 2011, and the last unit is expected to be commissioned by April 2012.

The project is located in MIDC's Tiroda Industrial Area, near the state highway. The national highway is at a distance of 45 km from the project site. The nearest airport is at Gondia which is at a distance of 30 km from the project site. The project site is approximately two km from Kachewani railway station, which is on the Mumbai-Kolkata main railway line.

Financing

The total investment required for the Tiroda Power Project is approximately Rs. 92,630.00 million. The total expected cost for phase I of 1,320 MW is Rs. 65,600.00 million, of which APML intends to finance approximately 80.0% from third party debt. The balance is expected to be funded through equity contribution by the Company, strategic investors and through Net Proceeds of the Issue.

The total expected cost for phase II of 660 MW is Rs. 27,030.00 million, of which APML intends to finance approximately 80.0% from third party debt. The balance amount will be funded by Promoters, strategic investors and through Net Proceeds of the Issue. See "Objects of the Issue" on page 32 of this Red Herring Prospectus.

For Tiroda I, we entered into a senior debt agreement dated January 30, 2009 of Rs. 49,200.00 million and subordinated debt of Rs. 3,280.00 million with a consortium of lenders, including from State Bank of India, State Bank of Mysore, State Bank of Indore, UCO Bank, Corporation Bank, Union Bank of India, State Bank of Bikaner and Jaipur, Punjab National Bank, State Bank of Patiala, Bank of Baroda, Syndicate Bank, Life Insurance Corporation of India, Indian Overseas Bank, Rural Electrification Corporation Limited, Power Finance Corporation and IDBI Bank.

For Tiroda II, we have received sanction letters from UCO Bank, Rural Electrification Corporation Limited, State Bank of Travancore, IDBI Bank and Power Finance Corporation Limited for the proposed senior debt of Rs. 15,020.00 million and subordinated debt of Rs. 500.00 million. See "Objects of the Issue" on page 32 of this Red Herring Prospectus. As of May 31, 2009 the equity contribution of Rs. 3,194.05 million has been provided by strategic investors and us.

Procurement/Implementation

The Tiroda Power Project is being implemented through construction contracts with Sichuan Machinery and Equipment Import and Export Company Limited and Sichuan Fortune Project Management Limited. The BTG package comprises approximately 40.0% of the total project cost. We undertook an international competitive bidding for procurement of the BTG package and subsequently awarded the contract for supply of the BTG package to Sichuan Machinery and Equipment Import and Export Company Limited. Pursuant to the supply contract dated February 28, 2008, the total contract value is US$ 999.90 million. The scope of work under the supply contract includes supply of basic and detailed design, engineering, procurement and supply of goods, equipment for the Tiroda Power Project, and the training of identified personnel in operations and maintenance of the power project. The supply, erection, testing and commissioning of the power project will be done by Sichuan Fortune Project Management Limited. For further details regarding such contracts, see the section "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

Regulatory Approvals

We have received a letter dated February 14, 2007, from the State Government of Maharashtra assuring their administrative support for the Tiroda Power Project.

The Tiroda Power Project is proposed to be developed as a Mega Power Project, and we have applied for necessary approvals to the Ministry of Power, Government of India. We received a letter of intent ("LoI") from WRD, State Government of Maharashtra and approval from Vidarbha Irrigation Development Corporation, Nagpur for allocation of water to the extent of 0.2 million cubic meters per day from the Wainganga river. We have received environment clearance from the Ministry of Environment and Forests for setting up two units of 660 MW each and for operating coal mines, and received approval from MoEF for conducting environment impact assessment for one unit of 660 MW. We have received a no objection certificate from the Airport Authority of India towards the construction and height of the chimneys required for the power project. We have received Pollution Control Board approval for two units of 660 MW each and applied for the same approval for one unit of 660 MW. For further details of the approvals obtained, see the section "Government Approvals" on page 375 of this Red Herring Prospectus.

Fuel Supply

The primary fuel for the proposed project is expected to be domestic coal. The project will require approximately 6.18 MTPA of coal based on average GCV of 4,895 kcal/kg and PLF of 85.0%. We have been allocated two coal mines pursuant to a letter dated November 6, 2007 by the Ministry of Coal to meet the coal requirement of up to 1,000 MW of power production. The coal mines are located at Lohara West and Lohara extension near Chandrapur, Maharashtra. On January 14, 2008, we applied to the MoEF for permission to excavate the two coal mines allocated for this project. We also applied to the Ministry of Coal requesting that transfer of allocation of coal mines from our Company to APML. On June 23, 2008, we received the Ministry of Coal approval for our mining plan for Lohara West and Lohara Extension coal blocks. According to the geological report prepared by the Central Mine Planning and Design Institute Limited, these blocks are expected to have coal reserves of approximately 170 MMTs with average GCV ranging between 4,290 and 5,590 Kcal/kg.

The distance of Lohara West and Lohara Extension coal blocks from the site is approximately 260 km. APML proposes to enter into a coal transportation arrangement with the Indian railways for transportation of coal from the mines by rail.

The nearest railway station from the mines is Chandrapur, which is approximately 20 km from the mines. The Kolkata-Mumbai Electrified rail route of South Eastern Railways passes through Chandrapur and Kachewani, which is approximately two km from the project site. A spur of approximately 20 km from the Chandrapur Railway Station to the mines and a spur of approximately two km from the Kachewani Railway Station to the power project site is expected to be drawn to complete the rail route for coal transportation.

APML received letters from South Eastern Coalfields and Western Coalfields on June 6, 2009 and June 1, 2009, wherein South Eastern Coalfields and Western Coalfields provisionally agreed to supply approximately 2.5 MTPA of Grade 'F' coal and 2.2 MTPA of Grade 'E' coal for our Tiroda Power Project, respectively. The coal quantity agreed to be supplied by South Eastern Coalfields and Western Coalfields is conditional upon us achieving certain milestones over the next 24 months and then signing of fuel supply agreements.

Secondary fuel in the form of light diesel oil or heavy fuel oil will be required for start up of the coal fired boilers, which APML intends to source from local vendors.

Water Supply

The aggregate amount of water required for the Tiroda Power Project is estimated to be approximately 7,500 cubic meters per hour. The power project will utilize river water to meet consumptive and cooling water requirements. We have received a LoI from WRD, State Government of Maharashtra for allocation of 70 million cubic meter per year (0.2 million cubic meters per day) of water from the Wainganga river, which is approximately 20 km from the power project site.

Wainganga river is an intermittent river and is expected to have dry spells during the summer season. To ensure year-round availability of water for the power project, APML proposes to build a barrage or dam for the storage of water. The barrage location is expected to be approximately 20 km from the project site. The water from the proposed barrage would be transported to the power project site through a raw water pipeline, which is expected to be approximately 20 km long.

Power Generation

The main generating equipment for the power project will consist of three steam turbine generators and three pulverized coal fired boilers.

Off-take Arrangements

We have executed a long-term power off-take agreement dated September 8, 2008 with MSEDCL for a term of 25 years from the date of commercial operation of the third unit of the power project. Pursuant to the off-take agreement, MSEDCL is entitled to the supply of 1,320 MW of electricity in bulk at a tariff ranging from Rs. 2.55 per unit for the first year to Rs. 3.47 per unit in the 25th year. The tariff for the contracted power shall consist of capacity charges based on contracted capacity of 80.0%, energy charges, an incentive charge payable for availability beyond 80.0% and a penalty charge for less than 75.0% availability.

If the contracted capacity is not commissioned by its scheduled commercial operation date, we will be required to pay liquidated damages for the delay. The off-take agreement provides that for security, MSEDCL shall deliver a revolving letter of credit and additional collateral in an escrow account. A third party sale of up to 25.0% of the electricity (including contracted capacity) is permitted if payment for purchase of power is not received within seven days from the due date. In addition, if the collateral is not restored within 30 days of the due date under the invoice, we have the right to sell 100.0% of the contracted capacity to third parties.

Power Evacuation

We expect that the power for the proposed power project will be evacuated from the project at 400 kV levels. There are three different 400 kV substations of Maharashtra State Electricity Transmission Company Limited ("MSETCL") in Koradi, Khaparkheda, and Chandrapur, which can be utilized to dispatch power to MSEDCL. Similarly, there are four 400 kV substations of PGCIL at Bhadravati, Bhilai, Wardha and Seoni, which can be used to dispatch power outside the state of Maharashtra. APML is planning to evacuate power through the PGCIL and MSETCL substations and is proposing to build two double circuit 400 kV transmission lines of 225 km and 140 km, respectively, from the project site to the nearest PGCIL substation located at Wardha and the nearest MSETCL substation located at Koradi. The expected development cost for this power project includes the cost of laying down the transmission lines. APML has also applied to MSEDCL for bulk open access for evacuation of power.

Property

We have entered into a lease deed dated April 8, 2009 for approximately 2,104,000 square metres of land with MIDC for this power project. We have paid Rs. 91.96 million to MIDC towards allotment of land and development works. We have applied to the State Government of Maharashtra and MIDC for allotting additional 192 hectares of land. We are in the process of identifying the land to be acquired and/or leased in order to meet the balance requirement of 109 hectares for the power project.

1,980 MW Dahej Power Project – Dahej, Gujarat

Introduction

The Dahej Power Project is a proposed coal-based power project with aggregate capacity of 1,980 MW. The power project is proposed to be developed by our wholly-owned subsidiary, Adani Power Dahej Limited ("APDL"), at Dahej, Taluka Vagra, district Bharuch, Gujarat. This power project has an estimated development cost of Rs. 88,810.00 million.

The proposed site is well connected by rail and road. The power project site is located approximately 46 km from Bharuch railway station and 108 km from Vadodara railway station, which is on the Mumbai – Ahmedabad / Delhi railway line. The power project site is accessible to National Highway 8 which is at a distance of approximately 46 km. In addition, the site is serviced by the Bharuch – Dahej state highway. Dahej is also connected with Bharuch by means of a narrow gauge railway line. The nearest airport is Vadodara, which is well connected to Mumbai and Delhi. The project site is located close to the Dahej port.

Financing

The total investment required for the Dahej Power Project is estimated to be approximately Rs. 88,810.00 million. APDL intends to finance approximately 80.0% of the cost of this power project by third party debt. APDL expects the financing for the power project to include senior debt of Rs. 66,610.00 million and subordinated debt of Rs. 4,400.00 million. APDL has not yet entered into any financing agreements with respect to this power project.

1,320 MW Kawai Power Project – Kawai, Rajasthan

Introduction

The Kawai Power Project is a proposed coal-based power project with an aggregate capacity of 1,320 MW. The power project is proposed to be developed by our wholly-owned subsidiary, Adani Power Rajasthan Limited ("APRL") at Kawai Village, District Baran, Rajasthan. This power project has an estimated development cost of Rs. 58,890.00 million.

The project site is well connected by rail and road. The project site is approximately two km from Salpura Kawai Railway station in Bina Kota and is close to National Highway 90, which is under construction. The Kota airport is located approximately 109 km from the project site.

Financing

The total investment for the power project is estimated to be approximately Rs. 58,890.00 million. APRL intends to finance approximately 80.0% of the cost of this power project by third party debt. We expect the financing for the power project to include senior debt of Rs. 44,170.00 million and subordinated debt of Rs. 2,940.00 million. APRL has not yet entered into any financing agreements with respect to this power project.

Power Generation Technology

The process of generation of power from coal (water steam cycle) primarily entails two main stages. In the first stage, the chemical energy stored in coal is converted into heat energy in the coal-fired boilers. In the second stage, the high pressure steam, which is generated in the boiler, is passed through a turbine (conversion of heat energy into mechanical energy), which in turn is coupled to a generator (conversion of mechanical energy into electrical energy), thereby generating electricity.

The water steam cycle contains the coal fired steam generator, steam turbine with condenser, feed-water tank, low-pressure heaters and high pressure heaters and the connecting pipelines. The superheated steam produced in the steam generator is supplied to the high pressure steam turbine, which drives the three-phase AC generator. After leaving the high pressure turbine, the steam is reheated in the steam generator and fed to the intermediate pressure turbine. In the low pressure turbine the steam coming directly from the intermediate pressure turbine expands to condenser pressure and is condensed in the condenser.

A closed cycle water system is used for cooling of the condenser. The condensate collected in the condenser hot well is discharged by the condensate pumps and supplied via the low pressure condensate heaters into the feed water tank. The feed water is further heated by bleed steam from turbine and dissolved gases from the feed-water are liberated. The boiler feed pumps discharge feed water from the feed-water tank via the high pressure heaters to the economizer. The high temperature steam-water mix is further converted into steam in water walls and finally passed through the super heaters sections for converting the saturated steam into superheated steam.

This technology can be divided into sub-critical technology and super-critical technology. The technologies differ principally in the pressure and temperature at which steam is produced in the boiler. The pressure and temperature of steam in a super-critical plant are significantly higher than in a sub-critical plant. Super-critical technology necessitates the use of advanced materials for the equipment that processes the steam. The super-critical boiler is a "once through" type of boiler unlike sub-critical boiler where water and steam remains in saturated condition in the boiler drum and water is re-circulated for generation of steam. The "once through" boiler does not require any circulating pump or drum except for boiler feed water pump. Energy required for circulation is provided by the feed pump.

The main sections of the power generating unit include a steam generator along with milling system, fans and electrostatic precipitator, integral piping, integral control system, turbine and generator unit along with boiler feed pump, regenerative heaters, condensate extraction pump, circulating and auxiliary cooling water pumps and the generator transformer with bus duct. The main sections of the utility system are the coal handling system, ash handling system, fire fighting system, air conditioning and ventilation system, switchyard and the plant water system.

Carbon Credits

We intend to implement high efficiency power generation using coal-fired super-critical technology at some of our power projects. Due to the super-critical conditions, the efficiency of steam generation through super-critical technology is significantly higher than that from the conventional sub critical technology. Higher steam generation efficiency and hence higher overall cycle efficiency will lead to lower coal consumption for the generation of the same amount of electricity resulting in a reduction of greenhouse gas emissions into the atmosphere, which will contribute to the mitigation of global warming. Hence, we expect to be eligible for the clean development mechanism benefits and have received approval from the MoEF for host country approval for Mundra III and Tiroda I power projects.

Sources of Coal for AEL

PT Adani Global, a wholly owned subsidiary of AEL, has entered into agreements to exclusively mine coal in Bunyu island, Indonesia. AEL proposes to source coal from these mines in Indonesia. According to Pt. Mintek Dendrill Indonesia, the estimated coal reserves at these three mines is approximately 150 MMTs and an average GCV of 5,200 kcal/kg. While the counter parties under the mining contracts for two of the three mines have procured long-term exploitation licenses to mine coal (for these two mines, an aggregate 1,000 hectare concession), the third license has not yet been granted to the counter party under the third mining contract.

PT Adani Global has also entered into a long-term contract with a third party to procure coal from Indonesia, and has undertaken exploration work with the objective of entering into additional mining contracts.

Employees

As of June 30, 2009, we had 651 full-time employees based in India and China. Our employees have a wide range of experience and skills in areas such as power project implementation, power project operation, and transmission operation. Of our full-time employees, approximately 70.40% are employed at the power project and 29.60% are employed at our offices. In addition, we also employ contract labourers at our power projects and the number of contract labourers vary from time to time based on the nature and extent of work contracted to independent contractors.

The following table shows the function and the number of our employees as of June 30, 2009:

Function	**Number of Employees**
Administration, Human Resources and Legal	16
Accounting and Finance	30
Information Technology	28
Operations / Technical	461
Business Development	8
Commercial	55
Secretarial	1
China Office	28
Others	24
Total	**651**

The following table provides the details of the employees according to their qualifications:

Particulars of the Degree	Number of Employees
Bachelor's Degree	92
Master's/ Professional Degree	490
Non-Graduate	69
Total	**651**

We intend to provide integrated accommodation facilities to our employees based at our power projects. In addition, we expect to provide a number of other benefits to our employees and members of their immediate family, such as subsidized work clothing, canteen facilities, annual leave, travel allowance, provident fund, and health insurance (including on-site medical clinics).

Our operations require highly skilled and experienced power project management personnel. We intend to offer our employees comprehensive on-going training in order to raise their competence and capability with respect to power project operations. We also intend to have regular staff training sessions and performance enhancement programs at our power projects to develop and improve competencies in our general workforce, particularly with respect to functional skills. We also plan to implement a performance appraisal system which will allow us to assess the performance of our employees.

Operation and Maintenance ("O&M")

O&M plays a very vital role in power generation, as optimum functioning with maximum availability of power ensures continuous quality power supply to the consumers. Hence, after commissioning of the respective units of all of our power projects, from the date of handing over of the unit, O&M of each of our power projects will be undertaken by our in-house O&M team, consisting of experienced and qualified expert engineers and technicians. Each unit will be headed by a senior personnel, under whom separate groups for O&M will function. In addition, an efficiency improvement and monitoring group and a maintenance planning group will be formed for continuous efficiency improvements in process. We are also inducting graduate engineering trainees from reputed engineering colleges, who will be trained in some of the premier training institutes of the country for the power sector. Pursuant to an agreement dated December 18, 2008, Sichuan Fortune Project Management Limited has been appointed to train our staff. The agreement is valid for a period of twelve months and can be extended for a further period of six months by mutual agreement.

Insurance

The insurance for Mundra Phase I Power Project and Mundra Phase II Power Project is maintained by us, whereas our contractor is required to maintain insurance cover for Mundra Phase III Power Project, Mundra Phase IV Power Project and Tiroda Power Project during the construction of the power project. With respect to the Mundra I, II and III power projects, we are covered by third-party all risk, marine cum erection, insurance policies for loss caused by accident, fire, flood, riot, strike and malicious damage, for liability to our customers and third parties. We are also covered for anticipated loss of profit under our insurance policy for Mundra I and II power project. The key details of insurance policies undertaken for our projects are provided in the following table:

Name of the power project	Type of insurance	Sum assured	Validity period
Mundra Phase I Power Project	Marine Cargo Insurance	Import: Rs. 10,076.00 million Indigenous: Rs. 3,300 million Duty insurance: Rs. 100 million	March 30, 2007 – September 29, 2009
	Erection All Risk Insurance	Rs. 19,100 million	March 30, 2007 – September 29, 2009
	Advance Loss of Profit	Rs. 2,000 million	March 30, 2007 – September 29, 2009
Mundra Phase II Power Project	Marine Cargo Insurance	Import: Rs. 11,000.00 million Indigenous: Rs. 3,250 million	January 4, 2008 – July 3, 2010
	Erection All Risk Insurance	Rs. 17,600 million	January 4, 2008 – July 3, 2008
	Advance Loss of Profit	Rs. 1,800 million	January 4, 2008 – July 3, 2010
Mundra Phase III Power Project	Marine Cargo Insurance	USD 709.06 million	May 12, 2009 to till the COD of the Project accomplished
	Erection All Risk Insurance	Rs. 45,138 million	June 15, 2008 to April 14, 2011
Mundra Phase IV Power Project	Marine Cargo Insurance	USD 1595.70 million	May 12, 2009 to till the COD of the Project accomplished
	Erection All Risk Insurance	Rs. 81,427 million	December 31, 2008 to May 1, 2012
Tiroda, Maharashtra Power Project	Erection All Risk Insurance	Rs. 300.50 million	December 31, 2008 to August 31, 2009

Notwithstanding our insurance coverage, damage to our power projects, facilities, equipment, machinery, buildings or other properties as a result of occurrences such as fire, explosion, power loss, telecommunications failure, intentional unlawful act, human error or natural disaster or terrorism, or any decline in our business as a result of any threat of war, outbreak of disease or epidemic could nevertheless have an adverse effect on the our financial condition and results of operations to the extent such occurrences disrupt the normal operation of our business. See "Risk Factors – We may not have sufficient insurance coverage to cover all possible economic losses" on page xxiv of this Red Herring Prospectus.

Safety and Risk Management

We implement work safety measures and standards to ensure healthy and safe working conditions, equipment and systems of work for all the employees, contractors, visitors and customers at our power projects. We intend to reduce waste and other harmful pollutants by careful use of materials, energy and other resources with maximizing recycling opportunities. Each of our power projects is expected to have its own work safety management department which ensures compliance with safety measures and standards. We have established a committee for work safety which sets safety measures and standards in accordance with the relevant safety laws and regulations in India. We oversee the implementation and compliance of these safety measures and standards.

Starting at the design and engineering stage of our power projects, we adopt fail-safe technology for all our equipment, electrical machines and electronic control systems as per international standards of industrial safety. All our power projects will have integral safety systems and emergency shutdown systems for smooth and safe stoppage of the power projects in abnormal conditions. We intend to have available 24-hour, experienced fire fighting crews equipped with fire-fighting equipment, fire tenders and ambulances once our power projects start operations, all year round.

Environmental Matters

Prior to the commencement of any power project, we undertake environment impact assessment studies and based on the various findings, we develop an environment management plan. We are committed to complying with all statutory requirements, environmental regulations and quality standards as per the guidelines published by MoEF and Government of India from time to time. All our power projects will be equipped with advanced pollution control devices to reduce the major pollutants likely to affect the environment at our power projects, to acceptable levels. Pollutants from our power projects will include carbon dioxide, sulphur oxides, nitrogen oxides, liquid effluents, noise, and thermal pollution. To keep the stack emissions within the limits and to control the ground level pollutants, all our power projects will be equipped with an efficient electrostatic precipitator at a sufficient height as per MoEF and state pollution control boards' regulations.

Property

We own and lease certain properties for corporate operations and projects. The brief details of the material properties leased by us are set out below:

Purpose	Description of the Property	Particulars
Registered office	Premises bearing numbers 902 and 904 having carpet area of 7074.50 square feet in 9th Floor, Shikhar, Near Mithakali Six Roads, Navrangpura, Ahmedabad	Licensed from Adani Properties Private Limited
Mundra Power Projects	Premises bearing survey number 180 Part at village Tunda, Mundra, Gujarat having an aggregate area of 2,316,098 square meters	Leased from MPSEZL
	Premises bearing survey number 295/1 Part at village Siracha, Mundra, Gujarat having an aggregate area of 622,712 square meters	
Tiroda power project	Plot number A-1, Tiroda Growth Centre, village limits Mendipur, Gumadhawada and Khairbodi and outside within the limits of Tiroda Municipal Council, Taluka and registration sub-district Tiroda, District Gondia admeasuring 2,104,000 square meters	Leased to APML by MIDC through lease deed dated April 8, 2009 for a period of 95 years from October 1, 2007
Sambhav office	6th and 7th floor, Sambhav House, Opposite Judges Bungalow, Ahmedabad with a built-up area of 21,840 square feet	Licensed from Pearl Stockholdings Private Limited
Beijing office	Room numbers 1503 and 1505, Building A in Tian Yuan Gang Center, North of Dongsanhuan, Chao Yang District, Beijing	Licensed from Pu Xia

Competition

We compete with Indian and foreign companies operating in the power business. Some of our competitors may have more experience than us in the development and operation of power projects. In addition, a number of these companies may have more resources than us. We face competition with respect to setting up our power projects, and we will face competition with respect to selling excess power that we may produce from our power projects that will not be subject to long-term PPAs. We face competition in power generation from companies such as National Thermal Power Corporation, Reliance Energy Limited, Tata Power Limited, Essar Power (Gujarat) Limited, JSW Energy Limited, and KSK Energy Ventures Limited, among others. See the section "Industry Overview" on page 53 of this Red Herring Prospectus.

Intellectual Property

We do not own the "Adani" trademark associated with the name and logo appearing on the front cover page of this Red Herring Prospectus. On July 31, 2008, Adani Foundation has filed an application with Trademark Registry, Ahmedabad for registration of trademark, however such application is pending. Presently we do not pay any royalty to Adani Foundation for using Adani Trademark and Adani Logo.

DESCRIPTION OF CERTAIN KEY CONTRACTS

A. Brief description of key agreements entered into by the Company

1. Investment Agreement between the Company, Adani Enterprises Limited and 3i Power Investments A1 Limited

The Company, Adani Enterprises Limited ("AEL") and 3i Power Investments A1 Limited ("3i") have entered into an agreement dated September 28, 2007 ("Investment Agreement") to, *inter alia*, set out the rights and obligations in relation to the investment made by 3i in the Company. 3i has subscribed to 52,083,333 Equity Shares and 150,000,000 cumulative compulsorily convertible participatory preference shares ("Preference Shares") of the Company ("Subscription Shares") for an aggregate consideration of Rs. 9,000.00 million.

The Company and AEL through letter dated April 24, 2008 addressed to 3i (the "3i Letter") agreed to terminate the Investment Agreement with effect from April 24, 2008, except with respect to certain matters, which shall survive termination in accordance with the terms of the Investment Agreement. The 3i Letter, *inter alia*, provides that:

(i) If the company does not make an initial public offering on terms acceptable to 3i on or before April 23, 2009, then the Investment Agreement shall be reinstated in full force and effect;

(ii) immediately prior to the IPO, the Preference Shares held by 3i shall be converted into 32,059,002 Equity Shares of the Company.

3i has agreed to the terms of the 3i Letter and consequently, the Investment Agreement stands terminated with effect from April 24, 2008. The 3i Letter was thereafter amended through letter dated April 14, 2009 whereby the period for the Company to undertake an initial public offering on terms acceptable to 3i was extended up to June 30, 2010.

2. Letter agreement between the Company, Adani Enterprises Limited and 3i Power Investments A1 Limited for further investment in the Company

The Company, Adani Enterprises Limited ("AEL") and 3i Power Investments A1 Limited ("3i") (collectively, the "Parties") have entered into a letter agreement dated June 25, 2009 ("3i Letter Agreement") for subscription of 9,142,139 Equity Shares at the price of Rs. 81.42 per Equity Share by 3i. In terms of the 3i Letter Agreement, 3i shall be entitled to benefit and/ or to exercise the rights available to 3i under the investment agreement dated September 28, 2007, as amended, entered into between the Parties. The subscription by 3i is subject to certain representations, warranties and undertakings by the Company and AEL, which are summarised below:

(i) they are duly incorporated, validly existing and in good standing under the laws of India;

(ii) the execution and delivery of the 3i Letter Agreement and the performance of the obligations of the Company and AEL under the 3i Letter Agreement have been duly authorised;

(iii) the 3i Letter Agreement constitutes the respective, legal, binding and enforceable obligations of the Company and AEL;

(iv) all corporate authorisations, government approvals and other approvals and consents, including the approval of the shareholders of the Company have been obtained for the allotment of the Equity Shares as contemplated in the 3i Letter Agreement and that all the conditions specified in the said approvals have been complied with;

(v) the execution, delivery and performance of the 3i Letter Agreement and the issuance and allotment of the Equity Shares do not, (a) conflict with or result in a violation or default under, (b) create in any other person a right of termination, amendment or require modification or cancellation of, or (c) result in the creation of any encumbrance upon any of the assets of the Company or AEL under any provision of their respective memoranda and articles of association or any law applicable to them or any order, judgement or decree of any court or other authority or any contract to which the Company or AEL is a party;

(vi) the authorised share capital of the Company consists of 2500,000,000 Equity Shares and 500,000,000 preference shares as on June 25, 2009, of which 1842,335,200 Equity Shares are issued, subscribed and paid up and that the list of Company's shareholders, the number of Equity Shares held by them and other related details as mentioned in the 3i Letter Agreement are true and correct;

(vii) all the issued and outstanding Equity Shares are and the Equity Shares to be issued as contemplated in the 3i Letter Agreement, when issued and delivered will be, authorised, validly issued and free of all encumbrances;

(viii) the Company is not insolvent and no petition or order has been made or a meeting has been convened for the winding up of the Company or for the appointment of any liquidator;

(ix) except as contemplated in the 3i Letter Agreement, the Company is not required to issue, deliver, sell or purchase or otherwise acquire any equity shares or any securities convertible into equity shares and that the Company is not obligated to grant, extend or enter into any such contract or arrangement nor are there any rights to receive dividends in respect of such securities; and

(x) the Company has irrevocably undertaken to ensure a pre-IPO placement of 26,905,830 Equity Shares at a price of Rs. 111.50 per Equity Share for an aggregate amount of Rs. 3,000 million, which will be issued simultaneously with the issue of Equity Shares as contemplated in the 3i Letter Agreement.

3. Investment Agreement between the Company, Adani Enterprises Limited and Ventura Power

The Company, Adani Enterprises Limited ("AEL") and Ventura Power have entered into an investment agreement dated November 24, 2008 ("Ventura Power Investment Agreement") whereby Ventura Power has agreed to subscribe to Equity Shares of the Company at a price of Rs. 70 per equity share ("Ventura Power Subscription Shares") for an aggregate consideration of USD 100 million. The Ventura Power Investment Agreement shall be effective from November 24, 2008 and shall remain valid for a period of 3 years or till the initial public offering of the Equity Shares of the Company, whichever is earlier. The Ventura Power Investment Agreement sets out the rights and obligations in relation to the investment made by Ventura Power in the Equity Shares of the Company and, *inter alia* provides that:

(i) AEL shall maintain its shareholding in the Company at or above the 51% threshold and shall not transfer control of the Company as long as Ventura Power holds an interest in the Company.

(ii) AEL and / or its affiliates shall have the right of first refusal in respect of purchase of the subscription share proposed to be divested by Ventura Power.

(iii) Company agreed to list the Equity Shares of the Company in BSE, NSE or an international stock exchange as agreed. The initial public offering of the Equity Shares of the Company may be conducted via a fresh issue of shares or an offer of sale by the existing shareholders. In case the initial public offering of the Equity Shares of the Company is through an offer for sale, Ventura Power shall have the right, but not the obligation, to participate in the sale on a pro-rata basis.

(iv) If an initial public offering of the Equity Shares of the Company does not take place within 36 months from the date of allotment of shares to Ventura Power, prior written consent of Ventura Power would be required for certain key matters, including, but not limited to, the following:

  (a) change to the memorandum of association and the articles of association of the Company.

  (b) the issue of new shares or other changes to the agreed capital structure, except in the course of an initial public offering of the Equity Shares of the Company, provided that Ventura Power should not have any veto rights on inter-se equity transactions within the sponsors and affiliates of the promoters of the Company and any purchase of shares by AEL from an existing shareholder of the Company.

  (c) additional borrowing, including all forms of debentures, subordinated debentures and preference shares and the issuance of any guarantee by the Company, above a debt/equity ratio of 4:1.

  These special rights will cease upon the initial public offering of the Equity Shares of the Company.

(v) The parties have agreed that in the event, there is any restriction or bar imposed on sale of the subscription shares, either by statutory enactment or order by any court/ statutory bodies, rendering implementation of this agreement impossible, then this agreement shall be deemed to be *void ab initio*.

4. Shareholders' Agreement between the Company and Millennium Developers Private Limited

The Company and Millennium Developers have entered into a shareholders agreement dated January 15, 2008 (the "Millennium SHA") in terms of which Millennium Developers has agreed to acquire, either directly or through its nominee, equity shares of APML representing 26% of the issued and paid-up share capital of APML, while the Company (or any other Adani Group company) will hold 74% of the issued and paid-up share capital of APML. The Millennium SHA, *inter alia*, provides that:

(i) The Adani Group has the complete responsibility and control over the management and operations, including project management and project execution, of the 1,320 MW power project proposed to be developed by APML in Maharashtra.

(ii) The Company is not entitled to assign, transfer, charge or otherwise deal with any of its rights or obligations under the Millennium SHA or grant, declare, create or dispose of any of its rights or interest in the whole or part of the Millennium SHA.

(iii) In case of investment to be made by any new investor in APML, the Company and Millennium Developers will proportionately dilute their shareholding in APML.

(iv) The Company has a right of first refusal over the equity shares held by Millennium Developers and Millennium Developers may not transfer any equity shares of APML without giving prior written notice to the Company. The transfer price will be decided on the basis of third party independent valuation.

(v) Millennium Developers has a right to nominate proportionate directors subject to a maximum of two directors on the board of directors of APML.

(vi) The Millennium SHA shall terminate upon Millennium Developers ceasing to hold any equity shares of APML.

5. Lease Deed between Mundra Port and Special Economic Zone Limited and the Company

The Company and Mundra Port and Special Economic Zone Limited ("MPSEZL") have entered into a lease deed dated December 28, 2006 (the "Mundra Lease Deed") in terms of which the Company has taken on lease 2,938,810 square metres of land situated in a SEZ at Mundra for a term of 25 years commencing from the day of execution of the Mundra Lease Deed. The Mundra Lease Deed, *inter alia*, provides that:

(i) The Company shall use the land solely for the purpose of setting up of a power plant/power SEZ.

(ii) The Company shall have the right to develop the land and may enter into an agreement for construction and operation and maintenance subject to terms of the Lease Deed.

(iii) The Company has paid one-time charges of Rs. 293.88 million and shall be liable to pay annual lease charges of Rs. 2.94 million.

(iv) The Company may not, without the prior written approval of MPSEZL, sub-lease, assign, sublet, license, transfer or grant a right to the land to any person or create a charge or mortgage on the land or any part thereof.

(v) MPSEZL shall be entitled to terminate the Mundra Lease Deed in the event of default of the terms of payment by the Company.

The parties shall seek to resolve any dispute arising out of or in relation to the Mundra Lease Deed through mutual discussion, failing which the dispute shall be settled through arbitration.

6. Memorandum of understanding dated August 2, 2008, between the Company and Mundra Port and Special Economic Zone Limited for allocation of land for expansion of coal based thermal power plant at Mundra

The Company and Mundra Port and Special Economic Zone Limited ("MPSEZL") have entered into a memorandum of understanding dated August 2, 2008 ("the Mundra MoU") for allocation of land for expansion of the coal based thermal power plant at Mundra. Under the Mundra MoU, MPSEZL shall allocate 159 Ha of land to the Company for the expansion of coal based thermal power plant at village Tunda-Wand, Mundra, Kutch. MPSEZL has agreed to give the 159 Ha land on lease to the Company for a period of 50 years from the date of the lease deed. In consideration, the Company shall pay a lease rent to MPSEZL at the rate of Rs. 100 per square meter to be paid upfront and Re. 1 per square meter per annum to be paid annually in advance. The lease deed is required to be executed within one year from the date of signing of the Mundra MoU. The term of the lease and the time limit to enter in the lease deed can be extended on mutual agreement. The time limit for execution of lease deed has been extended for a period of nine months from August 3, 2009 through a letter agreement dated June 24, 2009 between the Company and MPSEZL.

7. Infrastructure Use Agreement

The Company and Mundra Port Special Economic Zone Limited ("MPSEZL") (the "Parties") have entered into an agreement dated December 28, 2006 (the "Agreement") for the use of infrastructural facilities set up/to be set up by MPSEZL (the "Infrastructural Facilities"). The Infrastructural Facilities include:

(i) access to roads, both internal and approach roads;

(ii) right of way/corridor to lay telecom cable;

(iii) right of way/corridor to water pipeline; and

(iv) tapping point for electrification from the nearest sub-station.

MPSEZL had granted land on lease to the Company for a period of 25 years through lease deed dated December 28, 2006 (the "Lease Deed"). The Agreement shall be co-terminus with the Lease Deed. In consideration for the use of Infrastructural Facilities, the Company shall pay an upfront amount calculated at the rate of Rs. 800 per square metre of area leased for a period of 25 years. The Company paid an amount of Rs. 2,644.93 million to MPSEZL. Further, the Company shall be responsible for the payment of taxes and other charges. In case of early termination/expiry by efflux of time, the infrastructure usage charges shall not be refundable.

The Company is entitled to terminate the Agreement by giving 180 days notice to MPSEZL. Further, the Company shall not be entitled to refund from MPSEZL of any payment made on account of this Agreement.

Any disputes arising out of or in relation to the Agreement shall be resolved through mutual discussions within 30 days, subject to the provisions of the SEZ Act, 2005. In case the dispute cannot be resolved amicably within 30 days, it shall be referred to arbitration in accordance with the Arbitration and Conciliation Act, 1996 and in the manner provided therefor in the Agreement.

8. Shared Services Agreement

The Company, Adani Enterprises Limited ("AEL") and Mundra Special Economic Zone Limited ("MPSEZL") (collectively referred to as the "Parties" and individually as a "Party") had entered into an agreement dated April 1, 2008 (the "Original Shared Services Agreement") setting out the terms and conditions for sharing of various services and facilities which include salary expenses of coal mining and power trading department, Adani House (Ahmedabad), Anand Niketan Guest House (New Delhi), Mumbai Guest House, Ahmedabad Guest House, Adani Corporate House, Adani Knowledge Centre, Central Recruitment Cell, AEL Pool Car Expense and aircrafts (B200 and Hawker). In terms of the Original Shared Services Agreement, each Party's share shall be decided by a committee of CFOs or equivalent persons of each of the Parties.

Further, the Parties entered into an amendment agreement dated October 24, 2008 ("Amended Shared Services Agreement") setting out the terms and conditions for sharing of various services and facilities which include salary expenses of chairman's office, administration department, legal functionaries of AEL and MPSEZL, part salary expenses of corporate affairs and all expenses including salaries, travel etc.

The Parties have renewed and extended all the terms and conditions of the Original Shared Services Agreement and the Amended Shared Services Agreement through an agreement dated April 1, 2009 (the "Renewed Shared Services Agreement"). The Renewed Shared Services Agreement shall be valid for a period of one year from the date of its execution. This Renewed Shared Services Agreement may be terminated by any Party by giving prior written notice of one month to the other Parties, or in the case of default by any Party in paying its share of the expenses for a consecutive period of three months.

9. Subscription Share Agreement between the Company, APML and Somerset Emerging Opportunities Fund

The Company, APML and Somerset Fund have entered into a subscription share agreement dated March 27, 2009 (the "Somerset SSA"), wherein Somerset Fund agreed to subscribe to, and APML agreed to issue and allot to Somerset Fund, fully paid up equity shares of APML, on at par basis. The consideration payable by Somerset Fund under the Somerset SSA amount is Rs. 1,000 million in one or more tranches as may be agreed by the parties, with the first tranche being for Rs. 330 million.

In the terms of the Somerset SSA, Somerset Fund shall not transfer any equity shares held by it, except giving prior notice to APL. The transfer price will be decided on the basis of third party independent valuation. APML is required to invest the subscription amount received towards the development and implementation of the 1980 MW power project proposed to be developed in Maharashtra.

Under the Somerset SSA, dispute resolution would be done through amicable negotiations and arrangements. If the dispute cannot be settled through amicable means, parties would resort to arbitration.

10. Co-Developer Agreement between Mundra Port and Special Economic Zone Limited ("MPSEZL") and the Company

The Government of India had issued approvals to MPSEZL for the development of two multi product SEZs at Mundra, district Kutch, Gujarat ("Multi Product SEZs"). Further, the government had issued approval to the Company to develop, operate and maintain a sector specific SEZ for power sector ("Power SEZ").

MPSEZL and the Company have entered into an agreement dated January 8, 2009 (the "Co-Developer Agreement"), wherein MPSEZL authorized APL to be the co-developer for the combined SEZ (the "Combined SEZ"), resulting from the merger of the Multi Product SEZs and Power SEZ, for generation, transmission, distribution of power and related infrastructure facilities as permitted under SEZ Rules.

Under the terms of the Co-Developer Agreement, APL will provide power to MPSEZL and/or other co-developer(s) authorized by MPSEZL for distribution of utilities as per terms and conditions, and convents that may be agreed between MPSEZL or such co-developer and APL.

Further, APL is required to keep MPSEZL informed of the progress of the development of power generation facilities and MPSEZL will have right to inspect and/or take copies of documents, agreements etc. executed by APL in relation to development of such facilities.

B. Brief description of key Contracts in relation to Our Projects

I. 1,320 MW Mundra Phase I and II Power Project – Mundra, Gujarat

1. Award of Assignment for the services of Owner's Engineers

Mundra Port Special Economic Zone Limited ("MPSEZL") had through letter dated December 3, 2004 appointed Fitchner Consulting Engineers (India) Private Limited ("Fitchner") as consultants for the 2x125 MW power plant proposed to be set up by MPSEZL (the "Work Order"). The aggregate fee for the assignment is Rs. 46.6 million. Additionally, MPSEZL is required to reimburse certain expenses, pay Rs. 0.14 million per month as fee for the staff employed by Fitchner for construction management and site supervision services and pay establishment charges. Subsequently, through a letter dated October 10, 2005 the capacity of the work was revised from 2x125 MW to 2x250/300 MW and the aggregate fee was revised to Rs. 62.0 million.

The Company, through letter dated July 4, 2006, informed Fitchner that the Work Order has been assigned by MPSEZL to the Company and consequently, the Work Order be deemed to have been issued by the Company.

2. Letter of Award from the Company to Sichuan Machinery and Equipment Import and Export Company Limited for the supply of 2x330 MW thermal power plant equipment

The Company has issued a letter of award dated June 30, 2006 to Sichuan Machinery and Equipment Import and Export Company Limited ("SCMEC") ("LoA") for manufacture, inspection, testing at works, sub-vendor's works, packing and forwarding and supply of equipment and material for steam generator and steam turbine generator for the 2x330 MW units at Tunda, Gujarat, India (the "Project"). The price payable by the Company to SCMEC for the Project shall be US$ 206 million and the payment shall be made in accordance with the schedule provided therefor.

The LoA, *inter alia*, provides that:

(i) SCMEC shall furnish a performance security of US$ 15.1 million ("Performance Security") to the Company, which the Company can claim on various grounds which include failure by SCMEC to extend the Performance Security till the issuance of performance certificate, failure of SCMEC to remedy a default within 42 days after receiving notice from the Company and in circumstances which entitle the Company to terminate the contract. The Company has received the Performance Security.

(ii) SCMEC shall supply the goods to the Company in accordance with the delivery schedule provided for in the contract and the last delivery date shall be 24 months commencing from July 1, 2006. The failure by SCMEC to complete the entire delivery within delivery schedule shall make SCMEC liable for damages at the rate of US$ 0.75 million per week of delay subject to a maximum of US$ 11.32 million. SCMEC shall, however, be entitled to adjustment of the delivery schedule if the delay is caused due to any variation or which has been caused by or attributable to the Company/Company's personnel. If SCMEC wants to deliver the goods before the last date, the approval of same shall be obtained from the Company and the Company shall issue a certificate to that effect.

(iii) SCMEC shall be entitled to charge financing charges ("Financing Charges") from the Company at LIBOR + 2% for non-compliance by the Company with the timing of payments in the manner as specified in the LOA.

The Company may terminate the LOA on the certain specified grounds. SCMEC may, after completion of 28 days' of charging financing charges, suspend the manufacture and supply of the goods by giving 21 days' notice. Further, SCMEC shall be entitled to terminate the contract by giving 14 days' notice to the Company on certain specified grounds which include (i) prolonged suspension (not less than 150 days), (ii) the Company substantially fails to perform its obligations under the contract, or (iii) the Company becomes bankrupt or insolvent or goes into liquidation. Any disputes arising out of and in relation to the LOA shall be resolved by arbitration, in accordance with UNCITRAL Arbitration rules as provided for in the LOA, at Singapore in English language.

Pursuant to the contract the steam generator will be supplied by Babcock & Wilcox Beijing Company Limited and steam turbine and generator will be supplied by Beijing Beizhong Steam Generator.

3. Contract for operation and maintenance between the Company and Sichuan Fortune Project Management Limited for Mundra Thermal Power Plant (Phase - I, 2 X 330 MW)

The Company and Sichuan Fortune Project Management Limited, ("SFPML") have entered into a Contract for operation and maintenance dated December 18, 2008 (the "O&M Contract") for providing manpower services for the operation and maintenance and to train Indian personnel (the "Services") for developing 2x330 MW Thermal Power Plant for Mundra Phase I Power Project. The contract price for the O&M Contract is US$ 1.54 million per month.

The term of the contract shall be 12 months, the period can however be extended at the discretion of the Company for another 6 months.

All disputes arising out of or in relation to the contract shall be referred to arbitration and the proceedings shall be conducted in accordance with the Indian Arbitration and Conciliation Act, 1996.

4. Service Contract between the Company and Sichuan Fortune Project Management Limited for Mundra Phase I Power Project

The Company and Sichuan Fortune Project Management Limited, ("SFPML") have entered into a Service Contract dated August 2, 2006 (the "Service Contract") for erection, testing, commissioning, construction and construction management services (the "Works") for the BTG island of 2x330 MW thermal power plant for Mundra Phase I Power Project (the "Contractual Plant"). The contract price for the Service Contract is US$ 20 million.

The Service Contract, *inter alia*, provides that:

(i) SFPML shall complete the Works for the first 330 MW unit within a period of 27 months and for the second 330 MW unit within a period of 30 months from the date of commencement. SFPML shall, however, be entitled to extension of time on specified grounds which include: (i) any change to the Company's requirements or the Works instructed/approved in terms of the Service contract; (ii) any delay attributable to the Company or Company's suppliers, personnel or Company's other contractor's on the project site. In case of delay, SFPML is required to pay to the Company damages at the rate of 3.775% of the contract price per section per week, subject to a maximum of 56.62% of the contract price.

(ii) SFPML shall be entitled to charge financing charges from the Company at LIBOR + 2% for non-compliance by the Company with the timing of payments in the manner as specified in the Service Contract.

The Company is entitled to terminate the Supply Contract by giving 14 days' notice, *inter alia,* if the SFPML: (a) abandons the manufacture and supply of goods or demonstrates intention to not perform its obligations under the Service Contract; (b) without reasonable excuse fails to proceed with the Works; (c) sub-contracts the Works or assigns the Service Contract without the required consent; (d) or its guarantor in relation to the Service Contract becomes subject of bankruptcy or insolvency proceedings; (e) gives or offers to give bribe in relation to the Supply Contract or if SFPML's personnel, agents or sub-vendors do so; (f) breaches any of its representations or warranties. However, on the occurrence of (d) or (e) above, the Company may by notice terminate the Supply Contract immediately. SFPML is entitled to terminate the Service Contract by giving 14 days' notice for various reasons which include: (i) prolonged suspension (not less than 112 days); (ii) the Company substantially fails to perform its obligations; (iii) the company becomes bankrupt or insolvent or goes into liquidation.

All disputes arising out of or in relation to the contract shall be referred to arbitration and the proceedings shall be conducted in accordance with the UNCITRAL Arbitration Rules and terms of the Service Contract.

5. Agreement between the Company and Kowa Company Limited

The Company has issued a letter of award dated March 1, 2007 ("LOA") to Kowa Company Limited, Japan ("KCL") (the "Parties") for the manufacture, supply and proving performance of 2x330 MW coal based boiler, steam turbine generator package as per the specifications provided in the LOA. The price payable for the Supply is US$ 235.00 million payable in accordance with the payment schedule. The supply of goods under the LOA shall be on a FOB basis as defined under the INCOTERMS 2000.

The LOA, *inter alia*, provides that KCL shall deliver the goods according to the delivery schedule specified in the LOA, the last delivery date being March 1, 2009. KCL shall be liable to pay damages for delay in making deliveries in accordance with the delivery schedule, subject to a maximum amount of US$ 11.62 million. Further, KCL shall also be liable to pay damages for shortfall in performance of the contractual plant calculated in accordance with the formula provided in the LOA. However, sum of all damages payable by KCL will not exceed US$ 22.65 million except when the gross output of the Contractual Plant falls below 97.5% of the guaranteed gross output, or if the gross heat rate is more than 2280kcal/ kWh or if the auxiliary power consumption of the contractual plant is 5% over the guaranteed auxiliary power consumption.

This Agreement has termination provisions on account of default and it also provides for arbitration under the UNCITRAL Arbitration Rules.

Pursuant to the contract the steam generator will be supplied by Babcock & Wilcox Beijing Company Limited and steam turbine and generator will be supplied by Beijing Beizhong Steam Generator.

6. Service Contract between the Company and Sichuan Fortune Project Management Limited for Mundra Phase II Power Project

The Company and Sichuan Fortune Project Management Limited, ("SFPML") have entered into a Service Contract dated March 5, 2007 (the "Service Contract") for erection, testing, commissioning, construction and construction management services (the "Works") of 2x330 MW thermal power plant equipment at Mundra Phase II Power Project (the "Contractual Plant"). The contract price for the Service Contract is US$ 20 million. SFPML shall be entitled to charge financing charges from the Company at LIBOR + 2% for non-compliance by the Company with the timing of payments in the manner as specified in the Service Contract.

The Service Contract, *inter alia*, provides that:

(i) SFPML shall complete the Works for the first 330 MW unit within a period of 27 months and for the second 330 MW unit within a period of 30 months from the date of commencement. SFPML shall, however, be entitled to extension of time on specified grounds which include: (i) any change to the Company's requirements or the Works instructed/approved in terms of the Service contract; (ii) any delay attributable to the Company or Company's suppliers, personnel or Company's other contractor's on the project site. In case of delay, SFPML is required to pay to the Company damages at the rate of 3.775% of the contract price per section per week, subject to a maximum of 56.62% of the contract price.

(ii) SFPML is eligible for payment of bonus by the Company, if all the works of the contracted unit are completed before the time of completion, as follows:

Time before the agreed time of completion (in months)	Bonus payable (In US$ Million)
1	0.125
2	0.25
3	0.5

The Company is entitled to terminate the Supply Contract by giving 14 days' notice, *inter alia,* if SFPML: (a) abandons the Works or demonstrates intention to not perform its obligations under the Service Contract; (b) without reasonable excuse fails to proceed with the Works; (c) sub-contracts the Works or assigns the Service Contract without the required consent; (d) or its guarantor in relation to the Service Contract becomes subject of bankruptcy or insolvency proceedings; (e) gives or offers to give bribe in relation to the Supply Contract or if SFPML's personnel, agents or sub-vendors do so; (f) breaches any of its representations or warranties. However, on the occurrence of (d) or (e) above, the Company may by notice terminate the Supply Contract immediately. SFPML is entitled to terminate the Service Contract by giving 14 days' notice for various reasons which include: (i) prolonged suspension (not less than 112 days); (ii) the Company substantially fails to perform its obligations; (iii) the company becomes bankrupt or insolvent or goes into liquidation.

7. Coal Supply Agreement between Adani Enterprises Limited and the Company

The Company and Adani Enterprises Limited (the "Supplier") (the "Parties") have entered into an agreement dated December 8, 2006 (the "Agreement") for supply of Standard Coal with average GCV 6,000 kcal per kg by the Supplier to the Company in accordance with the terms of the Agreement. The period of contract ("Contract Period") shall be 15 years from COD of the 660 MW power plant project undertaken by the Company at Mundra.

The Agreement, *inter alia*, provides that:

(i) The Supplier shall supply 90,000 tonnes of Standard Coal during the start-up period and 2 million tonnes of Standard Coal each year during the Contract Period. Further, at Company's request the Supplier shall sell up to 0.1 million tonnes of Standard Coal each year. Additionally, the Supplier shall use best endeavours to sell a further amount of Standard Coal not exceeding 0.1 million tonnes each year at Company's request. The Standard Coal shall be supplied in accordance with the scheduling provisions as detailed in the Agreement.

(ii) On occurrence of an event of default, the non-defaulting Party may terminate the Agreement after giving due notice. The events of default include:

(a) breach of material obligations by the Supplier;

(b) failure by the Supplier to deliver at least 90% of the aggregate quantity requested by the Company in two consecutive shipments or any three shipments in a year;

(c) failure by the Supplier to deliver Standard Coal conforming to the specifications for any two consecutive shipments or for more than 33% of the shipments in a year;

(d) any failure by the Company to make payment of invoice;

(e) breach in any material respects of the representations and warranties made by the Supplier;

(f) insolvency or liquidation (voluntary) or winding-up or dissolution of either party;

(g) either Party ceasing or threatening to cease to carry on business; or

(h) any distress execution being issued, levied or enforced upon the business, undertaking, property or assets or any part thereof of either Party; or

(i) any act or omission by any Party or its officers, employees or agents which in other Party's opinion prejudices the interest of the first party or brings the name of first party into disrepute.

The Agreement was amended by the Parties through amendment no.1 to coal supply agreement dated August 10, 2007 (the "Amendment Agreement"). In accordance with the Amendment Agreement, the Supplier shall additionally supply Standard Coal for Mundra Phase II Power Project for a period of 15 years from COD of Mundra Phase I Power Project or Mundra Phase II Power Project, whichever is later, on the same terms and conditions as set out in the Agreement. Further, in terms of the amendment agreement AEL would supply 180,000 tonnes of Standard Coal during the start-up period and 4 million tonnes of Standard Coal each year during the Contract Period and , at the Company's request, the Supplier shall sell up to 0.2 million tonnes of Standard Coal each year. Additionally, the Supplier shall use best endeavours to sell a further amount of Standard Coal not exceeding 0.2 million tonnes each year at Company's request.

There were subsequently amendments dated September 28, 2007 and April 15, 2008 to this agreement. However, through a letter agreement dated April 13, 2009 all such amendments have been terminated and the terms of the agreement stated above are valid as on date. Thereafter the Company and AEL have entered into an amendment agreement dated June 25, 2009 whereby the Standard Coal to be supplied by AEL will have average GCV of 5,200 kcal per kg and the firm quantity to be supplied shall be 4.60 million tonnes. The price of the coal would be USD 36 per ton CIF until five years from the COD of the last unit and thereafter subject to increase by 10% in every block of five years. Further, the price is subject to adjustment to account for variations in the actual quality of Standard Coal delivered compared to the specifications in the Agreement.

8. Purchase Order issued by the Company to Ion Exchange (India) Limited

The Company has issued a purchase order (P.O. No. APL/120702/VJ/357/07) dated July 4, 2007 (the "Purchase Order") to Ion Exchange (India) Limited ("IEL") for the design, manufacture, erection, testing and commissioning of 7 MLD seawater desalination plant for Mundra Phase I and II Power Project. The Purchase Order was thereafter amended through letter no. APL/IE/Amend1/KSN2180/08 dated September 5, 2008. The price for the Purchase Order, as amended is Rs. 207.3 million. The Purchase Order requires IEL to submit a contract performance guarantee for an amount of Rs. 10.32 million, valid till delivery/commissioning of the desalination plant.

The Purchase Order, *inter alia*, provides that:

(i) The desalination plant shall be delivered in such a way that the equipment/ plant shall be commissioned in all respects by October 31, 2008. In the event of any delay, IEL shall be liable to pay liquidated damages which shall be calculated in accordance with the Purchase Order and deducted by the Company from outstanding payments due to IEL. However, the liquidated damages shall not absolve IEL from its obligations.

(ii) IEL shall provide training to the Company's engineers to familiarise them with operation and maintenance of the desalination plant. The cost of boarding and lodging shall be borne by the Company, whereas those for training shall be borne by IEL.

9. Power Purchase Agreement between Gujarat Urja Vikas Nigam Limited and the Company

The Company and Gujarat Urja Vikas Nigam Limited ("GUVNL") (the "Parties") have entered into a Power Purchase Agreement dated February 6, 2007 (the "PPA") to sell the generation capacity and supply of electricity in bulk to the extent of 1000 MW ("Contracted Capacity") from the Mundra Phase I and II Power Project ("Mundra I") by the Company to GUVNL. The term of the PPA is 25 years from the scheduled commercial operation date of the last unit of the Mundra I. GUVNL may, however, give a notice to the Company at least 180 days prior to the expiry of the PPA, for the extension of the term. On receipt of notice, the Parties shall meet and discuss the extension, which may be extended on mutually agreed terms.

The Company has provided an irrevocable and unconditional bank guarantee ("Bank Guarantee") of an aggregate amount of Rs. 750 million, valid up to six months after the COD, to GUVNL. The COD is 36 months from the date of signing of the PPA. Subsequent to the completion of certain conditions specified in the PPA, the Bank Guarantee shall be substituted by a security deposit in the form of a bank guarantee for Rs. 500 million (the "Security Deposit"). The Security Deposit shall be for the timely completion of the project and commencement of commercial operation within the time specified in the PPA. If the Company fails to commence the supply of electricity as mandated in the PPA, GUVNL shall have the right to encash and appropriate in their favour as liquidated damages an amount equivalent to 0.67% of the security deposit in proportion to the capacity delayed. The Security Deposit shall be released by GUVNL within 15 days from COD if the Company has satisfactorily fulfilled obligations in terms of the PPA.

GUVNL shall have the first right of refusal on any additional/surplus capacity from the power station. However, the first right of refusal shall not be applicable in case the Company:

(a) uses such additional/surplus capacity for its own captive consumption;

(b) contracts to sell such additional/surplus capacity, on a long term basis, to its group companies for captive consumption;

(c) contracts to sell such additional/surplus capacity, on a long term basis, to a government controlled distribution licensee in the state where the power station is located; and

(d) contracts to sell such additional/surplus capacity, on a long term basis, to a government controlled entity responsible for supplying bulk power to distribution licensees in the state where the power station is located.

The available Contracted Capacity shall be for the exclusive benefit of GUVNL. The available Contracted Capacity may be sold to a third party on certain grounds specified in the PPA. However, the Company shall not itself use any of the electricity generated by the power station from the Contracted Capacity during the term of the PPA.

In terms of the PPA, the Company shall be responsible for construction of the project in a timely manner so that the contracted capacity is commissioned no later than COD, owning the power station throughout the term of the PPA and undertaking all activities in relation thereto including obtaining and maintaining all the requisite consents. The Company shall, however be entitled to extension of time to perform its obligations, if the delay has resulted due to any material default of GUVNL, *Force Majeure*, delay in provision of open access or transmission facilities by CTU or if the Company arranges to supply power to GUVNL from alternate sources. The COD may be extended by not more than 12 months and if the COD is delayed by more than 12 months, then the PPA shall terminate as detailed therein. If the Contracted Capacity is not commissioned by COD, the Company shall have to pay liquidated damages for the delay, which shall be the encashment and appropriation of the Security Deposit for a delay upto five months and for any further delay the damages shall be calculated in the manner set forth in the PPA. However, the aggregate liability shall not extend beyond 12 months of the delay for the contracted capacity and if there is any further delay, then GUVNL shall have the option to terminate the PPA for breach by the Company and claim liquidated damages for such breach.

The PPA mandates that the Company shall enter into a fuel supply agreement, the modalities whereof shall be decided with approval from GUVNL in certain specified cases. The Company shall install a set of main and check meters in accordance with the provisions of the PPA and in consultation with the CTU/STU/GUVNL, which shall be subject to inspection and testing requirements.

GUVNL shall pay to the Company, monthly tariff payment on or before the due date, comprising of the quoted tariff by the seller for every year, determined in accordance with the formula provided in the PPA. The monthly tariff payment for shall consist of monthly capacity payment charge, monthly energy charge, monthly incentive payment and monthly penalty payment. The PPA also lays down the mechanism for the delivery, content and payment of monthly bills. In the event of delay in payment of a monthly bill by GUVNL beyond 60 days, a surcharge shall be payable by GUVNL at the rate of SBI PLR + 2% on the outstanding payment, calculated on a day to day basis on p.a. basis, for each day of the delay. For payment of monthly bills within seven days of presentation, a rebate of 2% shall be allowed and for payment after seven days but within one month, a rebate of 1% shall be allowed. GUVNL shall provide for a payment security mechanism in the form of a monthly revolving and irrevocable Letter of Credit (“LC”) opened and maintained by GUVNL. The LC may be substituted by a bank guarantee or an equivalent instrument mutually agreed. Additionally, GUVNL and the Company shall enter into a default escrow agreement for the establishment and operation of escrow account in favour of the Company and in case the LC is not operational or sufficient to pay for the pending payments, the revenues from GUVNL’s customers shall be deposited in the escrow account. The PPA contains provisions for tariff adjustment payments for change in law.

In terms of the PPA, Company’s events of default include:

(i) failure of any unit to be commissioned by the date falling 12 months after COD;

(ii) subsequent to commissioning and during its retest unit’s tested capacity is less than 92% of its rated capacity and the tested capacity remaining below 92% even after three months thereafter;

(iii) the Company is unable to make available the full contracted capacity at the delivery point;

(iv) after COD, the Company fails to achieve average availability of 65% for 12 consecutive months;

(v) the Company fails to make any payment due to GUVNL within 3 months;

(vi) any misrepresentation or untrue statement in the representation and warranties;

(vii) assignment by the Company of its assets or rights in violation of the PPA;

(viii) transfer or novation of its rights and/or obligations by the Company under the PPA;

(ix) Company is subject to bankruptcy or insolvency laws or goes into liquidation or dissolution;

(x) Company repudiates the PPA; and

(xi) material breach, by the Company, of any obligation pursuant to the PPA.

On occurrence of any of the Company's events of default, GUVNL shall have the option to terminate the PPA after delivering a preliminary termination notice. On termination of the PPA pursuant to the occurrence of Company's event of default, the Company shall pay compensation to GUVNL equivalent to six months of billing at the quoted tariff and energy corresponding to 80% of the contracted capacity as liquidated damages. Additionally, the Company shall be required to pay any compensation pursuant to transmission regulations. Furthermore, the Company shall not sell power to any third party or to the grid till the termination payment has been made. In the event that GUVNL does not terminate the PPA, the Company shall not be allowed to sell the contracted power to a third party and in breach of the stipulation, the Company shall pay to GUVNL an amount equivalent to the difference between highest price of power in western region and the quoted tariff for the concerned period.

The Parties modified the PPA through a supplemental power purchase agreement dated April 18, 2007 (the "Supplemental PPA") to supplement and modify the PPA. The Supplemental PPA changed the delivery point from 220 KV Nani Khakhar Sub-station to Bus-bar of Mundra Thermal Power Project situated at Mundra, District Kutch, Gujarat. Accordingly, Article 1.1 and Schedule 7 of the PPA were amended through the Supplemental PPA.

10. Port Services and Cargo Handling Agreement

Adani Power Limited (the "Company") and Mundra Port Special Economic Zone Limited (the "MPSEZL") (together referred to as the "Parties") have entered into an agreement for port and cargo handling services dated December 8, 2006 (the "Agreement"), for the following consideration:

Sr. No.	Head	Charge	Unit
1.	Port Dues	0.57	USD per GRT
2.	Berth Hire Charges	0.15	USD per GRT per day
3.	Waterfront Royalty	30	INR per MT of Cargo

In the event the Company fails to make the payment for three consecutive invoices on or before their respective dates of the charges or any part thereof beyond 30 days from the date of the invoice, it shall be liable to pay interest on the unpaid amount at a rate of 2% above the SBI PLR, applicable from the payment date till date on which the full payment is made (both days inclusive).

The Agreement, *inter alia,* provides:

(i) The ownership of the terminal used by the Company shall vest in MPSEZL and the Company shall have no right, title, interest and/or claim in respect thereof.

(ii) MPSEZL shall give priority to vessels carrying coal for the Company for berthing at the delivery port if the Company has intimated MPSEZL of the arrival schedule in accordance with the Agreement.

(iii) Events of default by the Company and MPSEZ and the consequences thereof.

(iv) After giving a notice for a period of 30 days MPSZL may suspend its services under the agreement if the default continues for a period of 180 days.

The term of the Agreement is 15 years from the COD of the last unit of District Kutch, Gujarat. The agreement allows the Company to terminate the agreement on certain grounds.

11. Bulk Power Transmission Agreement ("BPTA") between Powergrid Corporation of India Limited and Adani Power Limited

Adani Power Limited (the "Company") and Powergrid Corporation of India Limited ("Powergrid") have entered into a BPTA dated March 3, 2009, for availing long term open access in accordance with Central Electricity Regulatory Commission (Open access in inter state transmission) Regulations dated January 30, 2004 and Electricity Act, 2003 to the transmission system of Powergrid.

The BPTA, *inter alia,* provides that the open access would commence from the date of availability of dedicated transmission system i.e.; Adani (Mundra) - Dehgaon 400 KV D/C line and availability of Sipat-II supplementary scheme. This dedicated system is required to be built, owned, operated and maintained by the Company.

The Company is required to furnish a revolving Letter of Credit equivalent to 105% of the estimated monthly bills. In addition, the Company is required to provide security in the form of fixed deposit receipt with nationalised bank pledged in favour of Powergrid, equivalent to 6 months estimated average transmission charges of the concerned regions applicable to the Company.

In terms of the BPTA, the Company has agreed to share and pay all the transmission charges of Powergrid including Foreign Exchange Rate Variation ("FERV"), incentive, income tax and other charges and taxes for the use of its transmission system of western region including inter regional links/ ULDC/ NLDC charges and any additions thereof. Additionally, the Company would bear the applicable transmission charges corresponding to 200 MW permitted through long term open access from the date of commencement of open access.

The term of BPTA is twenty-five (25) years and all differences/disputes between the parties out of or in connection with the BPTA is required to be resolved in terms of the redressal mechanism provided under Regulation 35 of the CERC Regulations.

12. Agreement between Adani Power Limited and Gujarat Water Infrastructure Limited

Adani Power Limited (the "Company") has entered into an agreement dated March 31, 2008 with Gujarat Water Infrastructure Limited ("GWIL") to purchase a monthly amount of water that equals to minimum of 1.50 MLD and maximum of 3.90 MLD from GWIL ("Agreement").

The Agreement, *inter alia*¸ provides that the Company would be required to establish, operate and maintain all interconnection facilities and the infrastructure required for the supply. Additionally, the Company is required to obtain the final compliance certificate from the GWIL and would be responsible for obtaining all permissions and/or approvals required for the construction, operation and maintenance of any and all interconnection facilities including the pumping station.

In terms of the Agreement, the Company has deposited with the GWIL a performance security in the form of cash deposit non interest bearing equal to Rs. 81,00,000 which is required to be refunded to the Company upon termination of the Agreement, after adjustment of all dues payable to the Company. The tariff rate applicable would be Rs. Fifteen (15) per 1000 litre.

Notwithstanding anything in the Agreement, the Company has agreed and undertaken that:

(i) it knows that the water is being drawn from longer distance and hence shall not raise any objection for irregular supply by GWIL;

(ii) it knows that the drinking water has got priority over the water for industrial use and in view of this the Company shall have no objection to accept less quantity of water then the agreed quantity.

(iii) it shall not use underground water for its requirement and understand that failure to do so shall make the Company liable to termination of the Agreement.

The term of the Agreement would be five (5) years and shall be automatically renewed for the period of ten (10) years unless either party gives a notice for termination, twelve (12) months prior to the expiry of the term. Any difference, dispute or controversy in relation to the Agreement are required to be resolved through arbitration if no amicable resolution is reached between the parties.

II. Mundra Phase III Power Project – Mundra, Gujarat

1. Agreement between Adani Power Limited, Ahmedabad and SEPCO III Electric Power Construction Corporation Shandong, P.R. China

Adani Power Limited, Ahmedabad (the "Company") SEPCO III Electric Power Construction Corporation Shandong, P.R. China (the "Supplier") have entered into a supply contract dated September 6, 2007 (the "Supply Contract") for design, engineering, procurement and supply (CIF) of goods and equipment for 2x 660 mega watt super critical thermal power plant to be set up by the Company at Adani Power SEZ Tunda/ Siracha, Gujarat for a contract price of US$ 949.96 million.

The Supply Contract, *inter alia*, provides that:

(i) The delivery to the site shall commence from May 1, 2008 and the last date of delivery is November 1, 2011.

(ii) Supplier shall furnish an advance payment bank guarantee for an aggregate amount of US$ 92.99 million, which shall be reduced quarterly according to the sequence of the issuing of the bank guarantee. Along with it the Supplier also has to furnish performance guarantee of US$ 61.99 million within 120 days or in instalments as per the schedule.

(iii) The Supplier shall be liable for the payment of liquidated damages to the Company for shortfall in the performance of the contractual plant. The damages shall not exceed US$ 119.39 million except when the gross output of the contractual plant falls below 97.5% of the guaranteed gross output, or if the gross heat rate is more than 2115 kcal/kWh or if the auxiliary power consumption is 5% over the guaranteed auxiliary power consumption. Additionally, Company has the right to reject the contractual plant, subject to the provisions of the Supply Contract, if the gross output of the contractual plant falls below 97.5% of the guaranteed gross output, or if the gross heat rate is more than 2115 kcal/kWh or if the auxiliary power consumption is 5% over the guaranteed auxiliary power consumption.

(iv) On failure on the part of the Company to make the payments within 28 days of the timing of payment then it will be liable to pay the interest on delayed payment, at LIBOR+ 2% p.a.

The Company and the Supplier are entitled to terminate the Supply Contract on certain specified grounds and by providing notice under the agreement. The Supplier will be entitled to terminate the Supply Contract for prolonged suspension of work by the Company or if the Company fails to perform its obligations.

Pursuant to the contract the boiler will be supplied by Harbin Boiler Company Limited and steam turbine and generator will be supplied by Dongfang Machinery Company Limited.

2. Service Contract between the Company and Shandong Tiejun Electric Power Engineering Company Limited

The Company and Shandong Tiejun Electric Power Engineering Company Limited (the "Contractor") have entered into a Service Contract dated September 7, 2007 (the "Contract") for the design, engineering, erection, fabrication, testing, commissioning, construction and construction management services for the 2 x 660 MW thermal power project of the Company at Adani Power SEZ ("Power Project") for a consideration of Rs. 7,040.00 million excluding taxes to the extent of 4.22%. In case the Contractor is liable to higher income tax, the entire surplus shall be borne by the Contractor.

The Contract, *inter alia*, provides that:

(i) The Contractor shall furnish a performance bank guarantee to the Company for USD 18.52 million based on the conversion rate of Rs. 40 = US$ 1 and shall be enhanced due to foreign exchange variation in the manner provided in the Contract.

(ii) The Contractor shall commence the execution of the work within six months from the date of the signing of the Contract.

(iii) The Contractor shall complete the first 660 MW unit of the Power Project within 40 months from the date of commencement and the second 660 MW unit of the Power Project within 45 months of the date of commencement. In case of any delay the Contractor shall be liable to pay damages to the Company However, the Contractor shall be entitled to extension of time for, *inter alia*, any change to the Company's requirements or the works, any delay, impediment or prevention caused by or attributable to the Company or the Company's suppliers, personnel or other contractors.

(iv) If the works are completed prior to the stipulated time schedule, the Company shall pay a bonus at the rate of Rs. 63.67 million per week subject to a maximum of Rs. 955.15 million.

The Company and the contractor may terminate the Contract on certain specified grounds and by providing notice under the Contract. The Contractor shall be entitled to suspend work for non-compliance by the Company with the timing of payments in the manner as specified in the Contract.

3. Coal Supply Agreement between the Company and Adani Enterprises Limited

The Company and Adani Enterprises Limited (hereinafter referred to as "AEL") have entered into a coal supply agreement March 24, 2008 (the "Agreement") whereby AEL has agreed to supply Standard Coal with average GCV 5,200 kcal per kg to the Company for the Mundra Phase III Power Project for a period of 15 years from the COD of the last unit of the plant or such further period as may be mutually agreed by them ("Contract Period"). In terms of the Agreement, AEL shall supply 0.34 MMT of Standard Coal to the Company during the start-up period. During the Contract Period, AEL shall supply 4.04 MMT of Standard Coal as firm quantity. Further, AEL shall supply optional quantity which shall be 5% of the contracted capacity. Additionally, AEL shall, if requested by the Company, use best endeavours to sell an amount of Standard Coal not exceeding 5% of the firm quantity each contract year during the contract period. The delivered price for the contract quantity of the Standard Coal shall be US$ 36 per metric tonne until five years from the COD of the last unit and thereafter subject to increase by 10% in every block of five years. Further, the price is subject to adjustment to account for variations in the actual quality of Standard Coal delivered compared to the specifications in the Agreement.

On the occurrence of an event of default, the non-defaulting Party may give 30 days written notice to the defaulting party requiring it to remedy the default within 30 days of the notice. If the default is not capable of remedy or is not remedied within the cure period, then the non-defaulting Party may terminate the Agreement on giving not less than 30 working days' notice. The events of default include:

(a) any breach by AEL of any of its material obligations under the Agreement or any contract made pursuant thereto including, without limitation (i) failure to deliver Standard Coal in a quantity equal to 90% of the aggregate quantity requested by the Company in any two consecutive shipments or three shipments in a year; (ii) failure to deliver Standard Coal conforming to the specification for any two consecutive shipments or for more than 33% of the shipments in any contract year; (iii) failure to perform any material provisions of the Agreement; (iv) breach in any representations or warranties made by AEL;

(b) failure to make payment by the Company or breach of warranties made by the Company;

(c) either Party becoming insolvent or going into liquidation;

(d) either Party ceasing or threatening to cease to carry on business;

(e) any distress, execution or other process being issued levied or enforced upon the business, undertaking, property, assets or any part thereof;

(f) a petition being presented or meeting convened for considering a resolution for making of an administration order, winding-up, bankruptcy or dissolution of either Party;

(g) any act or omission of any party, or its officers which in the opinion of the other may prejudice its interest or bring its name to disrepute;

(h) any event ongoing analogous of the occurring in any jurisdiction;

(i) Company's failure to buy coal from AEL for a period of two months from COD.

The Agreement was subsequently amended through agreement dated April 15, 2008, which has been terminated by a letter agreement dated April 13, 2009 and the terms of the Agreement stated above are valid as on date. The Agreement was further amended through a Modification Agreement dated May 18, 2009, whereby the provisions in the Agreement with respect to coal supply commitment advance to be paid by the Company and the liquidated damages to be paid by AEL in the event of failure to supply coal were amended. By the amendment, the Company is entitled to appropriate the coal supply commitment advance of Rs. 1,500 million paid by it against the amount of coal price payable by the Company to AEL over a period of ten years on the occurrence of the commercial operation date of the Mundra Phase III Power Project. In the event of AEL failing to supply coal, the Company is entitled to liquidated damages of an amount which is equal to the amount which may be payable or paid by the Company as liquidated damages under the Power Purchase Agreement dated February 2, 2007 entered into with Gujarat Urja Vikas Nigam Limited.

4. **Power Purchase Agreement between Gujarat Urja Vikas Nigam Limited and the Company**

The Company and Gujarat Urja Vikas Nigam Limited ("GUVNL") (the "Parties") have entered into a Power Purchase Agreement dated February 2, 2007 (the "PPA") for the Company to sell 1000 MW net capacity at the Delivery Point ("Contracted Capacity") from its Adani Thermal Power Station being set up at Korba, Chhattisgarh ("Korba"). The Contracted Capacity may be reduced in proportion to the rated capacity as provided for in the PPA. The term of the PPA is 25 years from the COD of the Contracted Capacity. The PPA may, however, be mutually extended by the Parties on mutually agreed terms and conditions at least 180 days prior to the expiry of the PPA.

The Company has provided to GUVNL an irrevocable and unconditional bank guarantee ("Performance Guarantee") of an aggregate amount of Rs. 750 million, valid up to three months after the scheduled commercial operation date (COD). The COD is 60 months from the date of signing of the PPA. Subsequent to the completion of certain conditions specified in the PPA, the Performance Guarantee then existing shall be reduced by an aggregate amount equivalent to Rs. 0.25 million per each MW of the total contracted capacity on the due fulfilment of all the conditions. The Performance Guarantee shall be for the timely completion of the project and commencement of commercial operation within the time specified in the PPA. GUVNL shall have the right to liquidated damages for delay in providing the contracted capacity by the Company. The Performance Guarantee shall be released by GUVNL within 3 months from the actual commercial operation date if the Company has satisfactorily fulfilled obligations in terms of the PPA.

The available Contracted Capacity shall be for the exclusive benefit of GUVNL. The available Contracted Capacity may be sold to a third party, in accordance with the PPA, if there is a part of the available Contracted Capacity not dispatched by GUVNL, which GUVNL is ordinarily entitled to receive. However, the Company shall not itself use any of the electricity generated by the power station from the Contracted Capacity during the term of the PPA.

In terms of the PPA, the Company shall be responsible for construction of the project in a timely manner so that the Contracted Capacity is commissioned no later than COD, owning the power station throughout the term of the PPA and undertaking all activities in relation thereto including obtaining and maintaining all the requisite consents. The Company shall, however be entitled to extension of time to perform its obligations, if the delay has resulted due to any material default of GUVNL, *Force Majeure*, delay in provision of open access or transmission facilities by CTU or if the Company arranges to supply power to GUVNL from alternate sources. In case the Parties have not agreed to the period of extension of the COD, the scheduled connection date or the 25th anniversary of COD (the "Expiry Date") within 30 days after the affected party has ceased to be affected by the relevant circumstance; either party may raise the dispute in accordance with the provisions of the PPA. The COD may be extended by not more than 12 months. If the Contracted Capacity is not commissioned by COD, the Company shall have to pay liquidated damages for the delay, which shall be calculated in the manner set forth in the PPA. However, the aggregate liability shall not extend beyond 12 months of the delay for the Contracted Capacity and if there is any further delay, then GUVNL shall have the option to terminate the PPA for breach by the Company and claim liquidated damages for such breach.

The Company shall install appropriate meters in accordance with the provisions of the PPA and in consultation with the CTU/STU/GUVNL. The meters shall, further, be subject to inspection and testing requirements. The PPA mandates that the Company insurances during the construction period and the entire operating period.

GUVNL shall pay to the Company, monthly tariff payment on or before the due date, comprising of the quoted tariff by the seller for every year, determined in accordance with the formula provided in the PPA. The monthly tariff payment shall consist of monthly capacity payment charge, monthly energy charge, incentive payment and penalty payment. The PPA also lays down the mechanism for the delivery, content and payment of monthly bills. In the event of delay in payment of a monthly bill by GUVNL beyond 30 days from Due Date, a surcharge shall be payable by GUVNL at the rate of 2% in excess of the applicable SBAR p.a. on the outstanding payment, calculated on a day to day basis on p.a. basis, for each day of the delay. For payment of any bill before due date rebate shall be paid by the Company to GUVNL. GUVNL shall provide for a payment security mechanism. Additionally, GUVNL and the Company shall enter into a default escrow agreement for the establishment and operation of escrow account in favour of the Company, through which the revenues of GUVNL shall be routed and used as per the terms of the default escrow agreement. Further, the Parties shall enter into an "agreement to hypothecate cum deed of hypothecation" to hypothecate with effect from 45 days prior to the COD, the amounts to the extent as required by the LC routed through the default escrow account and the receivables in accordance with the terms of the agreement to hypothecate cum deed of hypothecation. The PPA contains provisions for tariff adjustment payments for change in law.

In terms of the PPA, Company's events of default include:

(i) failure of any unit to be commissioned by the date falling 12 months after COD;

(ii) subsequent to commissioning and during its retest unit's tested capacity is less than 92% of its rated capacity and the tested capacity remaining below 92% even after three months thereafter;

(iii) the Company is unable to make available the full contracted capacity at the delivery point;

(iv) after COD, the Company fails to achieve average availability of 65% for 12 consecutive months within any continuous period of 36 months;

(v) the Company fails to make any payment of an amount exceeding Rs. 10 million due to GUVNL within 3 months or an amount upto Rs. 10 million due to GUVNL within 6 months;

(vi) any misrepresentation or untrue statement in the representation and warranties;

(vii) assignment by the Company of its assets or rights in violation of the PPA;

(viii) transfer or novation of its rights and/or obligations by the Company under the PPA;

(ix) Company is subject to bankruptcy or insolvency laws or goes into liquidation or dissolution;

(x) Company repudiates the PPA and does not rectify such breach within a period of 30 days from a notice from GUVNL in this regard; and

(xi) breach, by the Company, of any material obligation pursuant to the PPA and such breach is not rectified by the Company within 30 days of receipt of notice from GUVNL in this regard.

On occurrence of any of the Company's events of default, GUVNL shall have the option to terminate the PPA after delivering a preliminary termination notice. Subsequent to the issuance of the preliminary termination notice, a consultation period of at least 90 days shall apply and during this period the Parties shall continue to perform their obligations. GUVNL may terminate the PPA within seven days of the expiry of the consultation period in the manner provided for in the PPA.

The PPA contains various customary clauses which including those pertaining to indemnity, representations and warranties, dispute resolution and confidentiality.

The Parties amended the PPA through a Supplemental Power Purchase Agreement dated April 18, 2007 (the "Supplemental PPA"), whereby the Company informed GUVNL that it will supply the contracted capacity from its Mundra Thermal Power Project, District Kutch, Gujarat. The Supplemental PPA changed the delivery point from 220 KV Nani Khakhar Sub-station of GETCO to Bus-bar of Mundra Thermal Power Project situated at Mundra, District Kutch, Gujarat. Accordingly, Article 1.1 and Schedule 7 of the PPA were amended through the Supplemental PPA.

5. Agreement between the Company and Adani Enterprises Limited in relation to surplus power

The Company and Adani Enterprises Limited ("AEL") (the "Parties") have entered into an agreement dated March 24, 2008 (the "Agreement") whereby AEL has agreed to purchase surplus power not exceeding 221 MW from the Mundra Phase III Power Project ("Surplus Power") from the Company. The Company shall provide notice of one month prior to the date from which AEL is required to purchase the Surplus Power. AEL shall pay tariff in accordance with the prevailing market rates. In case of default by AEL, it shall pay liquidated damages @ Rs. 0.01 per kwh for the period of default to the Company.

The term of the Agreement is 15 years from the COD of Mundra Phase III Power Project. In terms of the Agreement the Company may terminate the Agreement by giving 30 days' prior written notice to AEL. AEL is, however, not entitled to terminate the Agreement except if the Company fails to comply with or defaults in compliance of the terms of the Agreement. In such case, AEL may terminate the Agreement by 30 days' prior written notice to the Company.

6. Port Services and Cargo Handling Agreement

The Company and MPSEZL (the "Parties") have entered into an agreement for port and cargo handling services dated March 24, 2008 (the "Agreement"), for the following consideration:

Sr. No.	Head	Charge	Unit
1.	Port Dues	24	Rs. per GRT
2.	Berth Hire Charges	6	Rs. per GRT per day
3.	Waterfront royalty	30	INR per MT of Cargo
4.	Cargo handling charges*	240	Rs. per MT of coal

**Subject to inflationary change as per WPI linked inflation indexing.*

In the event the Company delays in payment of the charges or any part thereof beyond 30 days from the date of the invoice, it shall be liable to pay interest on the unpaid amount at a rate of 2% above the SBI PLR, applicable from the payment date till date on which the full payment is made (both days inclusive).

The Agreement, *inter alia,* provides that:

(i) The ownership of the terminal used by the Company shall vest in MPSEZL and the Company shall have no right, title, interest and/or claim in respect thereof.

(ii) MPSEZL shall give priority to vessels carrying coal for the Company for berthing at the delivery port if the Company has intimated MPSEZL of the arrival schedule in accordance with the Agreement.

(iii) MPSEZL shall pay the cost for "loss in handing coal" to the Company at the price calculated on shipment to shipment basis. Loss to the extent of 0.5% of quantity of imported coal shall be considered as normal loss and such normal loss shall be excluded for the purpose of "loss in coal handling".

(iv) Events of default by the Company and MPSEZ and the consequences thereof.

The term of the Agreement is 15 years from the COD of the last unit of Mundra Phase III Power Project. The Company may terminate the Agreement by 30 days' notice, *inter alia*, on the following grounds:

(i) the suspension of services by MPSEZL continuing for a period of 180 days or more;

(ii) damages payable by MPSEZL to the Company remain unpaid for a period of 180 days;

(iii) continuance of *force majeure* for a continuous period of 12 months preventing either Party from performing its obligations under the Agreement for 12 months, provided such Party has provided prior written notice of at least 30 days to the other Party.

7. Contract between the Company and VA Tech Wabag Limited

The Company and VA Tech Wabag Limited ("VATWL") (the "Parties") have entered into a contract (Contract No. APL/20MLD Desal/Erection/1716) dated January 22, 2008 (the "Contract") for erection and commissioning of 20 MLD sea water desalination plant in three phases of equal capacities by VATWL at Mundra Port for a total consideration of Rs. 389.25 million. The payment and completion schedule is as given below:

Sr. No.	Description	Amount (In Rs. Million)	Indicative Commissioning Date
1.	Phase I	220.00	April 30, 2009
2.	Phase II	84.62	August 31, 2009
3.	Phase III	84.62	December 31, 2009
	Total	**389.25**	

The Contract, *inter alia*, provides that:

(i) VATWL shall commence work after receiving commencement notice from the Company, which shall be issued separately for each phase at least 14 months prior to the scheduled commissioning date of respective phase.

(ii) The entire scope of work for each phase is required to be completed within 14 months from the date of commencement notice issued by the Company for the particular phase. In the event of delay attributable to VATWL, it shall pay liquidated damages to the Company in accordance with the Contract.

(iii) VATWL shall execute securities in favour of the Company for performance of the contract, advance security and performance of works/facility.

The Company may terminate the Contract, by giving 10 days' notice to VATWL, for any reason or on occurrence of events of default, as specified in the Contract. However, the Company shall pay to VATWL, the contract price attributable to the parts of works/facilities executed by VATWL as of the date of termination.

8. Contract between the Company and VA Tech Wabag Limited

The Company and VA Tech Wabag Limited ("VATWL") (the "Parties") have entered into a contract (Contract No. APL/20MLD Desal/Erection/1716) dated February 16, 2008 (the "Contract") for carrying out design, engineering, supply and supervision of erection and commissioning of 20 MLD sea water desalination plant in three phases of equal capacities by VATWL at Mundra Port for a total consideration of Rs. 15.30 million excluding service taxes which are exempted in accordance with SEZ Rules. The payment and completion schedule is as given below:

Sr. No.	Description	Amount (In Rs. Million)	Indicative Commissioning Date
1.	Phase I	8.5	April 30, 2009
2.	Phase II	3.4	August 31, 2009
3.	Phase III	3.4	December 31, 2009
	Total	**15.30**	

The Contract, *inter alia*, provides that:

(i) VATWL shall commence work after receiving commencement notice from the Company, which shall be issued separately for each phase at least 14 months prior to the scheduled commissioning date of respective phase.

(a) The entire scope of work for each phase is required to be completed within 14 months from the date of commencement notice issued by the Company for the particular phase. In the event of delay attributable to VATWL, it shall pay liquidated damages to the Company in accordance with the Contract.

(ii) VATWL shall execute securities in favour of the Company for performance of the contract, advance security and performance of works/facility.

The Company may terminate the Contract, by giving 10 days' notice to VATWL, for any reason or without assigning a reason. The Company shall not be liable to pay any compensation for termination. However, the Company shall pay to VATWL, the contract price attributable to the parts of works/facilities executed by VATWL as of the date of termination. Additionally, the Company is entitled to terminate the contract for VATWL's default, as specified in the Contract, by giving a notice of termination and the reason therefor but without any compensation.

9. Agreement for the supply of tower, tower accessories and conductor accessories, earthwire and its accessories for 400 KV D/C Mundra Power Station – PGCIL S/S Dehgam

The Company and Kalpataru Power Transmission Limited ("KPTL") (the "Parties") have entered into an agreement dated June 4, 2007 (the "Supply Agreement") for the supply of tower and other materials for a portion (AP-1 to AP-54) of 400 KV D/C dedicated transmission system associated with Mundra Power Station – Power

Grid Corporation of India Limited sub-station at Dehgam ("Transmission Line") for a consideration of Rs. 545.09 million ("Contract Price").

The Supply Agreement, *inter alia*, provides that:

(i) KPTL shall execute the works before 14 months from the date of Letter of Intent dated May 24, 2007. KPTL shall pay as liquidated damages 0.5%, subject to a maximum of 7.5%, of the Contract Price per week for any delay in executing the works as per the specified completion schedule. The liquidated damages shall, however, be waived if the Transmission Line is completed and commissioned in accordance with the completion schedule specified in the Construction Agreement dated June 4, 2007 between the Parties (i.e. 18 months).

10. Agreement for the Construction/Erection of 400 KV D/C Mundra Power Station – PGCIL S/S Dehgam

The Company and Kalpataru Power Transmission Limited ("KPTL") (the "Parties") have entered into an agreement dated June 4, 2007 (the "Construction Agreement") for the construction of a portion (AP-1 to AP-54) of 400 KV D/C dedicated transmission system associated with Mundra Power Station – Power Grid Corporation of India Limited sub-station at Dehgam ("Transmission Line") for a consideration of Rs. 234.35 million ("Contract Price").

The Construction Agreement, *inter alia*, stipulates that:

(i) KPTL shall execute the works before 18 months from the date of Construction Agreement. KPTL shall pay as liquidated damages 0.5%, subject to a maximum of 7.5%, of the Contract Price per week for any delay in completion of testing and commissioning of Transmission Line as per the specified completion schedule.

(ii) The Company will pay KPTL an incentive of up to 2.5% of the Contract Price and the contract of the Supply Agreement dated June 4, 2007 between the Parties, subject to the following:

a. KPTL commences various activities as per the specified schedule;

b. Quality of materials are ensured as per the approved quality plans; and

c. Transmission Line is completed/ commissioned within 11 working months, excluding rainy months.

(iii) The Construction Agreement contains provisions relating to events of default and termination.

11. Agreement for the supply of tower, tower accessories and conductor accessories, earthwire and its accessories for 400 KV D/C Mundra Power Station – PGCIL S/S Dehgam

The Company and Jyoti Structures Limited ("JSL") (the "Parties") have entered into an agreement dated June 4, 2007 (the "Supply Agreement") for the supply of tower and other materials for a portion (AP-54 to AP-118) of 400 KV D/C dedicated transmission system associated with Mundra Power Station – Power Grid Corporation of India Limited sub-station at Dehgam ("Transmission Line") for a consideration of Rs. 598.95 million ("Contract Price").

The Supply Agreement, *inter alia*, provides that:

(i) JSL shall execute the works before 14 months from the date of the Construction Agreement. JSL shall pay as liquidated damages 0.5%, subject to a maximum of 7.5%, of the Contract Price per week for any delay in executing the works as per the specified completion schedule. The liquidated damages shall, however, be waived if the Transmission Line is completed and commissioned in accordance with the completion schedule specified in the Construction Agreement dated June 4, 2007 between the Parties (i.e. 18 months).

(ii) The Construction Agreement contains provisions relating to events of default and termination.

12. Agreement for the Construction/Erection of 400 KV D/C Mundra Power Station – PGCIL S/S Dehgam

The Company and Jyoti Structures Limited ("JSL") (the "Parties") have entered into an agreement dated June 4, 2007 (the "Construction Agreement") for the construction of a portion (AP-54 to AP-118) of 400 KV D/C dedicated transmission system associated with Mundra Power Station – Power Grid Corporation of India Limited sub-station at Dehgam ("Transmission Line") for a consideration of Rs. 277.45 million.

The Construction Agreement, *inter alia*, stipulates that:

(i) JSL shall execute the works before 18 months from the date of Construction Agreement. JSL shall pay as liquidated damages 0.5%, subject to a maximum of 7.5%, of the Contract Price per week for any delay in completion of testing and commissioning of Transmission Line as per the specified completion schedule. The Company shall pay an incentive of up to 2.5% of the Contract Price and the contract of the Supply Agreement dated June 4, 2007 between the Parties, subject to the following:

   a. JSL commences various activities as per the specified schedule;

   b. Quality of materials are ensured as per the approved quality plans; and

   c. Transmission Line is completed/ commissioned within 11 working months, excluding rainy months.

(ii) The Construction Agreement contains provisions relating to events of default and termination.

III. Mundra Phase IV Power Project – Mundra, Gujarat

1. Agreement between the Company and SEPCOIII Electric Power Construction Corporation Shandong, PR China

The Company and SEPCOIII Electric Power Construction Corporation Shandong, PR China**,** ("SEPCO") (the "Parties") entered into a Supply Contract dated January 30, 2008 (the "Supply Contract") for designing, engineering, procurement and supply of goods and services of 3x660 thermal power plant for the Mundra Phase IV Power Project ("Supply") for a lump sum consideration of US$ 1,450.64 million.

The Supply Contract, *inter alia*, provides that:

(i) The delivery to the site shall commence on September 1, 2008 and the last date of delivery is March 1, 2011.

(ii) SEPCO shall furnish a performance guarantee for an amount equivalent to US$ 95.56 million to the Company.

(iii) SEPCO is required to pay to the Company liquidated damages for delay or shortfall in performance, subject to a maximum of United States Dollars 183.54 million, except when the gross output of the contractual plant falls below 97.5% of the guaranteed gross output, or if the gross heat rate is more than 2115 kcal/ kWh or if the auxiliary power consumption is 5% over the guaranteed auxiliary power consumption.

The Company is entitled to terminate the Supply Contract by giving 14 days' notice, *inter alia,* if SEPCO: (a) fails to comply with provisions regarding performance bank guarantee; (b) abandons the manufacture and supply of goods or demonstrates intention to not perform its obligations under the Supply Contract; (c) fails to proceed with manufacture and supply of goods; (d) sub-contracts its obligations or assigns the Supply Contract without the required consent; (e) or its guarantor in relation to the Supply Contract becomes subject of bankruptcy or insolvency proceedings; (f) gives or offers to give bribe in relation to the Supply Contract or if SEPCO's personnel, agents or sub-vendors do so; (g) breaches any of its representations or warranties. However, on the occurrence of (e) or (f) above, the Company may by notice terminate the Supply Contract immediately. SEPCO is entitled to terminate the Supply Contract by giving 14 days' notice for various reasons which include: (i) prolonged suspension; (ii) the Company substantially fails to perform its obligations; (iii) the company becomes bankrupt or insolvent or goes into liquidation.

Pursuant to the contract the boiler will be supplied by Harbin Boiler Co. Ltd. and steam turbine and generator will be supplied by Dongfang Machinery Co. Ltd.

2. Agreement between the Company and Shandong Tiejun Electric Power Engineering Company Limited

The Company and Shandong Tiejun Electric Power Engineering Company Limited ("Shandong") have entered into an agreement dated January 31, 2008 (the "Agreement") for design, engineering, erection, fabrication, testing, commissioning, construction and construction management services for the Mundra Phase IV Power

Project at a contract price of Rs. 10,586.00 million. In case the Company delays in making payments in accordance with the schedule provided in the Agreement, the Company shall be liable to pay to Shandong financing charges on such delayed payments at LIBOR + 2%.

The Agreement, *inter alia*, provides that:

(i) Shandong shall commence execution of the work within six months from the date of the signing of the Agreement (the "Commencement Date").

(ii) Shandong shall furnish a performance bank guarantee to the Company for US$ 26.80 million based on the conversion rate of Rs. 39.5 = US$ 1, which may be enhanced only once due to foreign exchange variation in the manner provided in the Agreement.

(iii) Shandong shall complete the first 660 MW unit of the project within 40 months from the Commencement Date, the second 660 MW unit of the project within 44 months from the Commencement Date and the third 660 MW unit of the project within 48 months of the Commencement Date. In case of delay, Shandong shall be liable to damages at the rate of Rs 241.66 million, subject to a maximum of Rs. 3,625.03 million. However, Shandong shall be entitled to extension of time for, *inter alia*, any change to the Company's requirements or the works, any delay, impediment or prevention caused by or attributable to the Company or the Company's suppliers, personnel or other contractors.

(iv) If the works are completed prior to the stipulated time schedule, the Company shall pay a bonus at the rate of Rs. 96.66 million per week subject to a maximum of Rs. 1,450.01 million.

The Company is entitled to terminate the Agreement by giving 14 days' notice, *inter alia,* if Shandong: (a) fails to comply with provisions regarding performance bank guarantee; (b) abandons the work or demonstrates intention to not perform its obligations under the Agreement; (c) fails to proceed with the work; (d) sub-contracts its obligations or assigns the Agreement without the required consent; (e) or its guarantor in relation to the Agreement becomes subject of bankruptcy or insolvency proceedings; (f) gives or offers to give bribe in relation to the Agreement or if Shandong's personnel, agents or sub-vendors do so; (g) breaches any of its representations or warranties. However, on the occurrence of (e) or (f) above, the Company may by notice terminate the Agreement immediately. Shandong is entitled to terminate the Agreement by giving 14 days' notice for various reasons which include: (i) prolonged suspension; (ii) the Company substantially fails to perform its obligations; (iii) the company becomes bankrupt or insolvent or goes into liquidation; (iv) the Company fails to comply with the timing of payment as specified in the Agreement; (v) the Company fails to comply with requirements in relation to assignment of the Agreement as provided therein.

3. Power Purchase Agreement between Dakshin Haryana Bijli Vitran Nigam Limited and the Company

The Company and Dakshin Haryana Bijli Vitran Nigam Limited ("DHBVNL") (the "Parties") have entered into a Power Purchase Agreement dated August 7, 2008 (the "PPA") to sell the generation capacity and supply of electricity in bulk to the extent of 712 MW ("Contracted Capacity") from the Mundra Phase IV Power Project – Mundra, Gujarat ("Mundra Phase IV") by the Company to DHBVNL. The term of the PPA is 25 years from the scheduled commercial operation date of the last unit of the Mundra Phase IV. DHBVNL may, however, give a notice to the Company at least 180 days prior to the expiry of the PPA, for the extension of the term. On receipt of notice, the Parties shall meet and discuss the extension, which may be extended on mutually agreed terms.

The Company has provided a performance guarantee ("Performance Guarantee") of an aggregate amount of Rs. 534 million, valid up to three months after the COD, to DHBVNL. The COD is 48 months from the date of signing of the PPA. Subsequent to the completion of certain conditions specified in the PPA and investment by the Company of atleast 25% of the total equity required for the project, the existing Performance Guarantee would be reduced to Rs. 356 million, The Performance Guarantee shall be for the timely completion of the project and commencement of commercial operation within the time specified in the PPA. If the Company fails to commence the supply of electricity as mandated in the PPA, DHBVNL shall have the right to encash the Performance Guarantee and appropriate in their favour as liquidated damages an amount as calculated under the agreement. The Performance Guarantee shall be released by DHBVNL within 3 months from COD if the Company has satisfactorily fulfilled obligations in terms of the PPA.

The entire contracted capacity shall be for the exclusive benefit of DHBVNL and it has the exclusive right to purchase the entire contracted capacity from the Company. The Company would be permitted to sell power to third parties, except DHBVNL, on the following grounds:

(a) uses such additional/surplus capacity which has not been dispatched by DHBVNL;

(b) the power has been offered at the same tariff to the third party;

In terms of the PPA, the Company shall be responsible for construction of the project in a timely manner so that the contracted capacity is commissioned no later than COD, owning the power station throughout the term of the PPA and undertaking all activities in relation thereto including obtaining and maintaining all the requisite consents. The Company shall, however be entitled to extension of time to perform its obligations, if the delay has resulted due to any material default of DHBVNL or *Force Majeure*. The COD may be extended by not more than 2 years and if the COD is delayed by more than 2 years, then the PPA shall terminate as detailed therein. If the Contracted Capacity is not commissioned by COD, the Company shall have to pay liquidated damages for the delay, which shall be the encashment and appropriation of the Performance Guarantee and the damages shall be calculated in the manner set forth in the PPA. However, the aggregate liability shall not extend beyond 12 months of the delay for the contracted capacity and if there is any further delay, then DHBVNL shall have the option to terminate the PPA for breach by the Company and claim liquidated damages for such breach.

The PPA mandates that the Company shall enter into a fuel supply agreement, the modalities whereof shall be decided with approval from DHBVNL in certain specified cases. The Company shall install a set of main and check meters in accordance with the provisions of the PPA which shall be subject to inspection and testing requirements.

DHBVNL shall pay to the Company, monthly tariff payment on or before the due date, comprising of the quoted tariff by the seller for every year, determined in accordance with the formula provided in the PPA. However, in the event DHBVNL avails of any electrical output from the Company prior to the commercial operational date, then DHBVNL would have to pay energy charge for the contracted year. The PPA also lays down the mechanism for the delivery, content and payment of monthly bills. In the event of delay in payment of a monthly bill by DHBVNL beyond 30 days, a surcharge shall be payable by DHBVNL at the rate of 2% in excess of SBAR per annum on the outstanding payment, calculated on a day to day basis on p.a. basis, for each day of the delay. For payment of monthly bills provisional bill would be raised by Company on the last working day of the month, a rebate of 2.25% of the amount would be allowed on the amount credited to Company's account on the first day of the month, a rebate of 0.05% would be allowed for each day up to the fifth day of the month. DHBVNL shall provide for a payment security mechanism in the form of a monthly unconditional, revolving and irrevocable Letter of Credit ("LC") opened and maintained by DHBVNL. Additionally, DHBVNL and the Company shall enter into a default escrow agreement for the establishment and operation of escrow account in favour of the Company and in case the LC is not operational or sufficient to pay for the pending payments, the revenues from DHBVNL's customers shall be deposited in the escrow account. The PPA contains provisions for tariff adjustment payments for change in law.

In terms of the PPA, Company's events of default include:

(a) failure of any unit to be commissioned by the date falling 12 months after COD;

(b) subsequent to commissioning and during its retest unit's tested capacity is less than 92% of its rated capacity and the tested capacity remaining below 92% even after three months thereafter;

(c) after COD, the Company fails to achieve average availability of 65% for 12 consecutive months;

(d) the Company fails to make any payment due to DHBVNL within 3 months;

(e) any misrepresentation or untrue statement in the representation and warranties;

(f) assignment by the Company of its assets or rights in violation of the PPA;

(g) transfer or novation of its rights and/or obligations by the Company under the PPA;

(h) Company is subject to bankruptcy or insolvency laws or goes into liquidation or dissolution;

(i) any direct or indirect change in the shareholding of the Company in contravention to the terms of the bid documents;

(j) Company repudiates the PPA; and

(k) material breach, by the Company, of any obligation pursuant to the PPA.

On occurrence of any of the Company's events of default, DHBVNL shall have the option to terminate the PPA after delivering a preliminary termination notice. On termination of the PPA pursuant to the occurrence of Company's event of default, the Company shall pay compensation to DHBVNL equivalent to eighteen months of billing at the quoted tariff and energy corresponding to 80% of the contracted capacity as liquidated damages. The liquidated damages would be computed on a day to day basis from the date of default, the amount due would be payable within 30 days of the termination of the agreement. Furthermore, the Company shall not sell power to any third party or to the grid till the termination payment has been made.

4. Power Purchase Agreement between Uttar Haryana Bijli Vitran Nigam Limited and the Company

The Company and Uttar Haryana Bijli Vitran Nigam Limited ("UHBVNL") (the "Parties") have entered into a Power Purchase Agreement dated August 7, 2008 (the "PPA") to sell the generation capacity and supply of electricity in bulk to the extent of 712 MW ("Contracted Capacity") from the Mundra Phase IV Power Project – Mundra, Gujarat ("Mundra Phase IV") by the Company to UHBVNL. The term of the PPA is 25 years from the scheduled commercial operation date of the last unit of the Mundra Phase IV. UHBVNL may, however, give a notice to the Company at least 180 days prior to the expiry of the PPA, for the extension of the term. On receipt of notice, the Parties shall meet and discuss the extension, which may be extended on mutually agreed terms.

The Company has provided a performance guarantee ("Performance Guarantee") of an aggregate amount of Rs. 534 million, valid up to three months after the COD, to UHBVNL. The COD is 48 months from the date of signing of the PPA. Subsequent to the completion of certain conditions specified in the PPA and investment by the Company of at least 25% of the total equity required for the project, the existing Performance Guarantee would be reduced to Rs. 356 million, The Performance Guarantee shall be for the timely completion of the project and commencement of commercial operation within the time specified in the PPA. If the Company fails to commence the supply of electricity as mandated in the PPA, UHBVNL shall have the right to encash the Performance Guarantee and appropriate in their favour as liquidated damages an amount as calculated under the agreement. The Performance Guarantee shall be released by UHBVNL within 3 months from COD if the Company has satisfactorily fulfilled obligations in terms of the PPA.

The entire contracted capacity shall be for the exclusive benefit of UHBVNL and it has the exclusive right to purchase the entire contracted capacity from the Company. The Company would be permitted to sell power to third parties, except UHBVNL, on the following grounds:

(a) uses such additional/surplus capacity which has not been dispatched by UHBVNL;

(b) the power has been offered at the same tariff to the third party;

In terms of the PPA, the Company shall be responsible for construction of the project in a timely manner so that the contracted capacity is commissioned no later than COD, owning the power station throughout the term of the PPA and undertaking all activities in relation thereto including obtaining and maintaining all the requisite consents. The Company shall, however be entitled to extension of time to perform its obligations, if the delay has resulted due to any material default of UHBVNL or a *Force Majeure* event. The COD may be extended by not more than 2 years and if the COD is delayed by more than 2 years, then the PPA shall terminate as detailed therein. If the Contracted Capacity is not commissioned by COD, the Company shall have to pay liquidated damages for the delay, which shall be the encashment and appropriation of the Performance Guarantee and the damages shall be calculated in the manner set forth in the PPA. However, the aggregate liability shall not extend beyond 12 months of the delay for the contracted capacity and if there is any further delay, then UHBVNL shall have the option to terminate the PPA for breach by the Company and claim liquidated damages for such breach.

The PPA mandates that the Company shall enter into a fuel supply agreement, the modalities whereof shall be decided with approval from UHBVNL in certain specified cases. The Company shall install a set of main and check meters in accordance with the provisions of the PPA which shall be subject to inspection and testing requirements.

UHBVNL shall pay to the Company, monthly tariff payment on or before the due date, comprising of the quoted tariff by the seller for every year, determined in accordance with the formula provided in the PPA. However, in the event UHBVNL avails of any electrical output from the Company prior to commercial operational date, then UHBVNL would have to pay energy charge for the contracted year. The PPA also lays down the mechanism for the delivery, content and payment of monthly bills. In the event of delay in payment of a monthly bill by UHBVNL beyond 30 days, a surcharge shall be payable by UHBVNL at the rate of 2% in excess of SBAR per annum on the outstanding payment, calculated on a day to day basis on p.a. basis, for each day of the delay. For payment of monthly bills provisional bill would be raised by Company on the last working day of the month, a rebate of 2.25% of the amount would be allowed on the amount credited to Company's account on the first day of the month, a rebate of 0.05% would be allowed for each day up to the fifth day of the month. UHBVNL shall provide for a payment security mechanism in the form of a monthly unconditional, revolving and irrevocable Letter of Credit ("LC") opened and maintained by UHBVNL. Additionally, UHBVNL and the Company shall enter into a default escrow agreement for the establishment and operation of escrow account in favour of the Company and in case the LC is not operational or sufficient to pay for the pending payments, the revenues from UHBVNL's customers shall be deposited in the escrow account. The PPA contains provisions for tariff adjustment payments for change in law.

In terms of the PPA, Company's events of default include:

(a) failure of any unit to be commissioned by the date falling 12 months after COD;

(b) subsequent to commissioning and during its retest unit's tested capacity is less than 92% of its rated capacity and the tested capacity remaining below 92% even after three months thereafter;

(c) after COD, the Company fails to achieve average availability of 65% for 12 consecutive months;

(d) the Company fails to make any payment due to UHBVNL within 3 months;

(e) any misrepresentation or untrue statement in the representation and warranties;

(f) assignment by the Company of its assets or rights in violation of the PPA;

(g) transfer or novation of its rights and/or obligations by the Company under the PPA;

(h) Company is subject to bankruptcy or insolvency laws or goes into liquidation or dissolution;

(i) any direct or indirect change in the shareholding of the Company in contravention to the terms of the bid documents;

(j) any direct or indirect change in the shareholding of the Company in contravention to the terms of the bid documents;

(k) Company repudiates the PPA; and

(l) material breach, by the Company, of any obligation pursuant to the PPA.

On occurrence of any of the Company's events of default, UHBVNL shall have the option to terminate the PPA after delivering a preliminary termination notice. On termination of the PPA pursuant to the occurrence of Company's event of default, the Company shall pay compensation to UHBVNL equivalent to eighteen months of billing at the quoted tariff and energy corresponding to 80% of the contracted capacity as liquidated damages. The liquidated damages would be computed on a day to day basis from the date of default, the amount due would be payable within 30 days of the termination of the agreement.

5. Purchase Order issued by the Company to Jyoti Structures Limited

The Company has issued a purchase order (P.O. No. APL/195004/VJ/2704/09) dated February 25, 2009 (the "Purchase Order") to Jyoti Structures Limited ("JSL") for design, engineering, manufacture, assembly and testing at works, packing and supply of tower materials including tower body extensions, stubs and nuts and bolts for 500kV HVDC transmission line from Mundra to Mohindergarh for Mundra IV Power Project. The price for the Purchase Order is Rs. 1,762.7 million. The Purchase Order requires JSL to submit a contract performance guarantee for an amount of Rs. 88.13 million, valid till taking over of the 500 kV HVDC transmission line with a claim period of one month.

The Purchase Order, *inter alia*, provides that:

(i) The transmission line shall be taken over within 24 months form the date of the Purchase Order. In the event of any delay, JSL shall be liable to pay liquidated damages which shall be calculated in accordance with the Purchase Order and deducted by the Company from outstanding payments due to JSL. However, the liquidated damages shall not absolve JSL from its obligations.

6. Service order issued by the Company to Jyoti Structures Limited

The Company has issued service order (S.O. No. APL/195004/VJ/2705/09) dated February 25, 2009 (the "Service Order") to Jyoti Structures Limited ("JSL") for transportation of tower materials from JSL works/ JSL sub-vendor's works up to site stores, receipt of materials at site stores, transportation of material from APL site stores upto installation place, detailed and check survey, soil investigation, tower foundation, erection of towers, installation of APL free issue materials, arranging right of way, obtaining necessary clearances (except forest clearance), type setting of towers, commissioning and charging of 500kV HVDC transmission line from Mundra to Mohindergarh. The price for the Service Order is Rs. 1162.2 million. The Service Order requires JSL to submit a contract performance guarantee for an amount of Rs. 58.11 million, valid till taking over of the 500 kV HVDC transmission line with a claim period of one month.

The Service Order, *inter alia*, provides that:

(i) The transmission line shall be taken over within 24 months form the date of the Service Order. In the event of any delay, JSL shall be liable to pay liquidated damages which shall be calculated in accordance with the Service Order and deducted by the Company from outstanding payments due to JSL. However, the liquidated damages shall not absolve JSL from its obligations.

7. Coal supply agreement between the Company and Adani Enterprises Limited

The Company and Adani Enterprises Limited ("AEL") have entered into a coal supply agreement dated April 15, 2008 (the "Agreement") whereby AEL has agreed to supply Standard Coal with average GCV 5,200 kcal per kg to the Company for the Mundra Phase IV Power Project for a period of 25 years from the COD of the last unit of the plant ("Contract Period"). In terms of the Agreement, AEL shall supply 0.54 MMT of Standard Coal to the Company during the Start-Up Period. During the Contract Period AEL shall supply 6.5 million tonnes of Standard Coal as firm quantity. Further, AEL shall supply optional quantity which shall be 5% of the contracted capacity. Additionally, AEL shall, if requested by the Company, use best endeavours to sell an amount of Standard Coal not exceeding 5% of the firm quantity each contract year during the contract period.

On the occurrence of an event of default, the non-defaulting Party may give 30 days written notice to the defaulting party requiring it to remedy the default within 30 days of the notice. If the default is not capable of remedy or is not remedied within the cure period, then the non-defaulting Party may terminate the Agreement on giving not less than 30 working days' notice. The events of default include:

(a) any breach by AEL of any of its material obligations under the Agreement or any contract made pursuant thereto including (i) failure to deliver Standard Coal in a quantity equal to 90% of the aggregate quantity requested by the Company in any two consecutive shipments or 3 shipments in a year; (ii) failure by AEL to deliver Standard Coal conforming to the specification for any two consecutive shipments or for more than 33% of the shipments in any contract year;

(b) breach of any representations and warranties made by AEL;

(c) failure to make payment by the Company or breach of warranties made by the Company;

(d) either Party becoming insolvent or going into liquidation;

(e) either Party ceasing or threatening to cease to carry on business;

(f) a petition being presented or meeting convened for considering a resolution for making of an administration order, winding-up, bankruptcy or dissolution of either Party;

(g) Company's failure to buy coal from AEL for a period of two months from COD.

The Agreement was amended through letter agreement dated April 13, 2009 whereby certain clauses were amended, such as reduction of the Contract Period to 15 years from the COD of the last unit of the plant. Further, the price of the coal would be USD 36 per ton CIF until five years from the COD of the last unit and thereafter subject to increase by 10% in every block of five years. The price is subject to adjustment to account for variations in the actual quality of Standard Coal delivered compared to the specifications in the Agreement.

8. Offshore Supply Contract between the Company and Siemens AG, Germany for setting up transmission line at terminal station at Haryana.

The Company and Siemens AG, Germany, ("Siemens AG") have entered into an Offshore Supply Contract dated April 30, 2009 (the "Offshore Supply Contract-I") for design, engineering, manufacture, testing, FOB despatch, shipment, marine transportation, insurance, and supply of equipment including mandatory spares, availability spares, special tools and tackles (the "Works") for the terminal station at Mohindergarh, Haryana, electrode stations at Mundra and Mohindergarh end and repeater station at suitable mid location between Mundra and Mohindergarh terminal stations, in relation to the setting up of a dedicated +/- 500 kV HVDC Transmission Line ("Transmission Line") for transmitting 2,500 MW power from the thermal power plant at Mundra ("Power Plant") to Haryana. The contract price for the Offshore Supply Contract-I is Euro 43.43 million.

The Offshore Supply Contract-I, *inter alia*, provides that:

(i) Siemens AG shall ensure the readiness for trial operation of pole 1 within a period of 22 months and pole 2 within a period of 27 months from the effective date which is April 8, 2009. Siemens AG shall, however, be entitled to extension of time on specified grounds which include: (i) any change being proposed to the Works mentioned in the Offshore Supply Contract-I; (ii) occurrence of any force majeure event. In case of delay, Siemens AG is required to pay to the Company damages at the rate of 0.5% of the contract price per section per week, subject to a maximum of 10% of the contract price.

(ii) Siemens AG is also required to pay liquidated damages up to a maximum of 10% of the contract price in the event of any shortfall in the performance as envisaged in the Offshore Supply Contract-I. However, the combined ceiling limit for liquidated damages on account pf shortfall in performance and on account of delays is 15% of the contract price.

The Company is entitled to terminate the Offshore Supply Contract-I at any time by giving 10 days' notice of termination to Siemens AG with or without assigning any reasons. The Company is also entitled terminate the Offshore Supply Contract-I, in the event of any default on the part of Siemens AG and Siemens AG fails to remedy or take steps to remedy the default within 7 days of receipt of a notice from the Company intimating the default. Siemens AG is entitled to terminate the Offshore Supply Contract-I by a written notice of termination provided that Siemens AG has given the Company 30 days' prior notice of its intention to terminate the Offshore Supply Contract-I in order to allow the parties to reach a mutually beneficial solution if: (i) there is a prolonged suspension (not less than 120 days); and (ii) the company becomes bankrupt or insolvent or goes into liquidation.

All disputes arising out of or in relation to the Offshore Supply Contract-I shall be referred to arbitration and the proceedings shall be conducted in accordance with the provisions of ICC Rules of Arbitration.

9. Offshore Supply Contract between the Company and Siemens AG, Germany for setting up transmission line at terminal station at Mundra.

The Company and Siemens AG, Germany, ("Siemens AG") have entered into an Offshore Supply Contract dated April 30, 2009 (the "Offshore Supply Contract-II") for design, engineering, manufacture, testing, FOB despatch, shipment, marine transportation, insurance, and supply of equipment including mandatory spares, availability spares, special tools and tackles (the "Works") for the terminal station at Mundra, Gujarat in relation to the setting up of a dedicated +/- 500 kV HVDC Transmission Line ("Transmission Line") for transmitting

2,500 MW power from the thermal power plant at Mundra ("Power Plant") to Haryana. The contract price for the Offshore Supply Contract-II is Euro 55.67 million.

The Offshore Supply Contract-II, *inter alia*, provides that:

(i) Siemens AG shall ensure the readiness for trial operation of pole 1 within a period of 22 months and pole 2 within a period of 27 months from the effective date which is April 8, 2009. Siemens AG shall, however, be entitled to extension of time on specified grounds which include: (i) any change being proposed to the Works mentioned in the Offshore Supply Contract-II; (ii) occurrence of any *force majeure* event. In case of delay, Siemens AG is required to pay to the Company damages at the rate of 0.5% of the contract price per section per week, subject to a maximum of 10% of the contract price.

(ii) Siemens AG is also required to pay liquidated damages up to a maximum of 10% of the contract price in the event of any shortfall in the performance as envisaged in the Offshore Supply Contract-II. However, the combined ceiling limit for liquidated damages on account pf shortfall in performance and on account of delays is 15% of the contract price.

The Company is entitled to terminate the Offshore Supply Contract-II at any time by giving 10 days' notice of termination to Siemens AG with or without assigning any reasons. The Company is also entitled terminate the Offshore Supply Contract-II, in the event of any default on the part of Siemens AG and Siemens AG failing to remedy or take steps to remedy the default within 7 days of receipt of a notice from the Company intimating the default. Siemens AG is entitled to terminate the Offshore Supply Contract-II by a written notice of termination provided that Siemens AG has given the Company 30 days' prior notice of its intention to terminate the Offshore Supply Contract-II in order to allow the parties to reach a mutually beneficial solution if: (i) there is a prolonged suspension (not less than 120 days); and (ii) the company becomes bankrupt or insolvent or goes into liquidation..

All disputes arising out of or in relation to the Offshore Supply Contract-II shall be referred to arbitration and the proceedings shall be conducted in accordance with the provisions of ICC Rules of Arbitration.

10. Onshore Supply Contract between the Company and Siemens Limited for setting up transmission line at terminal station at Haryana.

The Company and Siemens Limited, ("Siemens") have entered into an Onshore Supply Contract dated April 30, 2009 (the "Onshore Supply Contract-I") for design, engineering, manufacture, testing, supply of equipment on ex-works basis including mandatory spares, availability spares, special tools and tackles (the "Works") for the terminal station at Mohindergarh, Haryana, electrode stations at Mundra and Mohindergarh end and repeater station at suitable mid location between Mundra and Mohindergarh terminal stations, in relation to the setting up of a dedicated +/- 500 kV HVDC Transmission Line ("Transmission Line") for transmitting 2,500 MW power from the thermal power plant at Mundra ("Power Plant") to Haryana. The contract price for the Onshore Supply Contract-I is Rs. 2,910.48 million.

The Onshore Supply Contract-I, *inter alia*, provides that:

(i) Siemens shall ensure the readiness for trial operation of pole 1 within a period of 22 months and pole 2 within a period of 27 months from the effective date which is April 8, 2009. Siemens AG shall, however, be entitled to extension of time on specified grounds which include: (i) any change being proposed to the Works mentioned in the Onshore Supply Contract-I; (ii) occurrence of any *force majeure* event. In case of delay, Siemens is required to pay to the Company damages at the rate of 0.5% of the contract price per section per week, subject to a maximum of 10% of the contract price.

(ii) Siemens is also required to pay liquidated damages up to a maximum of 10% of the contract price in the event of any shortfall in the performance as envisaged in the Onshore Supply Contract-I. However, the combined ceiling limit for liquidated damages on account pf shortfall in performance and on account of delays is 15% of the contract price.

The Company is entitled to terminate the Onshore Supply Contract-I at any time by giving 10 days' notice of termination to Siemens with or without assigning any reasons. The Company is also entitled terminate the Onshore Supply Contract-I, in the event of any default on the part of Siemens and Siemens fails to remedy or take steps to remedy the default within 7 days of receipt of a notice from the Company intimating the default. Siemens is entitled to terminate the Onshore Supply Contract-I by a written notice of termination provided that Siemens has given the Company 30 days' prior notice of its intention to terminate the Onshore Supply Contract-I in order to allow the parties to reach a mutually beneficial solution if: (i) there is a prolonged suspension (not less than 120 days); and (ii) the company becomes bankrupt or insolvent or goes into liquidation.

All disputes arising out of or in relation to the Onshore Supply Contract-I shall be referred to arbitration and the proceedings shall be conducted in accordance with the provisions of ICC Rules of Arbitration.

11. Onshore Supply Contract between the Company and Siemens Limited for setting up transmission line at terminal station at Mundra.

The Company and Siemens Limited, ("Siemens") have entered into an Onshore Supply Contract dated April 30, 2009 (the "Onshore Supply Contract-II") for design, engineering, manufacture, testing, supply of equipment on ex-works basis including mandatory spares, availability spares, special tools and tackles (the "Works") for the terminal station at Mundra, Gujarat in relation to the setting up of a dedicated +/- 500 kV HVDC Transmission Line ("Transmission Line") for transmitting 2,500 MW power from the thermal power plant at Mundra ("Power Plant") to Haryana. The contract price for the Onshore Supply Contract-II is Rs. 1,800.84 million.

The Onshore Supply Contract-II, *inter alia*, provides that:

(i) Siemens shall ensure the readiness for trial operation of pole 1 within a period of 22 months and pole 2 within a period of 27 months from the effective date which is April 8, 2009. Siemens shall, however, be entitled to extension of time on specified grounds which include: (i) any change being proposed to the Works mentioned in the Onshore Supply Contract-II; (ii) occurrence of any force majeure event. In case of delay, Siemens is required to pay to the Company damages at the rate of 0.5% of the contract price per section per week, subject to a maximum of 10% of the contract price.

(ii) Siemens is also required to pay liquidated damages up to a maximum of 10% of the contract price in the event of any shortfall in the performance as envisaged in the Onshore Supply Contract-II. However, the combined ceiling limit for liquidated damages on account pf shortfall in performance and on account of delays is 15% of the contract price.

The Company is entitled to terminate the Onshore Supply Contract-II at any time by giving 10 days' notice of termination to Siemens with or without assigning any reasons. The Company is also entitled terminate the Onshore Supply Contract-II, in the event of any default on the part of Siemens and Siemens failing to remedy or take steps to remedy the default within 7 days of receipt of a notice from the Company intimating the default. Siemens is entitled to terminate the Onshore Supply Contract-II by a written notice of termination provided that Siemens has given the Company 30 days' prior notice of its intention to terminate the Onshore Supply Contract-II in order to allow the parties to reach a mutually beneficial solution if: (i) there is a prolonged suspension (not less than 120 days); and (ii) the company becomes bankrupt or insolvent or goes into liquidation.

All disputes arising out of or in relation to the Onshore Supply Contract-II shall be referred to arbitration and the proceedings shall be conducted in accordance with the provisions of ICC Rules of Arbitration.

12. Onshore Service Contract between the Company and Siemens Limited for setting up transmission line at terminal station at Haryana.

The Company and Siemens Limited, ("Siemens") have entered into an Onshore Service Contract dated April 30, 2009 (the "Onshore Service Contract-I") for port handling and customs clearance, inland transportation and transit insurance, delivery, unloading, storage, handling, installation including associated civil works, erection, testing and commissioning of the complete equipment and minerals (the "Works") for the terminal station at Mohindergarh, Haryana, electrode stations at Mundra and Mohindergarh end and repeater station at suitable mid location between Mundra and Mohindergarh terminal stations, in relation to the setting up of a dedicated +/- 500 kV HVDC Transmission Line ("Transmission Line") for transmitting 2,500 MW power from the Thermal Power Plant at Mundra ("Power Plant") to Haryana. The contract price for the Onshore Service Contract-I is Rs. 1,422.59 million.

The Onshore Service Contract-I, *inter alia*, provides that:

(i) Siemens shall ensure the readiness for trial operation of pole 1 within a period of 22 months and pole 2 within a period of 27 months from the effective date which is April 8, 2009. Siemens AG shall, however, be entitled to extension of time on specified grounds which include: (i) any change being proposed to the Works mentioned in the Onshore Service Contract-I; (ii) occurrence of any force majeure event. In case of delay, Siemens is required to pay to the Company damages at the rate of 0.5% of the contract price per section per week, subject to a maximum of 10% of the contract price.

(ii) Siemens is also required to pay liquidated damages up to a maximum of 10% of the contract price in the event of any shortfall in the performance as envisaged in the Onshore Service Contract-I. However, the combined ceiling limit for liquidated damages on account pf shortfall in performance and on account of delays is 15% of the contract price.

The Company is entitled to terminate the Onshore Service Contract-I at any time by giving 10 days' notice of termination to Siemens with or without assigning any reasons. The Company is also entitled terminate the Onshore Service Contract-I, in the event of any default on the part of Siemens and Siemens fails to remedy or take steps to remedy the default within 7 days of receipt of a notice from the Company intimating the default. Siemens is entitled to terminate the Onshore Service Contract-I by a written notice of termination provided that Siemens has given the Company 30 days' prior notice of its intention to terminate the Onshore Service Contract-I in order to allow the parties to reach a mutually beneficial solution if: (i) there is a prolonged suspension (not less than 120 days); and (ii) the company becomes bankrupt or insolvent or goes into liquidation.

All disputes arising out of or in relation to the Onshore Service Contract-I shall be referred to arbitration and the proceedings shall be conducted in accordance with the provisions of ICC Rules of Arbitration.

13. Onshore Service Contract between the Company and Siemens Limited for setting up transmission line at terminal station at Mundra.

The Company and Siemens Limited, ("Siemens") have entered into an Onshore Service Contract dated April 30, 2009 (the "Onshore Service Contract-II") for port handling and customs clearance, inland transportation and transit insurance, delivery, unloading, storage, handling, installation including associated civil works, erection, testing and commissioning of the complete equipment and minerals (the "Works") for the terminal station at Mundra, Gujarat in relation to the setting up of a dedicated +/- 500 kV HVDC Transmission Line ("Transmission Line") for transmitting 2,500 MW power from the Thermal Power Plant at Mundra ("Power Plant") to Haryana. The contract price for the Onshore Service Contract-II is Rs. 1,074.71 million.

The Onshore Service Contract-II, *inter alia*, provides that:

(i) Siemens shall ensure the readiness for trial operation of pole 1 within a period of 22 months and pole 2 within a period of 27 months from the effective date which is April 8, 2009. Siemens AG shall, however, be entitled to extension of time on specified grounds which include: (i) any change being proposed to the Works mentioned in the Onshore Service Contract-II; (ii) occurrence of any *force majeure* event. In case of delay, Siemens is required to pay to the Company damages at the rate of 0.5% of the contract price per section per week, subject to a maximum of 10% of the contract price.

(ii) Siemens is also required to pay liquidated damages up to a maximum of 10% of the contract price in the event of any shortfall in the performance as envisaged in the Onshore Service Contract-II. However, the combined ceiling limit for liquidated damages on account pf shortfall in performance and on account of delays is 15% of the contract price.

The Company is entitled to terminate the Onshore Service Contract-II at any time by giving 10 days' notice of termination to Siemens with or without assigning any reasons. The Company is also entitled terminate the Onshore Service Contract-II, in the event of any default on the part of Siemens and Siemens fails to remedy or take steps to remedy the default within 7 days of receipt of a notice from the Company intimating the default. Siemens is entitled to terminate the Onshore Service Contract-II by a written notice of termination provided that Siemens has given the Company 30 days' prior notice of its intention to terminate the Onshore Service Contract-II in order to allow the parties to reach a mutually beneficial solution if: (i) there is a prolonged suspension (not less than 120 days); and (ii) the company becomes bankrupt or insolvent or goes into liquidation.

All disputes arising out of or in relation to the Onshore Service Contract-II shall be referred to arbitration and the proceedings shall be conducted in accordance with the provisions of ICC Rules of Arbitration.

14. Purchase Order for Antifog HVDC Disc Insulators

The Company has issued a purchase order (P.O. No. APL/196501/VJ/01/09) dated April 15, 2009 ("Purchase Order") to Dalian Insulator Group Corporation Limited ("DIGCL") for design, engineering, manufacture, assembly, testing, packing, marine transportation and insurance and supply of 210 KN and 160 KN Antifog HVDC Disc Insulators for +/- 500 KV transmission line from Mundra, Gujarat to Mohindergarh, Haryana, for evacuation of power from Mundra Thermal Power Plant. The lumpsum price under the Purchase Order is US$ 20.16 million. As per the Purchase Order, the Company will pay 10% of the lumpsum price as an interest free advance to DGICL within 30 days from the acceptance of the Purchase Order. Pursuant to the Purchase Order, DIGCL will submit a contract performance security as security for the performance of the Purchase Order in the form of a bank guarantee for 5% value of the lumpsum price amounting to US$ 1.01 million which is valid till completion of successful supplies. In the event of delay in supply as envisaged in the Purchase Order, DIGCL will be liable to pay liquidated damages at the rate of 0.5% of the price of the shipment which is delayed for each week of delay, subject to a maximum of 10% of the price of the respective shipment.

15. Purchase Order for ACSR Bersimis Conductor

The Company has issued a purchase order (P.O. No. APL/197001/VJ/04/09) dated April 23, 2009 ("Purchase Order") to APAR Industries Limited ("APAR") for design, engineering, manufacture, assembly, testing, packing, marine transportation up to destination of ACSR Bersimis Conductor for +/- 500 KV HVDC transmission line from Mundra, Gujarat to Mohindergarh, Haryana, for evacuation of power from Mundra Thermal Power Plant. The lumpsum price under the Purchase Order is Rs. 531.21 million. In terms of the Purchase Order, APAR will submit a contract performance security as security for the performance of the Purchase Order in the form of a bank guarantee of Rs. 10 million which is valid till completion of successful supplies. In the event of delay in supply as envisaged in the Purchase Order, APAR will be liable to pay liquidated damages at the rate of 0.5% of the price of the lot which is delayed for each week of delay subject to a maximum of 10% of the price of the respective lot.

IV. 1,980 MW Tiroda Power Project – Tiroda, Maharashtra

1. Lease deed between Adani Power Maharashtra Limited and Maharashtra Industrial Development Corporation

Adani Power Maharashtra Limited ("APML") and the Maharashtra Industrial Development Corporation ("MIDC") entered into a lease deed dated April 8, 2009, (the "Lease Deed") for the lease of land known as Plot No. A-1 in the Tiroda (Growth Centre) Industrial Area situated within the limits of Mendipur, Gumadhawada and Khairbodi villages in Sub-District Tiroda, District Gondia, Maharashtra, ad measuring 2,104,000 square meters (the "Tiroda Land"). In terms of the Lease Deed, the Tiroda Land has been leased to APML for a period of 95 years from October 1, 2007, for a consideration of Rs. 91.96 million. The term of lease is renewable for a further period of 95 years, *inter alia*, subject to a prior notice of six months and payment of premium as may be determined by the lessor.

The Agreement, inter alia, provides that:

(i) APML shall, on or before October 15, 2007, commence and on or before October 14, 2012, complete, at its own expenses, the factory building to the satisfaction of the Executive Engineer, MIDC;

(ii) APML shall construct the building in conformity to all the applicable rules and regulations of the municipality, local authority, planning authority, etc.;

(iii) APML shall plant trees in the periphery of the Leased Land;

(iv) APML shall not make any excavation nor remove any stone, sand, gravel, clay or earth from the Leased Land;

(v) APML shall construct and maintain an access road to the satisfaction of the Executive Engineer, MIDC;

(vi) APML shall duly comply with the applicable environmental laws and the directions issued by the pollution control boards and MoEF;

(vii) APML shall give preference to locals while employing skilled and unskilled labour.

(viii) APML shall use the Leased Land only for the purpose of a factory and shall not cause or permit any nuisance or any activity which may be offensive by reason of emission of odour, liquid-effluvia, dust smocks, gas, noise, vibrations or fire hazards on the Lease Land;

(ix) APML shall keep the building constructed on the Lease Land insured against loss or damage by fire in the joint names of APML and MIDC;

(x) APML shall not assign, underlet or part with the possession of the Leased Land without the prior written consent of the Chief Executive Officer of MIDC.

(xi) MIDC shall have the right to enter and inspect the premises to view the state and progress of the work and for all reasonable purposes.

(xii) MIDC has the right to resume the possession of the Leased Land and appropriate all erections, materials and plant existing on the Leased Land, on various grounds which include:

(a) failure to complete the building within the stipulated time;

(b) default in payment of recurring fees in the nature service or other charges to MIDC; and

(c) failure to observe any stipulation by the lessee.

2. Service Contract between Adani Power Maharashtra Limited and Sichuan Fortune Project Management Limited for Tiroda Power Project (3x660 MW)

Adani Power Maharashtra Limited (“APML”) and Sichuan Fortune Project Management Limited, (“SFPML”) have entered into a Service Contract dated October 8, 2008 (the “Service Contract”) for transportation, erection, fabrication, testing, commissioning, construction and construction management services (the “Works”) of 3x660 MW thermal power plant equipment at Tiroda Power Project (the “Contractual Plant”). The contract price for the Service Contract is US$ 149.9 million.

The Service Contract, *inter alia*, provides that:

(i) SFPML shall complete the Works for the first 660 MW unit within a period of 31 months, the second 660 MW unit within a period of 35 months and for the third 660 MW unit within a period of 39 months from the date of commencement. SFPML shall, however, be entitled to extension of time on specified grounds which include: (i) any change to the APML’s requirements or the Works instructed/approved in terms of the Service contract; (ii) any delay attributable to the Company or Company’s suppliers, personnel or APML’s other contractor’s on the project site. In case of delay, SFPML is required to pay to APML damages at the rate of US$ 0.74 million per week, subject to a maximum of US$ 14.9 million.

(ii) SFPML is eligible for payment of bonus by the APML, if all the works of the contracted unit are completed before the time of completion at the rate of US$ 2.99 million per week to SFPML, subject to a maximum of US$ 5.99 million.

APML is entitled to terminate the Service Contract by giving 14 days’ notice, *inter alia,* if SFPML: (a) abandons the Works or demonstrates intention to not perform its obligations under the Service Contract; (b) without reasonable excuse fails to proceed with the Works; (c) sub-contracts the Works or assigns the Service Contract without the required consent; (d) or its guarantor in relation to the Service Contract becomes subject of bankruptcy or insolvency proceedings; (e) gives or offers to give bribe in relation to the Supply Contract or if SFPML’s personnel, agents or sub-vendors do so; (f) breaches any of its representations or warranties. However, on the occurrence of (d) or (e) above, APML may by notice terminate the Supply Contract immediately. SFPML is entitled to terminate the Service Contract by giving 14 days’ notice for various reasons which include: (i) prolonged suspension (not less than 112 days); (ii) APML substantially fails to perform its obligations; (iii) APML becomes bankrupt or insolvent or goes into liquidation.

3. Service Contract between Adani Power Maharashtra Limited ("APML") and Sichuan Fortune Project Management Limited for Balance of Plant Tiroda Power Project (3x660 MW)

Adani Power Maharashtra Limited ("APML") and Sichuan Fortune Project Management Limited, ("SFPML") have entered into a Service Contract for balance of plant dated October 7, 2008 (the "Service Contract") for transportation, erection, fabrication, testing, commissioning, construction and construction management services (the "Works") of 3x660 MW thermal power plant equipment at Tiroda Power Project (the "Contractual Plant"). The Service Contract has been since assigned to Powergen Infrastructure (L.L.C). The contract price for the Service Contract is US$ 118.7 million. SFPML shall be entitled to charge financing charges from the Company at LIBOR + 2% for non-compliance by APML with the timing of payments in the manner as specified in the Service Contract.

The Service Contract, *inter alia*, provides that:

(i) SFPML shall complete the Works for the first 660 MW unit within a period of 31 months, the second 660 MW unit within a period of 35 months and for the third 660 MW unit within a period of 39 months from the date of commencement. SFPML shall, however, be entitled to extension of time on specified grounds which include: (i) any change to the APML's requirements or the Works instructed/approved in terms of the Service contract; (ii) any delay attributable to the Company or Company's suppliers, personnel or APML's other contractor's on the project site. In case of delay, SFPML is required to pay to APML damages at the rate of US$ 0.74 million per week, subject to a maximum of US$ 14.9 million.

(ii) SFPML is eligible for payment of bonus by the APML, if all the works of the contracted unit are completed before the time of completion at the rate of US$ 0.59 million per week to SFPML, subject to a maximum of US$ 11.87 million.

APML is entitled to terminate the Service Contract by giving 14 days' notice, *inter alia,* if SFPML: (a) abandons the Works or demonstrates intention to not perform its obligations under the Service Contract; (b) without reasonable excuse fails to proceed with the Works; (c) sub-contracts the Works or assigns the Service Contract without the required consent; (d) or its guarantor in relation to the Service Contract becomes subject of bankruptcy or insolvency proceedings; (e) gives or offers to give bribe in relation to the Supply Contract or if SFPML's personnel, agents or sub-vendors do so; (f) breaches any of its representations or warranties. However, on the occurrence of (d) or (e) above, APML may by notice terminate the Supply Contract immediately. SFPML is entitled to terminate the Service Contract by giving 14 days' notice for various reasons which include: (i) prolonged suspension (not less than 112 days); (ii) APML substantially fails to perform its obligations; (iii) APML becomes bankrupt or insolvent or goes into liquidation.

4. Supply contract for design, engineering, procurement and supply of goods and equipments for balance of plant between Adani Power Maharashtra Private Limited and Sichuan Machinery & Equipment Import & Export Company Limited for Tiroda Power Project (3x660 MW)

Adani Power Maharashtra Limited ("APML") and Sichuan Machinery & Equipment Import & Export Company Limited ("SMEECL") have entered into a contract dated October 6, 2008 (the "Supply Contract") for design, engineering, procurement and supply of goods and equipments (the "Works") for balance of plant of 3x660 MW Tiroda Power Project (the "Contractual Plant"). The Supply Contract has been since assigned to Powergen Infrastructure (L.L.C). The contract price for the contract is USD 426.4 million. SMEECL shall be entitled to charge financing charges from the Company at LIBOR + 2% for non-compliance by APML with the timing of payments in the manner as specified in the Supply Contract.

The Supply Contract, *inter alia*, provides that:

(i) APML is entitled to terminate the Supply Contract by giving 14 days' notice, *inter alia,* if SFPML: (a) abandons the Works or demonstrates intention to not perform its obligations under the Service Contract; (b) without reasonable excuse fails to proceed with the Works; (c) sub-contracts the Works or assigns the Service Contract without the required consent; (d) or its guarantor in relation to the Service Contract becomes subject of bankruptcy or insolvency proceedings; (e) gives or offers to give bribe in relation to the Service Contract or if SFPML's personnel, agents or sub-vendors do so; (f) breaches any of its representations or warranties. However, on the occurrence of (d) or (e) above, APML may by notice terminate the Service Contract immediately. SFPML is entitled to terminate the Service Contract by giving 14 days' notice for various reasons which include: (i) prolonged suspension (not less than 150 days); (ii) APML substantially fails to perform its obligations; (iii) APML becomes bankrupt or insolvent or goes into liquidation.

Pursuant to the contract the Steam Generators, Steam Turbines and Generators shall be supplied from Shanghai Electric Group.

5. Power Purchase Agreement between Maharashtra State Electricity Distribution Company Limited and the APML

APML and MSEDCL, (the "Parties") have entered into a Power Purchase Agreement dated September 8, 2008 (the "PPA") to sell the generation capacity and supply of electricity in bulk to the extent of 1,320 MW ("Contracted Capacity") from the Tiroda Power Project ("Tiroda") by APML to MSEDCL. The term of the PPA is 25 years from the scheduled commercial operation date of the last unit of the Tiroda Power Project. MSEDCL may, however, give a notice to APML at least 180 days prior to the expiry of the PPA, for the extension of the term, subject to the approval of Maharashtra State Electricity Regulatory Commission ("MERC"), as necessary. On receipt of notice, the Parties shall meet and discuss the extension, which may be extended on mutually agreed terms.

APML has provided an irrevocable and unconditional performance guarantee ("Performance Guarantee") of an aggregate amount of Rs. 990 million, valid up to three months after the COD, to MSEDCL. The scheduled COD for unit two and three is August 14, 2012 or such other dates as the Parties may decide. In the event APML is unable to satisfy certain conditions within three months, as specified in the agreement, the Company would be liable to furnish to MSEDCL additional weekly performance guarantee of Rs. 0.04 million per MW of maximum capacity proposed to be procured. Subsequent to the completion of certain conditions specified in the PPA, the Performance Guarantee shall be reduced by an aggregate amount of Rs. 0.25 million per MW of the total contracted capacity. The reduced Performance Guarantee shall be for the timely completion of the project and commencement of commercial operation within the time specified in the PPA. If APML fails to commence the supply of electricity as mandated in the PPA, MSEDCL shall have the right to encash the Performance Guarantee and appropriate in their favour as liquidated damages an amount as calculated under the agreement. The Security Deposit shall be released by MSEDCL within three months from COD if the Company has satisfactorily fulfilled obligations in terms of the PPA. The PPA mandates MSEDCL to executed fuel supply agreement.

The entire contracted capacity shall be for the exclusive benefit of MSEDCL and it has the exclusive right to purchase the entire contracted capacity from APML. APML would be permitted to sell power to third parties, except MSEDCL, on the following grounds:

(a) uses such additional/surplus capacity which has not been dispatched by MSEDCL;

(b) prior written consent of MSEDCL has been obtained;

The available Contracted Capacity shall be for the exclusive benefit of MSEDCL. The available Contracted Capacity may be sold to a third party on certain grounds specified in the PPA. However, APML shall not itself use any of the electricity generated by the power station from the Contracted Capacity during the term of the PPA.

In terms of the PPA, APML shall be responsible for construction of the project in a timely manner so that the contracted capacity is commissioned no later than COD, owning the power station throughout the term of the PPA and undertaking all activities in relation thereto including obtaining and maintaining all the requisite consents. APML shall, however be entitled to extension of time to perform its obligations, if the delay has resulted due to any material default of GUVNL, *Force Majeure*, delay in provision of open access or transmission facilities by CTU or if APML arranges to supply power to MSEDCL from alternate sources. The COD may be extended by not more than 2 years and if the COD is delayed by more than 2 years, then the PPA shall terminate as detailed therein. If the Contracted Capacity is not commissioned by COD, APML shall have to pay liquidated damages for the delay and for any further delay the damages shall be calculated in the manner set forth in the PPA. However, the aggregate liability shall not extend beyond 12 months of the delay for the contracted capacity and if there is any further delay, then MSEDCL shall have the option to terminate the PPA for breach by APML and claim liquidated damages for such breach.

MSEDCL shall pay to APML, monthly tariff payment on or before the due date, comprising of the quoted tariff by the Company for every year, determined in accordance with the formula provided in the PPA. The monthly tariff payment for shall consist of monthly capacity payment charge, monthly energy charge, monthly incentive payment and monthly penalty payment. The PPA also lays down the mechanism for the delivery, content and payment of monthly bills. In the event of delay in payment of a monthly bill by MSEDCL beyond 30 days, a surcharge shall be payable by MSEDCL at the rate of 2% in excess of SBAR per annum on the outstanding payment, calculated on a day to day basis on p.a. basis, for each day of the delay. For payment of monthly bills provisional bill would be raised by APML on the last working day of the month, a rebate of 2.25% of the amount would be allowed on the amount credited to APML's account on the first day of the month, a rebate of 0.05% would be allowed for each day up to the fifth day of the month. MSEDCL shall provide for a payment security mechanism in the form of a monthly revolving and irrevocable Letter of Credit ("LC") opened and maintained by MSEDCL. Additionally, MSEDCL and APML shall enter into a default escrow agreement for the establishment and operation of escrow account in favour of the Company and in case the LC is not operational or sufficient to pay for the pending payments, the revenues from MSEDCL's customers shall be deposited in the escrow account. The PPA contains provisions for tariff adjustment payments for change in law.

In terms of the PPA, APML's events of default include:

(a) failure of any unit to be commissioned by the date falling 12 months after COD;

(b) subsequent to commissioning and during its retest unit's tested capacity is less than 92% of its rated capacity and the tested capacity remaining below 92% even after three months thereafter;

(c) after COD, APML fails to achieve average availability of 65% for 12 consecutive months;

(d) APML fails to make any payment due to MSEDCL within 3 months;

(e) any misrepresentation or untrue statement in the representation and warranties;

(f) assignment by APML of its assets or rights in violation of the PPA;

(g) transfer or novation of its rights and/or obligations by APML under the PPA;

(h) APML is subject to bankruptcy or insolvency laws or goes into liquidation or dissolution;

(i) APML repudiates the PPA;

(j) material breach, by APML, of any obligation pursuant to the PPA; and

(k) any direct or indirect change in the shareholding of APML in contravention to the terms of the bid documents.

On occurrence of any of the APML's events of default, MSEDCL shall have the option to terminate the PPA after delivering a preliminary termination notice. On termination of the PPA pursuant to the occurrence of APML's event of default, APML shall pay compensation to MSEDCL equivalent to eighteen months of billing at the quoted tariff and energy corresponding to 80% of the contracted capacity as liquidated damages. The liquidated damages would be computed on a day to day basis from the date of default, the amount due would be payable within 30 days of the termination of the agreement. Furthermore, APML shall not sell power to any third party or to the grid till the termination payment has been made.

6. Agreement between Adani Power Maharashtra Limited and Sichuan Machinery & Equipment Import & Export Company Limited

Adani Power Maharashtra Limited ("APML") and Sichuan Machinery & Equipment Import & Export Company Limited (the "Supplier") have entered into a Supply Contract dated February 28, 2008 (the "Supply Contract") for design, engineering, procurement and supply of goods and services for the 3x660 super critical thermal power plant to be set up by APMPL at Tiroda, Maharashtra for a consideration of US$ 999.9 million.

The Supply Contract, *inter alia*, provides that:

(i) The delivery to the site shall commence from September 1, 2008 and the last date of delivery is March 1, 2011.

(ii) The Supplier shall furnish an advance payment bank guarantee for an aggregate amount of US$ 50.00 million, which shall be reduced quarterly in accordance with the payment schedule.

(iii) The Supplier shall be liable for the payment of liquidated damages to the Company for shortfall in the performance of the contractual plant. The damages shall not exceed US$ 86.25 million, except when the gross output of the contractual plant falls below 97.5% of the guaranteed gross output, or if the gross heat rate is more than 2160 kcal/kWh or if the auxiliary power consumption is 5% over the guaranteed auxiliary power consumption. Additionally, APMPL has the right to reject the contractual plant, subject to the provisions of the Supply Contract, if the gross output of the contractual plant falls below 97.5% of the guaranteed gross output, or if the gross heat rate is more than 2160 kcal/kWh or if the auxiliary power consumption is 5% over the guaranteed auxiliary power consumption.

The Company is entitled to terminate the Supply Contract by giving 14 days' notice, *inter alia,* if the Supplier: (a) abandons the manufacture and supply of goods or demonstrates intention to not perform its obligations under the Supply Contract; (b) without reasonable excuse fails to proceed with manufacture and supply of goods; (c) sub-contracts its obligations or assigns the Supply Contract without the required consent; (d) or its guarantor in relation to the Supply Contract becomes subject of bankruptcy or insolvency proceedings; (e) gives or offers to give bribe in relation to the Supply Contract or if the Supplier's personnel, agents or sub-vendors do so; (f) breaches any of its representations or warranties; (g) breaches any obligations relating to damages for performance shortfall and non-permissible deviation. However, on the occurrence of (d) or (e) above, the Company may by notice terminate the Supply Contract immediately. The Supplier is entitled to terminate the Supply Contract by giving 14 days' notice for various reasons which include: (i) prolonged suspension; (ii) APMPL substantially fails to perform its obligations; (iii) the company becomes bankrupt or insolvent or goes into liquidation.

REGULATIONS AND POLICIES

The following description is a summary of certain sector specific laws and regulations in India, which are applicable to our Company. The information detailed in this chapter has been obtained from publications available in the public domain. The regulations set out below may not be exhaustive, and are only intended to provide general information to the investors and are neither designed nor intended to substitute for professional legal advice.

Power Generation

Background

The development of electricity industry in India was fashioned by two pieces of legislations namely the Indian Electricity Act, 1910 ("Electricity Act") and the Electricity (Supply) Act, 1948 (the "Supply Act"). The Electricity Act introduced a licensing system for the electricity industry and the Supply Act was responsible for introducing greater state involvement in the industry, facilitating regional co-ordination.

The Supply Act promoted state-owned, vertically integrated units through the creation of the State Electricity Boards ("SEBs"), to develop "Grid System". Under this legislation, the SEBs were made responsible for generation, transmission and distribution of electricity within the geographical limits of each State of the Indian Union. A government department was responsible for the electricity supply in states where SEBs were not set up. Under the Constitution of India, both the State and Central Governments have the power to regulate the electricity industry.

In the early 1990s, the power sector was liberalized and private participation in the generation sector was permitted by way of amendments in 1991 and 1998 to the Supply Act to open generation to private sector and establishment of RLDCs and to provide for private sector participation in transmission.

In 1998, the Electricity Regulatory Commissions Act, 1998 ("ERC Act") was enacted by the Central Government. The ERC Act provided for the establishment of independent electricity regulatory commission both at the Central and State levels. These regulatory commissions were set up with the objective of rationalizing the prevailing electricity tariff regime and promoting and regulating the electricity industry in the country.

On the other hand, in view of the growing interest of the foreign investors government has allowed 100% FDI in Generation, Transmission and Distribution.

Salient features of the Electricity Act, 2003

The Electricity Act, 2003 ("EA 2003") is a central unified legislation relating to generation, transmission, distribution, trading and use of electricity, that seeks to replace the multiple legislations that governed the Indian power sector. The most significant reform initiative under the EA 2003 was the move towards a multi buyer, multi seller system as opposed to the existing structure which permitted only a single buyer to purchase power from power generators. In addition, EA 2003 provides for a greater flexibility and grants the respective electricity regulatory commission's greater freedom in determining tariffs, without being constrained by rate-of-return regulations. The Act seeks to encourage competition with appropriate regulatory intervention. An Appellate Tribunal to hear appeals against the decision of the CERC and SERCs has been established. However, EA 2003 provided that transmission, distribution and trade of electricity are regulated activities which require licenses from the appropriate electricity regulatory commission, unless exempted by the appropriate government in accordance with the provisions of EA 2003. It was amended in 2007 to exempt captive power generation plants from licensing requirements for supply to any licensee or consumer. Government has also announced National Electricity Policy in 2005 to guide the development of the electricity sector in India.

Licensing

The EA 2003 stipulates that no person can transmit; or distribute or undertake trading in electricity, unless he is authorised to do so by a licence issued under Section 14, or is exempt under Section 13 of the Act. Act provides for transmission licensee, distribution licensee and licensee for electricity trading. There can be a private distribution licensee as well.

Generation

Currently, under Indian law, any generating company can establish, operate and maintain a generating station if it complies with the technical standards relating to connectivity with grid. Approvals from the Central Government, State Government and the techno--economic clearance from the CEA are no longer required, except for hydroelectric projects. Generating companies are now permitted to sell electricity to any licensees and where permitted by the respective state regulatory commissions, to consumers.

In addition, no restriction is placed on setting up of captive power plant by any consumer or group of consumers for their own consumption. Under EA 2003, no surcharge is required to be paid on wheeling of power from the captive plant to the destination of the use by the consumer. This provides financial incentive to large consumers to set up their own captive plants. Through an amendment in 2007, Section 9 was amended to state that no separate license is required for supply of electricity generated from the captive power plant to any licensee or the consumer.

The respective regulatory commissions determine the tariff for supply of electricity from a generating company to any distribution licensee, transmission of electricity, wheeling of electricity and retail sale of electricity. The CERC has the jurisdiction over generating companies owned or controlled by Central Government and those generating companies who have entered into or otherwise have a composite scheme for generation and sale in more than one state. The SERCs have jurisdiction over generating stations within the state boundaries, except those under the CERC's jurisdiction.

Transmission

Transmission being a regulated activity, involves intervention of various players. The Central Government is responsible for facilitating transmission and supply, particularly, inter-state, regional and inter-regional transmission. EA 2003 vests the responsibility of efficient, economical and integrated transmission and supply of electricity with the Government of India and empowers it to make region-wise demarcations of the country for the same. In addition, Central Government will facilitate voluntary inter-connections and coordination of facilities for the inter-state, regional and inter-regional generation and transmission of electricity.

CEA is required to prescribe certain grid standards under the Electricity Act and every Transmission licensee must comply with such technical standards of operation and maintenance of transmission lines. In addition, every Transmission licensee is required to obtain a license from the CERC and the respective SERCs, as the case may be.

EA 2003 requires the Central Government to designate one government company as the central transmission utility ("CTU"), which would be deemed as a transmission licensee. Similarly, each state government is required to designate one government company as state transmission utility ("STU"), which would also be deemed as a transmission licensee. The CTU and STUs are responsible for transmission of electricity, planning and co-ordination of transmission system, providing non-discriminatory open-access to any users and developing a co-ordinated, efficient and integrated inter-state and intra-state transmission system respectively. EA 2003 prohibits CTU and STU from engaging in the business of generation or trading in electricity.

Under the EA 2003, the Government of India was empowered to establish the NLDC and RLDCs for optimum scheduling and despatch of electricity among the RLDCs. The RLDCs are responsible for (a) optimum scheduling and despatch of electricity within the region, in accordance with the contracts entered into with the licensees or the generating companies operating in the region; (b) monitoring grid operations; (c) keeping accounts of the quantity of electricity transmitted through the regional grid; (d) exercising supervision and control over the inter-state transmission system; and (e) carrying out real time operations for grid control and despatch of electricity within the region through secure and economic operation of the regional grid in accordance with the grid standards and grid code.

The transmission licensee is required to comply with the technical standards of operation and maintenance of transmission lines as specified by CEA, building maintaining and operating an efficient transmission system, providing non-discriminatory open access to its transmission system for use by any licensee or generating company on payment of transmission charges and surcharge in accordance with EA 2003.

The Act allows IPPs open access to transmission lines. The provision of open access is subject to the availability of adequate transmission capacity as determined by the Central / State Transmission Utility.

The Act also lays down provisions for Intra State Transmission, where state commission facilitate and promote transmission, wheeling and inter-connection arrangements within its territorial jurisdiction for the transmission and supply of electricity by economical and efficient utilisation of the electricity.

Trading

The EA 2003 specifies trading in electricity as a licensed activity. Trading has been defined as purchase of electricity for resale. This may involve wholesale supply (i.e. purchasing power from generators and selling to the distribution licensees) or retail supply (i.e. purchasing from generators or distribution licensees for sale to end consumers). The license to engage in electricity trading is required to be obtained from the relevant electricity regulatory commission.

The CERC, vide notification dated February 16, 2009, issued the CERC (Procedure, Terms and Conditions for grant of trading license and other related matters) Regulations, 2009 (the "Trading License Regulations") to regulate the inter-state trading of electricity. The Trading License Regulations define inter-state trading as transfer of electricity from the territory of one state for resale to the territory of another state and includes electricity imported from any other country for resale in any state of India.

In terms of the Trading License Regulations, any person desirous of undertaking inter-state trading in electricity shall make an application to the CERC for the grant of license. The Trading License Regulations set out various qualifications for the grant of license for undertaking electricity trading, including certain technical and professional qualifications, and net worth requirements. An applicant is required to publish notice of his application in daily newspapers to facilitate objections, if any, to be filed before CERC. Further, a licensee is subject to certain conditions including the extent of trading margin, maintenance of records and submission of auditors' report. The existing licensees are required to meet the net worth, current ratio and liquidity ratio criteria within a period up to March 31, 2010 and are required to pay license fee as specified by the CERC, from time to time.

The eligibility criteria include norms relating to capital adequacy and technical parameters. However, the National and Regional Load Despatch Centres, Central and State Transmission Utilities and other transmission licensees are not allowed to trade in power, to prevent unfair competition. The relevant electricity regulatory commissions also have the right to fix a ceiling on trading margins in intra-state trading.

Distribution and Retail Supply

The EA 2003 does not make any distinction between distribution and retail supply of electricity. Distribution is a licensed activity and distribution licensees are allowed to undertake trading without any separate license. Under EA 2003, no license is required for the purposes of supply of electricity. Thus, a distribution licensee can undertake three activities: trading, distribution and supply through one license. The distribution licensee with prior permission of the Appropriate Commission, may engage itself in any other activities for optimal utilisation of its assets.

Unregulated Rural Markets

The licensing requirement does not apply in cases where a person intends to generate and distribute electricity in rural areas as notified by the state government. However, the supplier is required to comply with the requirements specified by the CEA such as protecting the public from dangers involved, eliminating/reducing the risks of injury, notify accidents and failures of transmission and supplies of electricity. It shall also be required to comply with system specifications for supply and transmission of electricity. EA 2003 mandates formulation of national policies governing rural electrification and local distribution and rural off-grid supply including those based on renewable and other non-conventional energy sources. This policy initiative is expected to give impetus to rural electrification and also conceptualize rural power as a business opportunity.

Tariff Principles

EA 2003 has introduced significant changes in terms of tariff principles applicable to the electricity industry. Earlier, the rate of return regulation as prescribed in the Sixth Schedule of the Supply Act, which envisaged a two-part tariff, was the basis of tariff determination. Even in the case of state reform acts, this Sixth Schedule was retained as the basis. EA 2003 has done away with this provision and the two-part tariff mechanism.

Under EA 2003, the appropriate electricity regulatory commissions are empowered to determine the tariff for:

- supply of electricity by a generating company to a distribution licensee: Provided that the Appropriate Commission may, in case of shortage of supply of electricity, fix the minimum and maximum ceiling of tariff for sale or purchase of electricity in pursuance of an agreement, entered into between a generating company and a licensee or between licensees, for a period not exceeding one year to ensure reasonable prices of electricity;
- transmission of electricity ;
- wheeling of electricity;
- retail sale of electricity. Provided that in case of distribution of electricity in the same area by two or more distribution licensees, the Appropriate Commission may, for promoting competition among distribution licensees, fix only maximum ceiling of tariff for retail sale of electricity.

The appropriate Electricity Regulatory Commission is required to be guided by the following while determining tariff:

- the principles and methodologies specified by the CERC for determination of the tariff applicable to generating companies and licensees;
- generation, transmission, distribution and supply of electricity are conducted on commercial principles;
- the factors which would encourage competition, efficiency, economical use of the resources, good performance and optimum investments;
- safeguarding consumers interest and also ensure recovery of the cost of electricity in a reasonable manner;
- incorporate principles which reward efficiency in performance;
- multi year tariff principles;
- tariff progressively reflects the cost of supply of electricity, at an adequate and improving level of efficiency;
- that the tariff progressively reduces and eliminates cross subsidies in the manner to be specified by the CERC;
- the promotion of co-generation and generation of electricity from renewable sources of energy; and
- the National Electricity Policy and Tariff Policy.

It is to be noted that unlike the ERC Act, the respective electricity regulatory commissions have not been expressly permitted to depart from the tariff determining factors set out above.

However, EA 2003 provides that the electricity regulatory commission shall have to adopt such tariff that has been determined through a transparent process of bidding in accordance with the guidelines issued by the Central Government. The Ministry of Power has issued detailed guidelines for competitive bidding as well as draft documentation (PPAs) for competitively bid projects.

The determination of tariff for a particular power project would depend on the mode of participation in the project. Broadly, the tariffs can be determined in two ways: (i) based on the tariff principles prescribed by the CERC (cost-plus basis consisting of a capacity charge, an energy charge, an unscheduled interchange charge and incentive payments); or (ii) competitive bidding route where the tariff is purely market based.

Modes of participation in power projects

GoI announced major policy reforms in October 1991 widening the scope of private sector participation in power generation. The two modes of participating in power projects are either through the MoU route or the Bidding route.

The initial batch of private sector power projects were therefore awarded generally on the basis of negotiation between the SEB and a single developer (“MoU route”).

MoU Route

The cost determination under the MoU route usually involves:

- determination of receivables of capital cost. The capital costs are required to be approved by a CEA, Government of India;
- approval of interest rates and local and foreign debt;
- finalizing the term of loans and/or or other debt;
- finalizing the extent of foreign exchange protection;
- fixing operating parameters within the prescribed ceilings;
- identifying Deemed Generation provisions;
- evaluating the extent of despatchability;
- evaluating the level of incentive payments;
- identifying change in law in terms of tax or any other matter;
- identifying the extent of working capital permissible;
- evaluating the premium on fuel prices for assured supply;
- identifying fuel supply and transportation risk and issues;
- evaluating escalations in operation and maintenance and insurance expenses permissible;
- evaluating the extent of maintenance of spares permissible; and
- rebates in respect of prompt payment.

The MoU route with a cost plus approach was initially adapted to attract investment. However, there were several complexities in calculating the above costs despite the capital cost of the project being frozen by the CEA. Under EA 2003, the CEA does not have the power to determine capital cost for the projects anymore and the requisite filings for approval of capital cost and tariff are with the regulatory commissions.

This cost plus tariff mechanism is not ideally suited for competitive bidding as this would require bidding on every element of cost of generation which becomes difficult to verify and monitor over the life of the PPA. Further, the nature of costs for IPPs is very different from public sector power project costs and in the absence of complete knowledge of cost profile, it would be impossible to design a competitive bidding process based on cost plus approach that is fair to both sides thereby eliciting good investor response. In light of the same, the competitive bid route was envisaged.

Bid Route

Bidding essentially is based on bulk power tariff structure. As noted, under EA 2003, the regulatory commission is required to adopt a bid- based tariff, although the Bidding Guidelines permit the bidding authority to reject all price bids received. The Bidding Guidelines recommend bid evaluation on the basis of levelised tariff. The Bidding Guidelines envisages two types of bids: Case I bids, where the location, technology and fuel is not specified by the procurers, i.e. the generating company has the freedom to choose the site and the technology for the power plant; and Case II bids, where the projects are location specific and fuel specific.

Tariff rates for procurement of electricity by distribution licensees (Procurer), to be decided, can be for:

- long-term procurement of electricity for a period of 7 years and above;
- Medium term procurement for a period of upto 7 years but exceeding 1 year.

For long-term procurement under tariff bidding guidelines, a two-stage process featuring separate RFQ and RFP stages shall be adopted for the bid process. The procurer may, at his option, adopt a single stage tender process for medium term procurement, combining the RFP and RFQ processes.

Under the bid route, typically the IPPs can bid at two parameters:

- The fixed or capacity charge; and
- The variable or energy charge, which comprises the fuel cost for the electricity generated. Bidders are usually permitted to quote a base price and an acceptable escalation formula.

The Bidding Guidelines envisages a two-step process – pre-qualification and final bid. Bidders are required to submit a technical and financial bid at the RFP stage.

Increasingly, the trend is to have all purchase of power and distribution licenses through competitive bids. The Tariff Policy 2006 requires that all procurement of power after January 6, 2006 (except for PPAs approved or submitted for approval before January 6, 2006 or projects whose financing has been tied up prior to January 6, 2006) by distribution licensees has to be through competitive bidding. Some state regulators have, however, continued to purchase power under the MoU route, stating that the Tariff Policy is merely indicative and not binding.

Policy for setting up of Mega Power Projects

The Mega Power Policy was introduced by Ministry of Power on November 10, 1995, wherein projects with capacity of 1000 MW and more and catering power to more than one state were classified as mega power projects.

The following conditions are required to be fulfilled by the developer of power projects for grant of Mega Power Project status:

- an inter-state thermal power plant with a capacity of 700 MW or more, located in the States of Jammu and Kashmir, Sikkim, Arunachal Pradesh, Assam, Meghalaya, Manipur, Mizoram, Nagaland and Tripura; or
- an inter-state thermal power plant of a capacity of 1,000 MW or more, located in States other than those specified in clause (a) above; or
- an inter-state hydro electricity power plant of a capacity of 350 MW or more, located in the States of Jammu and Kashmir, Sikkim, Arunachal Pradesh, Assam, Meghalaya, Manipur, Mizoram, Nagaland and Tripura; or
- an inter-state hydro electricity power plant of a capacity of 500 MW or more, located in States other than those specified in clause Rs. above".

Fiscal concessions/benefits available to the Mega Power Projects:

- Zero Customs Duty: The import of capital equipment would be free of customs duty for these projects.
- Deemed Export Benefits: Deemed export benefits are available to domestic bidders for projects both under public and private sector on meeting certain requirements.
- Pre-conditions for availing the benefits: Goods required for setting up of any mega power project, qualify for the above fiscal benefits after the project is certified that:
  - (i) the power purchasing States have granted to the Regulatory Commissions full powers to fix tariffs;
  - (ii) the power purchasing States undertakes, in principle, to privatize distribution in all cities, in that State, each of which has a population of more than one million, within a period to be fixed by the Ministry of Power.
- Income Tax benefits: In addition, the income-tax holiday regime as per Section 80-IA of the Income Tax Act 1961 is also available.

Roles of key organisations and players

The roles and functions of certain key organisations and players that operate in the power sector have been set out below:

Central and State Governments

The EA 2003 reserves a significant involvement of the central government in the functioning of the power sector. It has been assigned a number of duties, including planning and policy formulation, rule making, appointing, establishing, designating authority, prescribing duties and other tasks, funding, and issuing directions.

The central government designates a CTU and establishes the NLDC, RLDC, the Appellate Tribunal, the Coordination Forum, and the Regulators' Forum. It has the power to vest the property of a CTU in a company or companies and decide on the jurisdiction of benches of the Appellate Tribunal. It also prescribes the duties and functions of the CEA, NLDC and RLDC.

The Central Government is also responsible for the following: a) specifying additional requirements for granting more than one distribution licensee; b) providing no-objection certificates for granting license if the service area includes central government installations such as cantonment, aerodrome, defence area, etc; c) demarcating the country into transmission regions for the purpose of inter-state transmission; d) issuing guidelines for transparent bidding process; e) approving the salary and benefits of the employees of the CEA, CERC and Appellate Tribunal; f) referring cases to the Appellate Tribunal for removal of members of the CERC on the ground of misbehaviour; and g) prescribing the procedures for inquiry into misbehaviour by members.

The state government exercises appointing, designating powers, provides funds and makes rules notifications, etc. It has the powers to appoint or remove members of the SERC including the chairman, to approve the terms and conditions of appointment of the secretary to the SERC and other staff. It is also responsible for constituting the selection committee for appointing members of SERC. It establishes the state load despatch centre (SLDC), notifies the STU, vests property of STU in companies, draws up reorganisation of the SEB through acquiring its assets and re-vests it through a transfer scheme. It is empowered to constitute special courts, and state coordination forum. The state government creates the SERC fund and can provide loan or grants for running the SERC. It also decides how the SERC should utilize the fund and how it should maintain accounts. The state government can also provide subsidy to consumers, but EA 2003 requires it to compensate the licensee in advance by the amount of loss expected to be suffered by the licensee in implementing the subsidy. The state government notifies rural areas where exemption of license conditions would apply and issues directions to the SERC on public interest issues.

Central Electricity Authority

The CEA was created under the Supply Act and EA 2003 retains the agency by relegating it mostly to a consultative role. There was some overlap of duties and power between the CERC and the CEA earlier, which EA 2003 has now removed. The technical clearance required for power projects under the provisions of the Supply Act has been eliminated, except in cases of hydro projects above a certain capital investment.

Electricity Regulatory Commissions

EA 2003 retains the two-level regulatory system for the power sector. At the central level, the CERC is responsible for regulating tariff of generating stations owned by the central government, or those involved in generating or supplying in more than one states, and regulating inter-state transmission of electricity. The SERCs on the other hand regulate intra--state transmission and supply of electricity within the jurisdiction of each state. CERC and the SERCs are guided by the National Electricity Policy, Tariff Policy and the National Electricity Plan while discharging their functions under EA 2003. The Electricity Regulatory Commissions are also guided by any direction given by the central government for CERC or the state government for the SERC pertaining to any policy involving public interest. The decision of the government is final and non-challengeable with respect to the question that whether directions pertain to policy involving public interest or not. The commissions have been entrusted with a variety of functions including determining tariff, granting licensees, settling disputes between the generating companies and the licensees. The Electricity Regulatory Commissions are a quasi-judicial authority with powers of a civil court and an appeal against the orders of the Commissions lie to the Appellate Tribunal.

Appellate Tribunal

Under the earlier electricity legislations, the High Court was the appellate authority against orders that are passed by the SERC. Under EA 2003, the Appellate Tribunal has been set up as an appellate body against orders of the relevant electricity regulatory commissions or adjudicating officers in settling disputes. The Appellate Tribunal has the power to summon, enforce attendance, require discovery and production of documents, receive evidence and review decisions. The orders of the Appellate Tribunal are executable as decrees of a civil court. The orders of the Appellate Tribunal can be challenged in the Supreme Court by the aggrieved party.

Enforcement Agencies

The roles and functions of certain key enforcement agencies that operate in the power sector have been set out below:

Investigating Authority

The Electricity Regulatory Commissions have the powers to direct any person to investigate the affairs of and undertake inspection of the generating company if there is any failure by the generating company/licensee to comply with the provisions of the EA 2003 or the license, licensee. The Electricity Regulatory Commissions may direct the generating company/licensee to take such action as may be necessary upon receipt of report from such Investigation Authority.

Electrical Inspector

If the relevant government receives a complaint that there has been an accident in connection with the generation, transmission, distribution or supply of electricity or that in case of use of electrical lines or electrical plant, there is a likelihood of injury to human being or animal, it may require an Electrical Inspector to inquire and report as to the cause of the accident and the manner and extent to which the provisions of EA 2003 have been complied with. The Electrical Inspector is vested with the powers of a civil court under the Civil Procedure Code, 1908 for enforcing the attendance of witnesses and compelling the production of documents and material objects.

Foreign Investment Regulation

The industrial policy was formulated in 1991 to implement the Government's liberalisation programme and consequently industrial policy reforms relaxed industrial licensing requirements and restrictions on foreign investment. The procedure for investment in the power sector has been simplified for facilitating FDI. FDI is allowed under the automatic route for 100 % in respect of projects relating to electricity generation, transmission and distribution, other than atomic reactor power plants. There is no limit on the project cost and the quantum of FDI.

Indian Energy Exchange for Online Trading in Electricity

Indian Energy Exchange ("IEX") is India's first nationwide, automated, and online electricity trading platform. The exchange is planned to be operational in 2008. Approved by CERC on August 31, 2007, the exchange would enable efficient price discovery and price risk management in the electricity market besides providing benefits like transparency and cost efficiency to its members. In February 2007, the CERC issued guidelines for grant of permission to set up power exchanges in India. The exchange is conceived to catalyse modernisation of electricity trade in the country by ushering in a transparent and neutral market through technology-enabled electronic trading platform.

Special Economic Zones

Special Economic Zones Act, 2005

The Government of India has enacted the Special Economic Zone Act, 2005 (the "SEZ Act") for the establishment, development and management of special economic zone (the "SEZs") for the promotion of exports. An SEZ is a specifically delineated duty free enclave, deemed to be a foreign territory for the purposes of trade as well as duties and tariffs. A Board of Approval ("SEZ Board") has been set up under the SEZ Act, which is responsible for promoting the SEZ and ensuring its orderly development. The SEZ Board has various powers, including the authority to approve proposals for the establishment of an SEZ, the operations that may be carried out in the SEZ by the developer, monitoring foreign collaborations and foreign direct investments in SEZs.

SEZs may be established under the SEZ Act, either jointly or severally by the Government of India, state government or any other person. On receipt of an application, the SEZ Board may, subject to certain conditions approve the proposal and communicate it to the Government of India. The Government of India may, within 30 days of receipt of communication, grant the letter of approval, which may be subject to certain additional conditions. The Government of India initially grants the letter of approval to the proposals for setting up of SEZs, referred to as the 'in-principle approval', which is valid for a period of one year or three years, as the case may be. The developer of the SEZ is required to take effective steps for implementation of the SEZ project within the said validity period. The developer is required to furnish intimation of fulfilment of conditions specified in the 'in-principle' approval to Department of Commerce, Ministry of Commerce and Industry, Government of India (the "DoC") within the specified validity period of the 'in-principle' approval. The DOC, on being satisfied with the proposal and compliance of the developer with the terms of the approval, issues a notification declaring the specified area as an SEZ.

On an area being notified as an SEZ, the Government of India appoints a development commissioner for the said SEZ who is responsible for monitoring and ensuring strict adherence to the legal framework and the day-to-day operations of the SEZ.

The Special Economic Zone Rules, 2006

The Special Economic Zone Rules, 2006 (the "SEZ Rules") have been enacted to effectively implement the provisions of the SEZ Act. The SEZ Rules provide for a simplified procedure for a single window clearance from the Government of India and state governments for setting up of SEZs and a 'unit' in an SEZ. The SEZ Rules also prescribe the procedure for the operation and maintenance of an SEZ, for setting up and conducting business therein, with an emphasis on 'self certification', and the terms and conditions subject to which entrepreneur and developer shall be entitled to exemptions, drawbacks and concessions etc. The SEZ Rules also provide for the minimum area requirement for various categories of SEZs.

The Special Economic Zones (Amendment) Rules, 2009

The Government of India issued the Special Economic Zones (Amendment) Rules, 2009, vide notification dated February 3, 2009. Pursuant to the amendment, the the Government of India has allowed establishment of multi product special economic zones, wherein the units may be set up for manufacture of goods falling in two or more sectors or rendering of services falling in two or more sectors or any combination thereof including trading and warehousing.

Gujarat Special Economic Zone Act, 2004

Gujarat Special Economic Zone Act, 2004 (the "Gujarat SEZ Act") has been passed by the State of Gujarat legislature and it provides for the operation, maintenance, management and administration of a SEZ in the State of Gujarat. The Gujarat SEZ Act provides for the constitution and functions of the unit approval committee which grants necessary local and state level clearances for setting up a SEZ.

In terms of the Gujarat SEZ Act, the developer of the SEZ has to provide various facilities such as electricity, water, waste distribution and management, minor port and related services, roads and bridges, gas distribution, communication and data network transmission and any other services as may be prescribed. The developer may levy user charges or fees as may be approved by the SEZ development committee for providing infrastructural facilities.

The Gujarat SEZ Act provides that all sales and transactions within the processing area of the SEZ shall be exempt from certain taxes, cess, duties or fees levied under laws of the state of Gujarat.

Environmental Regulations

The Company has to comply with the provisions of the Environmental Protection Act, 1986, relevant Forest Conservation Acts, Water (Prevention and Control of Pollution) Act, 1974, the Air (Prevention and Control of Pollution) Act, 1981 and the Hazardous Waste (Management and Handling) Rules, 1989.

The Company is required to obtain and maintain statutory clearances relating to Pollution Control and Environment in relation to its power projects.

Kyoto Protocol and Carbon Credits

The Kyoto Protocol is a protocol to the International Framework Convention on Climate Change with the objective of reducing greenhouse gases (GHG) that cause climate change. The Kyoto Protocol was agreed on December 11, 1997 at the third conference of the parties to the treaty when they met in Kyoto, and entered into force on February 16, 2005. India ratified the Kyoto Protocol on August 22, 2006.

The Kyoto Protocol defines legally binding targets and timetables for reducing the GHG emissions of industrialized countries that ratified the Kyoto Protocol.

Governments have been separated into developed nations (who have accepted GHG emission reduction obligations) and developing nations (who have no GHG emission reduction obligations). The protocol includes "flexible mechanisms" which allow developed nations to meet their GHG emission limitation by purchasing GHG emission reductions from elsewhere. These can be bought either from financial exchanges, from projects which reduce emissions in developing nations under the CDM, the Joint Implementation scheme or from developed nations with excess allowances.

Typical emission certificates are:

- Certified Emission Reduction (CER);
- Emission Reduction Unit (ERU); and
- Voluntary or Verified Emission Reductions (VER).

CERs and ERUs are certificates generated from emission reduction projects, under the CDM for projects implemented in developing countries, and under Joint Implementation ("JI") for projects implemented in developed countries, respectively. These mechanisms are introduced within the Kyoto Protocol. For projects which cannot be implemented as CDM or JI, but still fulfil the required standards, VERs can be generated. VERs, however, cannot be used for compliance under the Kyoto Protocol.

HISTORY AND CERTAIN CORPORATE MATTERS

The Company was incorporated as Adani Power Limited on August 22, 1996 and received a certificate of commencement of business on September 4, 1996. The Company became a private limited company on June 3, 2002 and the name of the Company was subsequently changed to Adani Power Private Limited. The RoC issued a fresh certificate of incorporation on June 3, 2002.

The Company was, thereafter, converted into a public limited company on April 12, 2007 and the name of the Company was changed to Adani Power Limited. Further, upon ceasing to be a private limited company, the word private was deleted through a special resolution at the EGM of the Company held on March 28, 2007. The fresh certificate of incorporation consequent to change of our name was granted by the RoC to our Company on April 12, 2007.

The Company was originally incorporated by Mr. Gautam S. Adani and Mr. Rajesh S. Adani, together with their relatives. In 2004, pursuant to internal restructuring amongst the Promoters, the entire shareholding of the Company was transferred to Mundra Port and Special Economic Zone Limited ("MPSEZL"). Subsequently, on May 29, 2006, MPSEZL transferred its entire shareholding in the Company to Adani Enterprises Limited.

Main Objects of our Company

The main objects of our Company as contained in the Memorandum of Association are as follows:

1) *To carry on the business of generation, accumulation, distribution and supply of and to generally deal in electricity.*

2) *To explore, develop, generate, accumulate, supply and distribute or to deal in other forms of energy from any source whatsoever.*

3) *To establish, operate and maintain generating stations, accumulation, tie lines, sub stations, workshops, transmission lines and to lay down cables, wires.*

4) *To manufacture, deal in, let on hire, install, repair and maintain plant, machinery, equipment, appliances, components and apparatus of any nature whatsoever used in connection with generation storage, supply, distributors, application of electrical energy.*

5) *To carry on in India or elsewhere the business of mining, quarries and prospect for search for, find, get, work, process, crush, smelt, manufacture, refine, blend, clean, convert, store, transport, buy, sell, import, export, distribute, market and deal in mineral oil of all kinds, mineral gases of all kinds, mineral of all kinds, fuel of all kinds, their by-products, derivatives, mixtures, semi finished products and ores.*

6) *To establish and develop Special Economic Zones and to carry on the business of properties developers, builders, creators, operators, owners, contractors of all and any kind of Infrastructure facilities and services including roads, railways, cargo movement and cargo handling including mechanized handling system and equipment, land development, water desalination plant, water treatment & recycling facilities, water supply & distribution system, solid waste management, effluent treatment facilities, power generation, transmission, distribution, power trading, generation and supply of gas or any other form of energy, environmental protection and pollution control, public utilities, security services, municipal services, and of like infrastructure facilities and services viz., telecommunication, cell services, cable and satellite communication networking, data transmission network, information technology network, factory buildings, warehouses, internal container depots, container freight station, clearing houses, research centre, trading centres, school and educational institutions, hospitals, community centre, training centres, hostels, places of worship, courts, markets, canteen, restaurants, residential complexes, commercial complexes and other social infrastructures and equip the same with all or any amenities, other facilities and infrastructure required by the various industries and people, entertainment centres, amusement park, green park, recreational zone, to purchase, acquire, take on lease or in exchange or in any other lawful manner land, building, structures to promote industrial, commercial activity for inland and foreign trade, and to do government liaison work and other work.*

Key Milestones

The table below sets forth some of the key events and milestones in the history of our Company:

Date	Details
August 22, 1996	Incorporation of the Company
September 20, 2006	Execution of Loan agreement (financial closure) with Lenders of Mundra Phase I Power Project
December 8, 2006	Coal supply agreement with AEL for Mundra Phase I Power Project, which was extended to Mundra Phase II Power Project through amendment agreement dated August 10, 2007
February 2, 2007	Execution of PPA with GUVNL for 1,000 MW
February 6, 2007	Execution of PPA with GUVNL for 1,000 MW
June 27, 2007	Execution of subordinate loan agreement for Mundra Phase I and II Power Project
July 25, 2007	Execution of Loan agreement (financial closure) with Lenders of Mundra Phase II Power Project
September 28, 2007	Execution of Investment Agreement with 3*i* Power Investment A1 Limited
November 6, 2007	Allocation of Lohara West and Lohara Extension (E) Coal mining blocks for Tiroda Power Project
January 15, 2008	Execution of Shareholder Agreement with Millennium Developers Private Limited for investment in Tiroda Project
February 1, 2008	Agreement to Lease for 204.28 ha signed with Maharashtra Industrial Development Corporation for Tiroda Project
March 24, 2008	PPA with AEL for 221 MW
March 24, 2008	Coal supply agreement with AEL for Mundra Phase III Power Project
March 27, 2008	Execution of loan agreement (financial closure) for Mundra Phase III Power Project
March 27, 2008	Execution of subordinate loan agreement for Mundra Phase III Power Project
March 28, 2008	Execution of foreign currency loan agreement for Mundra Phase III Power Project
April 15, 2008	Coal supply agreement with AEL for Mundra Phase IV Power Project, which was amended on April 13, 2009
August 7, 2008	PPA with UHBVNL for 712 MW
August 7, 2008	PPA with DHBVNL for 712 MW
September 8, 2008	PPA with MSEDCL for 1,320 MW
November 24, 2008	Investment Agreement with Ventura Power
January 8, 2009	Co-developer agreement with MPSEZL
January 30, 2009	Execution of loan agreement (financial closure) for Tiroda Power Project – Phase I
March 25, 2009	Boiler light-up of unit I of Mundra Power Project – Phase I
March 27, 2009	Share subscription agreement with Somerset Fund
May 23, 2009	Synchronization of unit I on Mundra Phase I Power Project
June 24, 2009	Execution of loan agreement (financial closure) for Mundra Phase IV Power Project
June 24, 2009	Execution of subordinate loan agreement for Mundra Phase IV Power Project

Amendments to the Memorandum of Association

Since our incorporation, the following changes have been made to our Memorandum of Association:

Date of shareholder resolution	Nature of amendment
April 25, 2002	Conversion from a public to a private limited company.
August 1, 2006	The authorised capital was increased from Rs. 10,000,000 divided into 1,000,000 Equity Shares of Rs. 10 each to Rs. 11,000,000 divided into 1,100,000 Equity Shares of Rs. 10 each
September 1, 2006	The authorised capital was increased from Rs. 11,000,000 divided into 1,100,000 Equity Shares of Rs. 10 each to Rs. 15,000,000,000 divided into 1,500,000,000 Equity Shares of Rs. 10 each
March 28, 2007	The Company was converted from Private Limited to Public Limited The authorised capital was increased from Rs. 15,000,000,000 divided into 1,500,000,000 Equity Shares of Rs. 10 each to Rs. 25,000,000,000 divided into 2,500,000,000 Equity Shares of Rs. 10 each. Commencement of New line of business under other object clause of Memorandum of Association of the Company.
May 15, 2007	The main objects of our Company were amended to include the business of establishing and developing Special Economic Zones and to carry on the business of properties developers, builders, creators, operators, owners, contractors of all and any kind of Infrastructure facilities and services etc.
July 30, 2007	The authorised capital was increased from Rs. 25,000,000,000 divided into 2,500,000,000 Equity Shares of Rs. 10 each to Rs. 30,000,000,000 divided into 2,500,000,000 Equity Shares of Rs. 10 each and 500,000,000 Cumulative Convertible Preference Shares of Rs. 10 each..
September 21, 2007	The authorised capital was reorganized as follows: (i) Rs. 25,000,000,000 divided into 2,500,000,000 Equity Shares of Rs. 10 each ranking pari passu with the existing Equity Shares; and (ii) Rs. 5,000,000,000 divided into 500,000,000 Cumulative Compulsorily Convertible Participatory Preference Shares of Rs. 10/- each.

Promoters and Subsidiaries

For details regarding our Promoters, please see “Our Promoters” on page 153 of the Red Herring Prospectus. The Company has five subsidiaries. For details regarding our subsidiary companies, please see “Our Subsidiaries” on page 134 of the Red Herring Prospectus.

Other Agreements

All our material Agreements are outlined in “Description of Certain Key Contracts” on page 87 of this Red Herring Prospectus.

OUR SUBSIDIARIES

The Company has five Subsidiaries. None of the Subsidiaries has made any public or rights issue in the last three years, have not become sick companies under the meaning of SICA and are not under winding up.

1. Adani Power Maharashtra Limited

Corporate Information

Adani Power Maharashtra Limited ("APML") was incorporated as Adani Power Maharashtra Private Limited on April 11, 2007 under the Companies Act in Ahmedabad. Adani Power Maharashtra Private Limited became a public company on May 16, 2008 and the name was subsequently changed to APML. Further, upon ceasing to be a private limited company, the word private was deleted through a special resolution at the EGM of the company held on April 29, 2008 and a fresh certificate of incorporation consequent to change of our name was granted by the RoC to APML on May 16, 2008. APML is engaged in the business of generation, accumulation, distribution and supply of and to generally deal in electricity. Our Tiroda Power Project is being executed by APML.

Registered Office

The registered office of APML is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The Articles of Association of APML require that there shall be a minimum of three and a maximum of 11 Directors. APML currently has three Directors.

The details regarding our Board of Directors as on the date of this Red Herring Prospectus are set forth below:

Name, Father's Name, Address, Designation, Occupation and Term	Nationality	Age	Other Directorships/Partnerships
Mr. Rajesh S. Adani* (S/o Mr. Shantilal B. Adani) *Director* Address: 14, Suryaja Bungalow Behind Sarathi Restaurant Vastrapur Ahmedabad 380 054 Profession: Industrialist Term: Liable to retire by rotation DIN: 00006322 * *Appointed as Managing Director w.e.f 1st March, 2009 for five years. However, Application for approval u/s 316 (4) of the Companies Act 1956 with Central Government is pending.*	Indian	44	• Adani Energy Limited • Adani Enterprises Limited • Adani Power Dahej Limited • Adani Power Maharashtra Limited • Adani Power Rajasthan Limited • Adani Shipyard Private Limited • Adani Wilmar Limited • Baramati Power Private Limited • Columbia Chrome (India) Private Limited • Mundra Port & Special Economic Zone Limited • Mundra Power SEZ Limited • Parsa Kante Collieries Limited • PT Kapuas Coal Mining • Swayam Realtors & Traders Limited ***Partnership*** • Adani Commodities • Adani Tradelinks

Name, Father's Name, Address, Designation, Occupation and Term	Nationality	Age	Other Directorships/Partnerships
Mr. R K Madan (S/ o Mr. Ram Narayan Madan) *Director* Address: K-4/6, DLF Phase II Gurgaon -122 001 Profession: Service Term: Liable to retire by rotation DIN: 00899341	Indian	67	• RKM Infrastructure Consultants Private Limited • Scarab Marketing Private Limited
Mr. Subrato Trivedi (S/o Mr. Madan Mohan Trivedi) *Director* Address: 101, 1st Floor, Marlin Villa, Judges Bunglow Road, Bodakdev, Ahmedabad – 380015. Profession: Service Term: Liable to retire by rotation DIN: 01144935	Indian	59	• Nil

None of the Directors are related to each other.

Brief Biographies of APML's Directors

Mr. Rajesh S. Adani is the Director of APML. He holds a bachelor's degree in commerce from the Gujarat University. Mr. Rajesh S. Adani is responsible for overall development, control and monitoring the implementation of the power projects, raising of financial resources for the projects and negotiation with suppliers. He is also involved in the management of Adani Enterprises Limited. He has been associated with Adani Enterprises Limited since its incorporation in 1988. He handles the marketing and finance aspects of Adani Enterprises Limited and has been responsible for developing the business relationships of Adani Enterprises Limited.

Mr. R.K. Madan is the Director of APML. He is B.Sc (Engineering) in Electrical Engineering in 1964 and has wide experience in various facet of Power Sector namely, Power System Planning, Engineering, Execution, Operation & Maintenance of projects. He worked as GM (Power System) NHPC & Director (Engineering), Director (Projects) & Director (Commercial) in Power Grid. He was also instrumental in formulating the power trading concept in India and was the founder Chairman and Managing Director of Power Trading Corporation of India.

Mr. Subrato Trivedi, is the Director of APML. He holds a bachelor's degree in engineering (mechanical) from the Ravishankar University. He has more than 37 years of experience in the setting up and operation of large power projects. Prior to joining APML, he has worked as Executive Director - ER with NTPC.

Remuneration of Directors

None of the directors of APML is receiving any remuneration from APML.

Key Management Personnel

As on June 30, 2009 APML had 70 permanent employees. All the current employees of APML are below the rank of Sr. Vice President. At this state APML relies for several key functions, including finance, secretarial and project management on the Company's employees.

Shareholding Pattern

The shareholding pattern of APML as of June 30, 2009 is as follows:

Sr. No.	Name of the shareholder	No. of equity shares	Percentage of total equity holding
1.	Adani Power Limited*	309,500,000	77.38
2.	Millennium Developers Private Limited	37,500,000	9.37
3.	Somerset Emerging Opportunities Fund	53,000,000	13.25
	Total	**400,000,000**	**100.00**

* *This includes 104 equity shares of APML held by nominees of APL*

The Company and Millennium Developers have entered into an agreement dated January 15, 2008 in terms of which Millennium Developers, either directly or through its nominee, has agreed to acquire equity shares of APML representing 26% of the issued and paid-up equity share capital of APML. The Company has in the agreement with Millennium Developers undertaken to continue to hold at least 74% shareholding of APML, either by itself or through any Adani Group company. The Company, APML and Somerset Fund have entered into a subscription share agreement dated March 27, 2009 in terms of which Somerset Fund has agreed to subscribe to the equity shares of APML aggregating to Rs. 1,000 million (including the amount of Rs. 530 million already invested). For further details of these agreements, please see "Description of Certain Key Contracts" on page 87 of this Red Herring Prospectus.

Financial Performance

The summary audited financials of APML for Fiscal 2008 is as follows:

(In Rs. Million, except share data)

Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008
Equity Capital	3,018.00	0.10
Reserves and surplus*	(23.75)	(20.5)
Income	N.A.	N.A.
Profit After Tax	N.A.	N.A.
Earning Per Share (face value Rs. 10)	N.A.	N.A.
Net Asset value per share	9.92	(2,040.15)

**Miscellaneous expenses to the extent not written off as of March 31, 2008 was Rs. 20.5 million and for the year ended March 31, 2009 Rs. 23.75 million was shown as balance in statement of expenses.*

2. Adani Power Rajasthan Limited

Corporate Information

Adani Power Rajasthan Limited ("APRL") was incorporated as Adani Power Rajasthan Private Limited on January 25, 2008 under the Companies Act in Ahmedabad. Adani Power Rajasthan Private Limited became a public company on April 29, 2008 and the name was subsequently changed to APRL. Further, upon ceasing to be a private limited company, the word private was deleted through a special resolution at the EGM of the company held on April 28, 2008 and a fresh certificate of incorporation consequent to change of our name was granted by the RoC to APRL on April 29, 2008. APRL is engaged in the business of generation, accumulation, distribution and supply of and to generally deal in electricity.

Registered Office

The registered office of APRL is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

As of June 30, 2009, the board of directors of APRL consisted of:

1. Mr. Rajesh S. Adani
2. Mr. R.K. Gupta
3. Mr. Ameet H. Desai

Shareholding Pattern

The shareholding pattern of APRL as of June 30, 2009 is as follows:

Sr. No.	Name of the shareholder	No. of equity shares	Percentage of total equity holding
1.	Adani Power Limited*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes 104 equity shares of APRL held by nominees of APL*

Financial Performance

The summary audited financials of APRL for Fiscal 2008 is as follows:

(In Rs. Million, except share data)

Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008
Equity Capital	0.50	0.10
Reserves and surplus*	(0.05)	(0.01)
Income	N.A.	N.A.
Profit After Tax	N.A.	N.A.
Earning Per Share (face value Rs. 10)	N.A.	N.A.
Net Asset value per share	9.04	8.61

**Miscellaneous expenses to the extent not written of as of March 31, 2008 was Rs. 0.01 million and as of March 31, 2009 balance of statement of expenses is Rs. 0.05 million.*

3. Adani Power Dahej Limited

Corporate Information

Adani Power Dahej Limited ("APDL") was incorporated as Dahej Power Private Limited under the Companies Act on February 6, 2006. APDL became our subsidiary on December 15, 2007. Its name was subsequently changed to Adani Power Dahej Limited on May 16, 2008. Further, upon ceasing to be a private limited company, the word private was deleted through a special resolution at the EGM of the company held on April 29, 2008 and a fresh certificate of incorporation consequent to change of our name was granted by the RoC to APDL on May 16, 2008. APDL is engaged in the generation, accumulation, distribution and supply of electricity.

Registered Office

The registered office of APDL is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

As of June 30, 2009, the board of directors of APDL consisted of:

1. Mr. Rajesh S. Adani
2. Mr. Devang Desai
3. Mr. Vineet Jain

Shareholding Pattern

The shareholding pattern of APDL as of June 30, 2009, is as follows:

Sr. No.	Name of the shareholder	No. of equity shares held	Percentage
1.	Adani Power Limited*	50,000	100
	TOTAL	**50,000**	**100.00**

* *This includes 104 equity shares of APDL held by nominees of Adani Power Limited.*

Financial Performance

The summary audited financials of APDL for Fiscal 2008 and 2007 are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended March 31, 2009	For the year ended March 31, 2008	For the year ended March 31, 2007
Equity Capital	0.50	0.10	0.10
Reserves and surplus*	(3.15)	(3.11)	(0.01)
Income	N.A.	N.A.	N.A.
Profit After Tax	N.A.	N.A.	N.A.
Earning Per Share (face value Rs. 10) (in Rs.)	N.A.	N.A.	N.A.
Net Asset value per share (in Rs.)	(53.09)	(301.04)	9.00

**Miscellaneous expenses to the extent not written off as of March 31, 2008 and March 31, 2007 were Rs. 3.11 million and Rs 0.01 million, respectively, and as of March 31, 2009, Rs. 3.15 million is shown as balance in statement of expenses.*

4. Mundra Power SEZ Limited

Corporate Information

Mundra Power SEZ Limited ("MuPSEZL") was incorporated under the Companies Act on October 27, 2008 in Ahmedabad. The business of the company is to develop a Special Economic Zone for establishment of electric and power distribution, industrial and commercial undertaking by constructing roads, buildings, structures, arranging water supply, electricity supply and other energy sources, developing sewage systems, effluent treatment systems, social infrastructure and provide all other amenities and facilities as may be necessary for establishment of special economic zone subject to approval, if required.

Registered Office

The registered office of MuPSEZL is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

As of June 30, 2009, the board of directors of MuPSEZL consisted of:

1. Mr. Rajesh S. Adani
2. Mr. Ameet H. Desai
3. Mr. Pranav V. Adani

Shareholding Pattern

The shareholding pattern of MuPSEZL as of June 30, 2009 is as follows:

Sr. No.	Name of the shareholder	No. of equity shares	Percentage of total equity holding
1.	Adani Power Limited*	50,000	100.00
	Total	**50,000**	**100.00**

**This includes 6 equity shares of MuPSEZL held by nominees of APL*

Financial Performance

The summary audited financials of MuPSEZL for fiscal 2009 are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended March 31, 2009
Equity Capital	0.50
Reserves and surplus*	(0.05)
Income	N.A.
Profit After Tax	N.A.
Earning Per Share (face value Rs. 10) (in Rs.)	N.A.
Net Asset value per share (in Rs.)	8.96

5. Adani Power (Overseas) Limited

Corporate Information

Adani Power (Overseas) Limited ("APOL") was incorporated in accordance with the Offshore companies regulations of Jebel Ali Free Zone, 2003 with a limited liability on October 13, 2008. The principal activities for which the offshore company is established is general trading, investment, investments in properties worldwide, property development and investment in properties in Dubai world, nakeel, emaar, dubai holdings or any other approved projects by Jebel Ali Free Zone and investment in development or acquisition of assets in regards to power generation, mining shipping etc. and to support various activities of the parent company and its other subsidiaries that are engaged in business of generation and distribution of power.

Registered Office

The registered office of APOL is located at 1003, Khalid Al Attar Tower, Sheikh Zayed Road, P.O.Box 71241, Dubai, United Arab Emirates.

Board of Directors

As of June 30, 2009, the board of directors of APOL consisted of:

1. Mr. Vinod S. Shah
2. Mr. Rakesh S. Shah

Shareholding Pattern

The shareholding pattern of APOL as of June 30, 2009 is as follows:

Sr. No.	Name of the shareholder	No. of ordinary shares – AED 20,000 each	Percentage of total equity holding
1.	Adani Power Limited	2	100.00
	Total	**2**	**100.00**

Financial Performance

The summary audited financials of APOL for fiscal 2009 are as follows:

(In AED Million, except share data)

Particulars	For the year ended March 31, 2009
Equity Capital	0.04
Reserves and surplus	(0.02)
Income	N.A.
Profit After Tax	N.A.
Earning Per Share (face value AED 20,000) (in AED)	N.A.
Net Asset value per share (in AED)	10,446.00

OUR MANAGEMENT

Board of Directors

The Articles of Association of the Company require that there shall be a minimum of three and a maximum of 12 Directors. The Company currently has eight Directors.

The details regarding our Board of Directors as on the date of this Red Herring Prospectus are set forth below:

Name, Father's Name, Address, Designation, Occupation and Term	Nationality	Age	Other Directorships/Partnerships
Mr. Gautam S. Adani (S/o Mr. Shantilal B. Adani) *Chairman* *Non-Independent and Non-Executive Director* Address: Shantivan Farm House B/h Karnavati Club Mohemadpura Village Ahmedabad 380 057 Profession: Industrialist Term: Liable to retire by rotation DIN: 00006273	Indian	47	• Adani Energy Limited • Adani Enterprises Limited • Adani Petronet (Dahej) Port Private Limited • Adani Welspun Exploration Limited • Adani Wilmar Limited • Jain International Trade Organisation Limited • Mundra Port and Special Economic Zone Limited ***Partnerships*** • Adani Commodities • Adani Tradelinks
Mr. Rajesh S. Adani (S/o Mr. Shantilal B. Adani) *Managing Director* Address: 14, Suryaja Bungalow Behind Sarathi Restaurant Vastrapur Ahmedabad 380 054 Profession: Industrialist Term: Five years w.e.f. April 1, 2008 DIN: 00006322	Indian	44	• Adani Energy Limited • Adani Enterprises Limited • Adani Power Dahej Limited • Adani Power Maharashtra Limited • Adani Power Rajasthan Limited • Adani Shipyard Private Limited • Adani Wilmar Limited • Baramati Power Private Limited • Columbia Chrome (India) Private Limited • Mundra Port and Special Economic Zone Limited • Mundra Power SEZ Limited • Parsa Kante Collieries Limited • PT Kapuas Coal Mining • Swayam Realtors and Traders Limited ***Partnerships*** • Adani Commodities • Adani Tradelinks

Name, Father's Name, Address, Designation, Occupation and Term	Nationality	Age	Other Directorships/Partnerships
Mr. R K Gupta (S/ o Mr. Ram Sarup Gupta) *Whole-time Director* Address: 102, Ratnam Residency B/h. Fun Republic Satellite, Ahmedabad Profession: Service Term: Two years w.e.f. March 16, 2008 DIN: 0088783	Indian	64	• Adani Power Rajasthan Limited
Mr. Ameet H. Desai (S/o Mr. Hiranyakumar Desai) *Non-Independent and Non-Executive Director* Address: A/403, Pratishtha Apartment Bodakdev Ahmedabad 380 054 Profession: Service Term: Liable to retire by rotation Din: 00007116	Indian	45	• Adani Power Rajasthan Limited • Inland Conware Private Limited • MPSEZ Utilities Private Limited • Mundra Port and Special Economic Zone Limited • Rajasthan SEZ Private Limited • Mundra Power SEZ Limited
Mr. Vijay Ranchan (S/o Mr. Pyarelal Sharma) *Independent Director* Address: Plot No. 131 Sector 8 – C Gandhinagar – 382 008 Profession: Retired Indian Administrative Service Official Term: Liable to retire by rotation DIN: 01602023	Indian	66	• Adani Energy Limited • Shah Pulp and Paper Mills Limited • Usher Agro Limited • Usher Eco Limited

Name, Father's Name, Address, Designation, Occupation and Term	Nationality	Age	Other Directorships/Partnerships
Mr. Surendra Kumar Tuteja (S/o Mr. Lekh Raj Tuteja) *Independent Director* Address: S-307, 2nd Floor Panchsheel Park New Delhi 110 001 Profession: Retired Indian Administrative Service Official Term: Liable to retire by rotation DIN: 00594076	Indian	63	• A2Z Maintenance Engineering Services Private Limited • A2Z Infrastructure Private Limited • A2Z Powercom Private Limited • Abhishek Industries Limited • Axis Private Equity Limited • HMT Limited • Indian Energy Exchange Limited • Mundra Port and Special Economic Zone Limited • National Bulk Handling Corporation Limited • Pegasus Asset Reconstruction Private Limited • Precision Pipes and Profiles Company Limited • Shri Renuka Infraprojects Limited • Shri Renuka Sugars Limited • Small Industries Development Bank of India • Sohrab Spinning Limited • SVIL Mines Limited • Swaraj Mazda Limited • Tiger Cold Chain Private Limited
Mr. B. B. Tandon (S/o Late Mr. Chand Behari Tandon) *Independent Director* Address: J – 238, First Floor Saket New Delhi – 110017 Profession: Retired Indian Administrative Service Official Term: Liable to retire by rotation DIN: 00740511	Indian	67	• Ambuja Cement Foundation • Bhushan Steel Limited • Birla Corporation Limited • Cosmo Ferrites Limited • Exicom Telesystems Limited • Filatex India Limited • Jaiprakash Hydro Power Limited • Jaiprakash Power Ventures Limited • Nagarjuna Fertilizers and Chemicals Limited • Oriental Carbon and Chemicals Limited • Precision Pipes and Profiles Company Limited • Smart Digivision Private Limited • Dhampur Sugar Mills Limited • Vikas Global One Limited • VLS Finance Limited

Name, Father's Name, Address, Designation, Occupation and Term	Nationality	Age	Other Directorships/Partnerships
Mr. Chinubhai R. Shah (S/o Mr. Ramanlal Shah) *Independent Director* Address: 402, Heritage Crescent B/h Prahaladnagar Garden Near Jain Drasar S.G. Highway Ahmedabad 380 051 Profession: Service Term: Liable to retire by rotation DIN: 00558310	Indian	71	• Abellon Clean Energy Limited • Apollo Hospitals International Limited • Arman Lease & Finance Limited • Cadila Pharmaceuticals (Ethiopia) PLC • Cadila Pharmaceuticals Limited • Doshion Limited • G.S.E.C Limited • Gujarat NRE Coke Limited • Gulmohar Greens Golf & Country Club Limited • H.K. Finechem Limited • India Renal Foundation • Meghmani Organics Limited • Nirma Limited • Saline Area Vitalization Enterprise Limited • Shilp Gravures Limited

Two of our Directors, Mr. Gautam S. Adani and Mr. Rajesh S. Adani are brothers. None of the other Directors are related to each other.

Brief Biographies of our Directors

Mr. Gautam S. Adani, is the Chairman and founder of the Adani Group. He has completed his education upto matriculation. Under his leadership, Adani Group has emerged as a diversified conglomerate with interests in international trading, infrastructure development, power generation and distribution, development of special economic zones, gas distribution, trading and business process outsourcing. He has been instrumental in the diversification of the Adani Group into the power sector.

Mr. Rajesh S. Adani is the Managing Director of our Company. He holds a bachelor's degree in commerce from the Gujarat University. Mr. Rajesh S. Adani is the brother of Mr. Gautam S. Adani and is responsible for overall development, control and monitoring the implementation of the power projects, raising of financial resources for the projects and negotiation with suppliers. He is also involved in the management of Adani Enterprises Limited. He has been associated with Adani Enterprises Limited since its incorporation in 1988. He handles the marketing and finance aspects of Adani Enterprises Limited and has been responsible for developing the business relationships of Adani Enterprises Limited.

Mr. R.K. Gupta is a whole-time Director of our Company. He holds a bachelors degree in electrical engineering and has experience in setting up and operation of coal and other fuel based power plants. He has earlier worked as Director (Technical) of Uttar Pradesh Rajya Vidyut Utpadan Nigam Limited and Chairman and Managing Director of Rajasthan Rajya Vidyut Utpadan Nigam Limited. During his career, he has commissioned several power units successfully.

Mr. Ameet H. Desai is a Director of our Company. He holds a bachelor's degree in business administration. Mr. Desai also has a MBA (Finance) from the B.K. School of Management, Ahmedabad. He has experience in the field of corporate finance, projects and mergers and acquisitions. He is also an executive director of Mundra Port and Special Economic Zone Limited. Earlier he was Vice-President (Mergers & Acquisitions and Business Planning) for Ranbaxy Laboratories Limited, where he was instrumental in establishing the merger and acquisition team and facilitating four cross-border acquisitions. He was a team member for a global licensing transaction and also led the divestment of allied business of Ranbaxy Laboratories Limited. He also had the responsibility for business planning function at Ranbaxy Laboratories Limited, besides being a member of various committees including the executive committee. Mr. Desai has also worked at Core Healthcare Limited where he was involved in corporate finance, restructuring and operations.

Mr. Vijay Ranchan is an independent director of our Company. He holds master's degree in arts (English Literature) from Punjab University. He is a retired Indian Administrative Service. He has previously worked for Gujarat Agro Industries Corporation, Gujarat Industrial Investment Corporation, Gujarat Fisheries Central Co-operation Association, Gujarat Industries Power Company Limited, Gujarat State Power Corporation, Gujarat Fisheries Development Corporation, Gujarat Mineral Development Corporation and Gujarat Industrial Development Corporation.

Mr. Surendra Kumar Tuteja is an independent director of our Company. He holds a master's degree in commerce from the Shriram College of Commerce, Delhi and is a qualified company secretary. He is a retired Indian Administrative Service official belonging to the Punjab cadre and has served the Government of India and the Government of Punjab in various capacities. He was the Principal Secretary, Industries and Commerce and Principal Secretary, Finance with the Government of Punjab. He retired as Secretary, Department of Food and Public Distribution, Government of India in 2005. Mr. Tuteja is presently the Chairman of Swaraj Mazda Limited and Abhishek Industries Limited. He was awarded the Dayanand Munjal award in 1992 as "Manager of the Year" by the Ludhiana Management Association.

Mr. B. B. Tandon is an independent director of our Company. He holds a master's degree in arts and LLB degree from Delhi University and is a certified associate of the Indian Institute of Bankers. He has served the Government of India, State Government of Himachal Pradesh and State Electricity Board of Himachal Pradesh. As Principal Secretary (Power) and Chairman, H.P. State Electricity Board, he initiated the policy of private sector participation in the execution of hydel projects in Himachal Pradesh and various projects in the state.

Mr. Chinubhai R. Shah is an independent director of our Company. He has obtained a master's degree in arts from the Gujarat University. He has also acquired a master degree in law with a gold medal from the Gujarat University. He is a fellow member of the Institute of Company Secretaries of India and has been conferred life fellowship of the All India Management Association. He has been the president of the Gujarat Chamber of Commerce and Industry, the All India Management Association and the Institute of Company Secretaries of India.

Remuneration of Directors

The remuneration of the following executive Directors is as per the terms of appointment contained below:

1. **Mr. Rajesh S. Adani**

   Mr. Rajesh S. Adani was appointed as a Managing Director of the Company with effect from April 1, 2008 for a period of five years as approved by the shareholders at the EGM of the Company held on April 25, 2008. Mr. Rajesh S. Adani shall not be paid any remuneration in his capacity as Managing Director of the Company.

   The Company has entered into a Managing Director Agreement dated April 1, 2008 (the "MDA") with Mr. Rajesh S. Adani, whereby he has been appointed as a Managing Director of the Company for a period of five years from April 1, 2008, as approved by the Board of Directors of the Company at its meeting held on March 31, 2008. The MDA may be renewed for a further period of five years upon mutually agreed terms.

   In terms of the MDA, Mr. Rajesh S. Adani as the Managing Director of the Company shall carry out such duties and functions, and exercise such powers as may be assigned to him by the Board of Directors. Mr. Rajesh S. Adani, in his capacity as Managing Director of the Company, shall be subject to the superintendence, control and directions of the Board of Directors. The Board of Directors have, subject to the Companies Act, vested various powers in the Managing Director, including:

   (i) To manage, conduct and transact all the business, affairs and operations of the Company including power to enter into and sign contracts and to vary and rescind them;

   (ii) To sign and / or execute, present for registration, on behalf of the Company all deeds, instruments, contracts, cheques, bills of exchanges, drafts, and all other documents including mercantile documents.

   (iii) To institute, defend, prosecute, conduct, compound or compromise legal and arbitration proceedings, claims and disputes by or against the Company or in which the Company may be concerned or interested.

   (iv) To convene meetings of the Board of Directors, committees, sub committees of Directors of the Company, if any, and the ordinary or extra-ordinary general meetings of the shareholders;

(v) To purchase, sell or otherwise acquire or alienate all the properties of the Company;

(vi) To borrow money for the purpose of business of the Company subject to approval of the Company under Section 293 (1) (d) of the Companies Act, 1956 and within the ceiling specified by the Board of Directors from time to time;

(vii) In terms of Section 292 and other applicable provisions of the Companies Act, 1956, to invest in any security of any entities including entities carrying business of power, power plant in SEZs and other infrastructure facilities and to subscribe in equity shares for incorporation of new subsidiary companies upto the maximum limit of Rs. 500 crores.

2. Mr. R. K. Gupta

Mr. R. K. Gupta was appointed as a Whole Time Director of the Company with effect from March 16, 2008 for a period of two years at remuneration of Rs. 0.35 million per month (excluding contribution to provident fund and gratuity), as approved by the shareholders at the EGM of the Company held on April 25, 2008.

Shareholding of the Directors

The Articles of Association do not require our Directors to hold any qualification Shares. The following table details the shareholding of the Directors as at the date of this Red Herring Prospectus:

Name of the Director	No. of Equity Shares held
Mr. Ameet H. Desai*	75,000
Mr. R.K. Gupta	6,000
Mr. Vijay Ranchan	5,000
Mr. Surendra Kumar Tuteja	5,000
Mr. B.B. Tandon	5,000
Mr. Chinubhai R. Shah	5,000

**Including relatives*

Interests of Directors

All of our Directors may be deemed to be interested to the extent of fees payable to them if any, for attending meetings of the Board or a committee thereof as well as to the extent of other remuneration and reimbursement of expenses payable to them, if any under our Articles of Association, and to the extent of remuneration paid to them, if any for services rendered as an officer or employee of our Company.

Our Directors may also be regarded as interested in the Equity Shares, if any, held by them or by the companies/ firms/ventures promoted by them or that may be subscribed by or allotted to the companies, firms, trusts, in which they are interested as Directors, members, partners, trustees and Promoters, pursuant to this Issue. All of our Directors may also be deemed to be interested to the extent of any dividend payable to them and other distributions in respect of the said Equity Shares.

Our Directors have no interest in any property acquired by our Company within two years of the date of this Red Herring Prospectus.

Except as stated in the section titled "Related Party Transactions" on page 229 of this Red Herring Prospectus, the Directors do not have any other interest in the business of the Company.

Changes in our Board of Directors in the last three years

The changes in our Board of Directors during the last three years are as follows:

Name	Date of Change	Reason
Mr. B. B. Tandon	January 4, 2007	Appointed
Mr. Ravjibhai Patel	April 19, 2007	Resigned
Mr. Rajesh Adani	June 12, 2007	Appointed
Mr. Anil Ahuja	October 1, 2007	Appointed
Mr. Sanjay Gupta	December 12, 2007	Resigned
Mr. S. K Tuteja	September 17, 2007	Appointed
Mr. Vijay Ranchan	December 12, 2007	Appointed
Mr. Pradeep Mittal	March 31, 2008	Resigned
Mr. R.K. Madan	March 31, 2008	Resigned
Mr. Chinubhai R. Shah	April 25, 2008	Appointed
Mr. Anil Ahuja	April 30, 2008	Resigned

Corporate Governance

The Company has complied with the requirements of the applicable regulations, including the listing agreement to be entered in to with the Stock Exchanges and the SEBI Guidelines, in respect of corporate governance including constitution of the Board and Committees thereof. The corporate governance framework is based on an effective independent Board, separation of the Board's supervisory role from the executive management team and constitution of the Board Committees, as required under law.

The Company has a Board constituted in compliance with the Companies Act and listing agreement to be entered in to with the Stock Exchanges and in accordance with best practices in corporate governance. The Board functions either as a full Board or through various committees constituted to oversee specific operational areas. Our executive management provides the Board detailed reports on its performance periodically.

Currently, the Board of Directors has eight Directors and the Chairman of the Board of Directors is a non-executive director. In compliance with the requirements of Clause 49 of the equity listing agreement, the Company has two executive Directors and two non-executive directors, including four independent directors, on its Board of Directors. Further, four directors on the Board of Directors are independent directors, in accordance with and in compliance of Clause 49 of the equity listing agreement.

Committees of the Board

Audit Committee

The members of the Audit Committee are:

1. Mr. S. K. Tuteja, Chairman
2. Mr. B. B. Tandon
3. Mr. Chinubhai R. Shah
4. Mr. Ameet H. Desai

The Audit Committee was constituted by a meeting of the Board of Directors held on March 15, 2006. The Audit Committee was, subsequently reconstituted by a meeting of the Board of Directors on March 31, 2008 and its terms of reference were expanded to include the following:

1. Overseeing the Company's financial reporting process and disclosure of its financial information.
2. Recommending to the Board the appointment, re-appointment, and replacement of the statutory auditor and the fixation of audit fee.
3. Approval of payments to the statutory auditors for any other services rendered by them.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
   i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956;

ii. Changes, if any, in accounting policies and practices and reasons for the same;

iii. Major accounting entries involving estimates based on the exercise of judgment by management;

iv. Significant adjustments made in the financial statements arising out of audit findings;

v. Compliance with listing and other legal requirements relating to financial statements;

vi. Disclosure of any related party transactions; and

vii. Qualifications in the draft audit report.

5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.
6. Reviewing, with the management, the performance of statutory and internal auditors, and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors any significant findings and follow up thereon.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
12. Reviewing the functioning of the whistle blower mechanism, in case the same is existing.
13. Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters/ letters of internal control weaknesses issued by the statutory auditors, internal audit reports relating to internal control weaknesses, and the appointment, removal and terms of remuneration of the chief internal auditor.
14. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

The powers of the Audit Committee shall include the power:

1. to investigate activity within its terms of reference;
2. to seek information from any employees;
3. to obtain outside legal or other professional advice; and
4. to secure attendance of outsiders with relevant expertise, if it considers necessary.

The Audit Committee shall mandatorily review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. statement of significant related party transactions;
3. Internal Audit reports relating to internal control weaknesses;
4. the appointment, removal and terms of remuneration of the Chief Internal Auditor; and
5. review of the financial statements of the unlisted subsidiary Company(ies), in particular, the investments made by them, if any.

The scope and function of the Audit Committee are in accordance with Section 292A of the Companies Act and Clause 49 of the Listing Agreement.

Remuneration Committee

The Remuneration Committee was constituted by a meeting of the Board of Directors held on March 15, 2006. The Remuneration Committee was, subsequently reconstituted by a meeting of the Board of Directors on March 31, 2008. The members of the Remuneration Committee are:

1. Mr. B. B. Tandon, Chairman
2. Mr. Gautam S. Adani
3. Mr. S.K. Tuteja
4. Mr. Vijay Ranchan

The terms of reference of the Remuneration Committee are as follows:

1. Framing suitable policies and systems to ensure that there is no violation, by an Employee or the Company of any applicable laws in India or overseas, including:
   a. The Securities and Exchange Board of India (Insider Trading) Regulations, 1992; or
   b. The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 1995.
2. Determine on behalf of the Board and the shareholders the company's policy on specific remuneration packages for executive directors including pension rights and any compensation payments.
3. Perform such functions as required to be performed by the Remuneration Committee under Clause 5 of the SEBI (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999.
4. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.

Shareholders'/Investors' Grievances and Share Transfer Committee

The Shareholders/ Investors' Grievance Committee was constituted by a meeting of the Board of Directors held on December 12, 2007. The Shareholders/ Investors' Grievance Committee was, subsequently reconstituted by a meeting of the Board of Directors on May 27, 2008. The members of the Shareholders'/Investors' Share Transfer Grievance Committee are:

1. Mr. Vijay Ranchan, Chairman
2. Mr. Rajesh Adani
3. Mr. Chinubhai R. Shah
4. Mr. Ameet H. Desai

This Committee was constituted to carry out such functions for the redressal of shareholders' and investors' complaints, including but not limited to, transfer of shares, non-receipt of balance sheet, non-receipt of dividends, and any other grievance that a shareholder or investor of the Company may have against the Company.

The terms of reference of the Investor Grievance Committee are as follows:

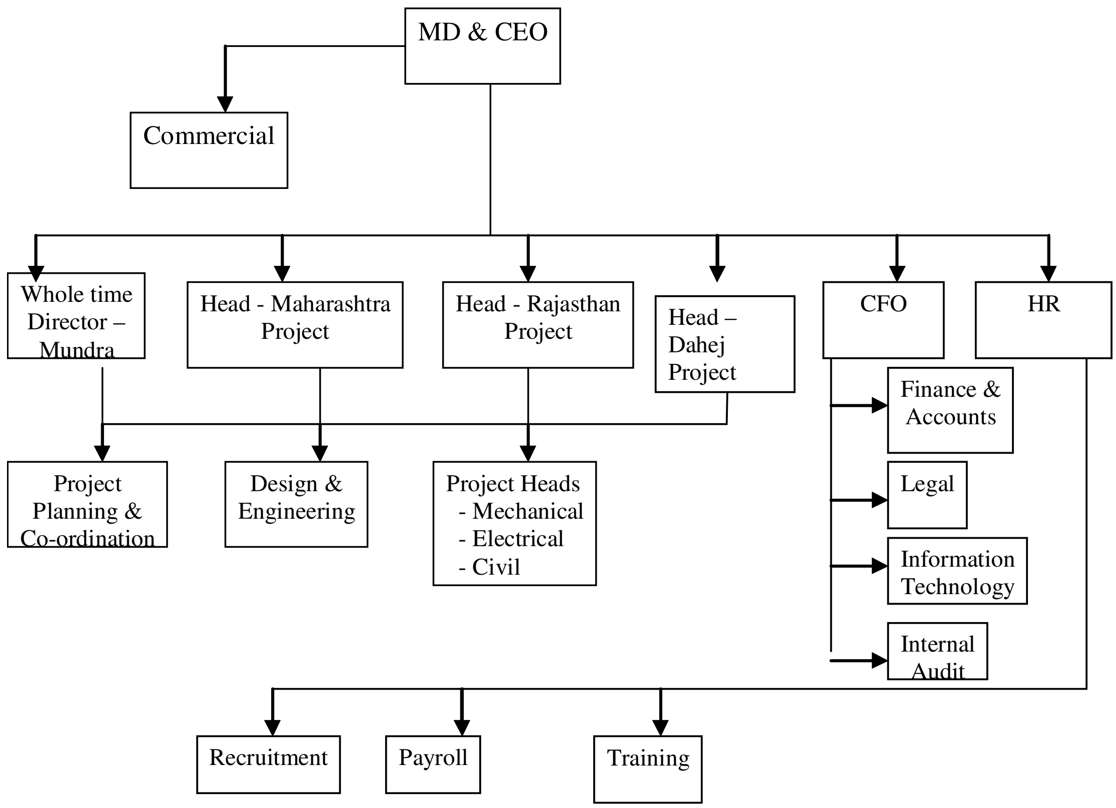
1. Investor relations and redressal of shareholders grievances in general and relating to non receipt of dividends, interest, non- receipt of balance sheet etc.
2. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee.
3. To approve request received for transfer, transmission, demat etc. of securities of the Company.

Borrowing Powers of our Board

In terms of our Articles of Association, the Board may, from time to time, at its discretion by a resolution passed at its meeting raise or borrow or secure the payment of any sum or sums of money for the purposes of the Company. However, if the moneys sought to be borrowed together with the moneys already borrowed (apart from temporary loans obtained from the Company's bankers in the ordinary course of business) should exceed the aggregate of the paid-up capital of the Company and its free reserves (not being reserves set apart for any specific purpose), the Board is required to obtain the consent of the Company in general meeting prior to undertaking such borrowing.

Pursuant to an EGM Resolution dated April 25, 2008 by the shareholders of the Company in accordance with the provisions of the Companies Act, 1956, the Board has been authorized to borrow moneys (apart from temporary loans obtained from the bankers of the Company in ordinary course of business) from banks, financial institutions, NBFCs etc., from time to time, for the purpose of Company's business upto an aggregate amount of Rs. 200,000 million.

Organisation chart of the Company



Key Management Personnel

In addition to our executive Directors, provided below are the key managerial employees of the Company. For details relating to the profiles of Mr. Rajesh S. Adani and Mr. R.K. Gupta, please see the section titled "Our Management - Brief Biographies of Our Directors" beginning on page 144 of this Red Herring Prospectus.

All our key managerial personnel are employed with the Company. Our Subsidiaries have limited employees at this stage and they rely on our employees for several key functions, including finance, secretarial, project management and others.

Mr. Subrato Trivedi, aged 59 years, is President (Projects). He holds a bachelor's degree in engineering (mechanical) from the Ravishankar University. He joined the Company on August 13, 2007. He has experience in the setting up and operating large power projects. Prior to joining the Company us, he has worked as Executive Director - ER with NTPC. He has been involved in power projects implementation of the Company. For fiscal 2009, Mr. Trivedi was paid a gross compensation of Rs. 4.50 million.

Mr. Om Prakash Kalia, aged 60 years, is Sr. Vice-President (Engineering). He holds a master's degree (Mechanical) from P. F. University, Moscow. Mr. Kalia joined the Company on August 25, 2007. He has experience in power plant engineering, tender evaluation, award recommendation and review engineering in coal, oil and gas based power plants. Prior to joining the Company, Mr. Kalia has worked with Reliance Energy Limited, NTPC and Bharat Heavy

Engineering Limited. He has been involved in implementation of power projects of the Company. For fiscal 2009, Mr. Kalia was paid a gross compensation of Rs. 4.99 million.

Mr. Vineet Jain, aged 38 years, is Sr. Vice-President (Techno Commercial & Business Development). He holds a bachelor's degree in engineering (mechanical) from Government College, Haryana. Mr. Jain joined the Company on December 4, 2006. He has experience in planning and execution of power projects including business development, project planning, monitoring, cost control measures, finalisation of EPC contracts and preparation of techno-economic feasibility report of power projects. Prior to joining the Company, he has worked with Jindal Steel & Power Limited. For fiscal 2009, Mr. Jain was paid a gross compensation of Rs. 3.76 million.

Mr. K. Venugopal, aged 43 years, is the Sr. Vice President (Finance). He holds a bachelor's degree in commerce from the A.P. Residential College, Nagarjuna Sagar and a master's of business administration (finance) degree from the Department of Commercial and Management Studies, Andhra University. Mr. Venugopal joined the Company on April 1, 2008. He has experience in the field of audit, accounting and finance. Prior to joining the Company, he has worked with Mundra Port and Special Economic Zone Limited, Adani Enterprises Limited, Sanghi Group, Shriram Industrial Enterprises Limited and Unicorn Organics Limited. He has been involved in various functions such as finance & accounts, strategic planning, mergers, business hive-offs, corporate finance, GDRs, ECA / ECBs, Bonds and Securitization of receivables. For fiscal 2009, Mr. Venugopal was paid a gross compensation of Rs. 4.37 million.

Mr. Omprakash Bhardwaj, aged 61 years, is Head of Civil Department (APL). He holds Diploma in Civil Engineering from Board of Technical Education of Haryana and AMIE Civil Engineering from Institution of Engineers - Calcutta. Mr. Bhardwaj joined the Company on April 1, 2008. He has experience in tendering and execution of works at thermal power projects, piling work in soil and rocky area and dredging work, safety plan, methodical statement for different activities, document control system and schedule for completion of civil jobs. Prior to joining the Company, he has worked with various organisations such as Hindustan Prefab Limited, National Corporation, Delta Group, Dongyong Private Limited, Cement Gypsum Products Company SAOG, Punj Loyd Limited. For fiscal 2009, Mr. Bhardwaj was paid a gross compensation of Rs. 4.10 million.

Mr. V. N. Bhamidipati, aged 60 years, is Sr. Vice President (Operation Services). He holds Bachelor's degree in engineering (Mechanical) from Mysore University, Masters degree in engineering (Mechanical) from Wichita State University (USA), MBA from North west Missouri State University (USA) and diploma in Senior Project Management from American Management Association. Mr. Bhamidipati, joined the Company on October 10, 2008. He has experience in developing co-generation projects, managed EPC based contracts and energy bidding process, successfully negotiated large international fuel contracts (oil and coal) from Venezuela, involved in developing/ using project financial models by Goldman Sachs and prepared and reviewed capital and O&M budgets and identified staffing requirements. Prior to joining the Company, he has worked with various organisations such as Progress Energy, Atlantic Energy/ Conectiv/ Potomac Electric Co and Stone & Webster Engineering. For fiscal 2009, Mr. Bhamidipati was paid a gross compensation of Rs. 1.19 million.

Mr. Ajay Kumar Gupta, aged 46 years, is Sr. Vice President (HVDC & Substation). He holds a Master's degree from Indian Institute of Technology, Delhi. He joined the company on April 7, 2008. He has an experience in sales, marketing, business acquisition, project execution. Prior to joining our company he has worked as General Manager with Siemens Limited. For fiscal 2009, Mr. Gupta was paid a gross compensation of Rs. 3.13 million.

Mr. Deepak Bhargava, aged 53 years, is Senior Vice President (Construction-Transmission lines). He holds a Bachelor's degree in engineering (electrical) from University of Jodhpur. He joined the company on June 4, 2009. He has an experience in construction and commissioning of substations, all activities related to line construction & contract handling with reputed contractors, erection and commissioning of transformers & stunt reactor. Prior to joining our company he worked as General Manager with KEC International Limited. He was not paid any compensation for fiscal 2009 as he joined in fiscal 2010.

Mr. Rahul C. Shah, aged 31 years, is the Company Secretary and Compliance Officer. He holds a bachelor's degree in commerce and bachelor's degree in law from the Gujarat University. Mr. Shah is a member of the Institute of Company Secretaries of India. Mr. Shah joined the Company on February 1, 2009. He has experience in handling initial public issue, private equity placements, mergers and acquisitions, structured finance, secretarial and legal matters. Prior to joining the Company, Mr. Shah has worked with Mundra Port and Special Economic Zone Limited and Vivro Financial Services Private Limited. For fiscal 2009, Mr. Shah was paid a gross compensation of Rs. 0.15 million.

All key managerial personnel are permanent employees of the Company and are not related to our individual Promoters.

Shareholding of Key Management Personnel

The following table details the shareholding of the Key Management Personnel as at the date of this Red Herring Prospectus:

Name of the Director	No. Equity Shares held
Mr. Subrato Trivedi	1,000
Mr. Om Prakash Kalia	3,000
Mr. Vineet Jain	5,000
Mr. K. Venugopal	6,000
Mr. Omprakash Bhardwaj	10,000
Mr. V.N. Bhamidipati	20,000
Mr. Rahul C. Shah	1,000

Bonus or profit sharing plan of the Key Management Personnel

Our Company does not have a performance linked bonus or a profit sharing plan for the Key Management Personnel.

Interests of Key Management Personnel

The key management personnel of our Company do not have any interest in our Company other than to the extent of the remuneration or benefits to which they are entitled to as per their terms of appointment, reimbursement of expenses incurred by them during the ordinary course of business and to the extent of Equity Shares held by them.

None of our key management personnel have been paid any consideration of any nature from our Company, other than their remuneration.

Changes in the Key Management Personnel

The changes in the key management personnel in the last three years are as follows:

Name of the Key Management Person	Date	Reason for Change
Mr. Vineet Jain	December 4, 2006	Appointed
Mr. Keshav Saran	July 2, 2007	Appointed
Mr. Subrato Trivedi	August 13, 2007	Appointed
Mr. Om Prakash Kalia	August 25, 2007	Appointed
Mr. K. Venugopal	April 1, 2008	Appointed
Mr. Keshav Saran	June 30, 2008	Resigned
Mr. Omprakash Bhardwaj	April 1, 2008	Appointed
Mr. Ajay Kumar Gupta	April 7, 2008	Appointed
Mr. V. N. Bhamidipati	October 10, 2008	Appointed
Mr. Rahul C. Shah	February 1, 2009	Appointed
Mr. Deepak Bhargava	June 4, 2009	Appointed

OUR PROMOTERS

Our Promoters are as follows:

1. Mr. Gautam S. Adani
2. Mr. Rajesh S. Adani
3. Adani Enterprises Limited

Our Individual Promoters

Mr. Gautam S. Adani is the non-executive Chairman of our Company. He is a resident Indian national. For further details, see the section titled "Our Management" on page 141 of this Red Herring Prospectus. His driving license number is GJ01/805843/01and his voter identification number LPZ4089314.

Mr. Rajesh S. Adani is the Managing Director of our Company. He is a resident Indian national. For further details, see the section titled "Our Management" on page 141 of this Red Herring Prospectus. His driving license number is 01-404400-00 and his voter identification number is LBR6827703.

Our Company undertakes that the details of the PAN, Bank Account Numbers, and Passport Numbers of our Promoters will be submitted to the stock exchanges at the time of filing the Red Herring Prospectus with the Stock Exchanges.

For more details of Mr. Gautam S. Adani and Mr. Rajesh S. Adani, please see the section titled "Our Management – Board of Directors" on page 141 of this Red Herring Prospectus.

Our Corporate Promoters

Adani Enterprises Limited

Corporate Information

Adani Enterprises Limited ("AEL") was incorporated under the Companies Act on March 2, 1993 as Adani Exports Limited. Its name was subsequently changed to Adani Enterprises Limited on August 10, 2006.

AEL is engaged in the business of trading in goods, import and export of goods, carrying out mining activities, and acquisition of land, other property and real estate for developmental activities.

Registered Office

The registered office of AEL is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The Board of Directors of AEL comprises of:

1. Mr. Gautam S. Adani

2. Mr. Rajesh S. Adani
3. Mr. Vasant S. Adani
4. Dr. A.C. Shah
5. Dr. Pravin P. Shah
6. Mr. Jay H. Shah
7. Mr. Yoshihiro Miwa
8. Mr. Anil Ahuja
9. Mr. Tatsuo Fuke (Alternate director to Mr. Yoshihiro Miwa)

Shareholding Pattern

The shareholding pattern of AEL as on March 31, 2009 is as follows:

Name of the shareholders	**Number of equity shares held**	**%**
Promoters and Promoter Group		
Mr. Rajesh S. Adani/Ms. Shilin R. Adani (on behalf Rajesh S. Adani Family Trust)	1,100,000	0.45
Ms. Pushpa V. Adani/Mr. Vasant S. Adani (on behalf Vasant S. Adani Family Trust)	500,000	0.20
Mr. Gautam S. Adani/Ms. Priti G. Adani (on behalf Gautam S. Adani Family Trust)	5,000,000	2.03
Mr. Mahasukh S. Adani/Ms. Suvarna M. Adani (on behalf Mahasukh S. Adani Family Trust)	3,200,000	1.30
Ms. Suvarna M. Adani/Mr. Mahasukh S. Adani (on behalf Mahasukh S. Adani Family Trust)	1,074,000	0.44
Ms. Shilin R. Adani/Mr. Rajesh S. Adani (on behalf Rajesh S. Adani Family Trust)	2,900,000	1.18
Mr. Vinod S. Adani/Ms. Ranjan V. Adani (on behalf Vinod S. Adani Family Trust)	6,800,000	2.76
Mr. Gautam S. Adani/Mr. Rajesh S. Adani (on behalf S. B. Adani Family Trust)	119,577,500	48.49
Mr. Pranav V. Adani (On behalf of Inter Continental (India))	15,822,691	6.42
Mr. Pranav V. Adani (On behalf of Advance Investment)	11,980,000	4.86
Ms. Priti G. Adani (on behalf of Adani Investment)	1,844,000	0.75
Adani Agro Private Limited	14,513,500	5.89
Mr. Bhavik B. Shah	16,000	0.01
Mr. Rakesh R. Shah	277,540	0.11
Ms. Surekha B. Shah	16,000	0.01
Ms. Priti R. Shah	98,000	0.04
Mr. Vinod N. Sanghvi	8,000	0.00
Sub Total (A)	**184,727,231**	**74.91**

Name of the shareholders	Number of equity shares held	%
Institutional Investors		
Mutual Funds / UTI	3,051,406	1.24
Banks, Financial Institutions, Insurance Companies	3,945	0.00
Foreign Institutional Investors	32,633,669	13.23
Sub Total (B)	**35,689,020**	**14.47**
Others		
Private Corporate Bodies	3,894,216	1.58
Indian Public	10,123,604	4.10
NRIs/OCBs	12,004,114	4.87
Foreign National	5,000	0.00
Shares in Transit	**165,991**	**0.07**
Sub Total (C)	**26,192,924**	**10.62**
Total (A+B+C)	**246,609,175**	**100.00**

There has been no change of management or control of AEL. For details of AEL, Gautam S. Adani and Rajesh S. Adani, please see section titled "Our Promoters" on page 153 and "Our Management" on page 141, of this Red Herring Prospectus.

Financial Performance

The summary audited financials of AEL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	**March 31, 2007**	**March 31, 2006**
Equity Capital	246.50	246.50	226.20
Reserves (excluding revaluation reserves) and surplus	13,130.10	10,195.30	7,478.10
Income (including other income)	116,246.10	101,556.60	93,392.80
Profit After Tax	3,120.70	1,506.90	1,183.40
Earning Per Share (face value Rs. 1 each) (in Rs.)	11.92	5.35	4.89
Net asset value per share (in Rs.)	54.27	42.36	34.06

AEL has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

Share Price Information

The equity shares of Adani Enterprises Limited are listed on BSE and NSE.

The monthly high and low of the closing market price of the equity shares of AEL having a face value of Re. 1 each on BSE for the last six months are as follows:

Month	High (Rs.)	Low (Rs.)
June 2009	824.10	675.25
May 2009	676.65	424.15
April 2009	444.00	279.40
March 2009	267.65	243.25
February 2009	274.85	244.60
January 2009	358.05	283.05

(Source: www.bseindia.com)

The monthly high and low of the closing market price of the equity shares of AEL having a face value of Re. 1 each on NSE for the last six months are as follows:

Month	High (Rs.)	Low (Rs.)
June 2009	828.70	673.85
May 2009	674.95	424.30
April 2009	443.85	279.75
March 2009	267.65	243.25
February 2009	275.50	244.70
January 2009	357.20	283.25

(Source: www.nse-india.com)

The market capitalisation of AEL based on the closing price of Rs. 819.00 per equity share on the BSE as on June 30, 2009 was Rs. 201,972.77 million.

The market capitalisation of AEL based on the closing price of Rs. 820.30 per equity share on the NSE as on June 30, 2009 was Rs. 202,293.36 million.

The equity shares of AEL were de-listed from the Ahmedabad Stock Exchange w.e.f. December 20, 2007.

Other details relating to AEL

PAN	AABCA2804L
Bank Account Details	Axis Bank Limited ”Trishul” Opposite Samarteshwar Temple Law Garden Branch Ellisbridge, Ahmedabad 380 006 Phone: (91 79) 6630 6102 Fax: (91 79) 6630 6109 Account Number: 003010200000380
Registration Number (Company Identification Number)	L51100GJ1993PLC019067
Address of RoC	ROC Bhavan Opposite Rupal Park Society Near Ankur Bus Stand Naranpura Ahmedabad 380 013 Tel: (91 79) 2743 8531 Fax: (91 79) 2743 8371

The Company confirms that the permanent account number, bank account number, company registration number and the address of the Registrar of Companies where AEL is registered shall be submitted to BSE and NSE at the time of filing the Red Herring Prospectus with them. Further, AEL has confirmed that it has not been detained as wilful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by it in the past or are pending against it, except as disclosed in the section titled "Outstanding Litigation and Material Developments" on page 343 of this Red Herring Prospectus.

Details of past public/ rights issues

The initial public offering of equity shares of AEL having a face value of Rs. 10 each took place in November 1994. A total of 1,261,900 equity shares were issued as part of the initial public offering and the issue price was Rs. 150 per equity share.

The objects of the issue were as follows:

- To augment the long term working capital requirements;
- To get the equity shares listed on the stock exchanges; and
- To meet the expenses of the issue.

AEL has utilized the net proceeds arising out of the Issue for the stated objects.

Mechanism for redressal of investor grievance

The Board of Directors of AEL has constituted a shareholder/investor grievance committee to deal with various matters relating to redressal of investors grievances. AEL has also entered into an agreement with the Pinnacle Shares Registry Private Limited to handle all investor grievances under the overall supervision of the investor grievance committee of AEL.

Investor grievances are usually resolved within an average period of 15 days from the date of its receipt.

As at March 31, 2009, AEL has no outstanding complaints from the shareholders regarding change of address, non receipt of dividend warrants, non receipts of balance sheet, etc

Interests of Promoters and Common Pursuits

The aforementioned Promoters of our Company are interested to the extent of their shareholding in us. Further, our Promoters who are also the Directors of our Company may be deemed to be interested to the extent of fees, if any, payable to them for attending meetings of the Board or a Committee thereof as well as to the extent of other remuneration, reimbursement of expenses payable to them.

Further, our individual Promoters are also directors on the boards of or members of certain Promoter Group entities and they may be deemed to be interested to the extent of the payments made by our Company, if any, to these Promoter Group entities. For further details, please refer to the section titled "Our Promoter Group" on page 158 of this Red Herring Prospectus. For the payments that are made by our Company to certain Promoter Group entities, please refer to the section titled "Related Party Transactions" on page 229 of this Red Herring Prospectus.

Except as stated otherwise in this Red Herring Prospectus, the Company has not entered into any contract, agreements or arrangements during the preceding two years from the date of this Prospectus in which the Promoters are directly or indirectly interested and no payments have been made to them in respect of the contracts, agreements or arrangements which are proposed to be made with them including the properties purchased by our Company other than in the normal course of business.

Further, except as disclosed in the sections titled "Our Promoter Group" on page 158 of this Red Herring Prospectus, our Promoters do not have any interest in any venture that is involved in any activities similar to those conducted by us.

Payment of benefits to our Promoters

Except as stated in the section titled "Related Party Transactions" on page 229 of this Red Herring Prospectus, there has been no payment of benefits to our Promoters during the two years prior to the filing of this Prospectus.

Confirmations

Further, none of our Promoters has been declared as a wilful defaulter by the RBI or any other governmental authority and there are no violations of securities laws committed by the Promoters in the past or are pending against them except as disclosed in section titled "Outstanding Litigation and Material Developments" beginning on page 343 of this Red Herring Prospectus.

Companies with which the Promoters have disassociated in the last three years

AEL has disassociated from Advantage Retail Limited as it was sold off to Reliance Retail Limited.

OUR PROMOTER GROUP

Apart from our Promoters, the following companies and individuals constitute our Promoter Group:

Relatives of Promoters

The natural persons who are part of our Promoter Group (due to their relationship with our Promoters), other than the Promoters named above are as follows:

Name of the Person	Relationship
Ms. Priti G. Adani	Wife of Mr. Gautam S. Adani
Ms. Shilin R. Adani	Wife of Mr. Rajesh S. Adani
Mr. Shantilal B. Adani	Father of Mr. Gautam S. Adani and Mr. Rajesh S. Adani
Ms. Shantaben S. Adani	Mother of Mr. Gautam S. Adani and Mr. Rajesh S. Adani
Mr. Mahasukh S. Adani	Brother of Mr. Gautam S. Adani and Mr. Rajesh S. Adani
Mr. Vasant S. Adani	Brother of Mr. Gautam S. Adani and Mr. Rajesh S. Adani
Mr. Vinod S. Adani	Brother of Mr. Gautam S. Adani and Mr. Rajesh S. Adani
Ms. Surekha Shah	Sister of Mr. Gautam S. Adani and Mr. Rajesh S. Adani
Ms. Priti Shah	Sister of Mr. Gautam S. Adani and Mr. Rajesh S. Adani
Ms. Sharmishta Sanghavi	Sister of Mr. Gautam S. Adani and Mr. Rajesh S. Adani
Mr. Karan G. Adani	Son of Mr. Gautam S. Adani
Mr. Jeet G. Adani	Son of Mr. Gautam S. Adani
Mr. Sagar R. Adani	Son of Mr. Rajesh S. Adani
Ms. Rahi R. Adani	Daughter of Mr. Rajesh S. Adani
Ms. Vanshi R. Adani	Daughter of Mr. Rajesh S. Adani

Entities forming part of the Promoters Group

Sr. No.	Name of the Company
1.	Aaloka Real Estate Private Limited
2.	Adani Agri Fresh Limited
3.	Adani Agri Logistics Limited
4.	Adani Agro Private Limited
5.	Adani Developers Private Limited
6.	Adani Energy Limited
7.	Adani Estate Private Limited
8.	Adani Global FZE
9.	Adani Global Limited
10.	Adani Global PTE Limited
11.	Adani Infrastructure and Developers Private Limited
12.	Adani Infrastructure Services Private Limited
13.	Adani Land Developers Private Limited
14.	Adani Landscapes Private Limited
15.	Adani Mining Private Limited
16.	Adani Mundra SEZ Infrastructure Private Limited
17.	Adani Petronet (Dahej) Port Private Limited

Sr. No.	Name of the Company
18.	Adani Properties Private Limited
19.	Adani Retail Private Limited
20.	Adani Shipping PTE Limited
21.	Adani Shipyard Private Limited
22.	Adani Virginia, Inc.
23.	Adani Welspun Exploration Limited
24.	Adani Wilmar Limited
25.	Assets Trade & Investments Private Limited
26.	B2B India Private Limited
27.	Belvedere Golf and Country Club Private Limited
28.	Chemoil Adani Private Limited
29.	Chemoil Adani PTE Limited
30.	Columbia Chrome (India) Private Limited
31.	Concord Trade and Investment Private Limited
32.	Inland Conware Private Limited
33.	Jade Agri Land Private Limited
34.	Jade Agricultural Company Private Limited
35.	Jade Food & Properties Private Limited
36.	Karnavati Aviation Private Limited
37.	Lushgreen Landscapes Private Limited
38.	Miraj Impex Private Limited
39.	MPSEZ Utilities Private Limited
40.	Mundra Port and Special Economic Zone Limited
41.	Mundra SEZ Textile and Apparel Park Limited
42.	Natural Growers Private Limited
43.	Panchdhara Agro Farms Private Limited
44.	Parsa Kante Collieries Limited
45.	Pride Trade and Investment Private Limited
46.	PT Adani Global
47.	PT Kapuas Coal Mining
48.	Radiant Trade and Investment Private Limited
49.	Rajasthan SEZ Private Limited
50.	Rajendra Agri Trade Private Limited
51.	Rohit Agri Trade Private Limited
52.	Shantigram Estate Management Private Limited
53.	Shantigram Utility Services Private Limited
54.	Shantikrupa Estates Private Limited
55.	Shantikrupa Services Private Limited
56.	Sunanda Agri Trade Private Limited
57.	Swayam Realtors and Traders Private Limited
58.	Trident Trade and Investment Private Limited
59.	Ventura Power Investment Private Limited
60.	Ventura Trade and Investment Private Limited
61.	Vishakha Polyfab Private Limited

Sr. No.	Name of the Partnership/Sole Proprietorship Firm
1.	Adani Exports
2.	Adani Textiles Industries
3.	Ezy Global
4.	Shanti Builders

Sr. No.	Name of the Trust
1.	Gautambhai S. Adani Family Trust
2.	Mahasukh S. Adani Family Trust
3.	Rajeshbhai S. Adani Family Trust
4.	Shantilal Bhudarmal Adani Family Trust
5.	Vasant S. Adani Family Trust
6.	Vinod S. Adani Family Trust

Sr. No.	Name of the HUF
1.	Gautambhai S. Adani HUF
2.	Mahasukh S. Adani HUF
3.	Rajeshbhai S. Adani HUF
4.	Vasant S. Adani HUF
5.	Vinod S. Adani HUF

We have not included certain immediate relatives of spouses of the Company's individual Promoters i.e. certain immediate relatives of Ms. Priti G. Adani and Ms. Shilin R. Adani as Promoter Group entities. Further, we have also not included any details of any of the entities in which such immediate relatives of Ms. Priti G. Adani and Ms. Shilin R. Adani may be interested as a promoter or a partner. The information pertaining to such persons is not available with us as such persons neither have any direct or indirect interest in us nor exercise any control over us. Similarly, we do not have any direct or indirect interest in any such entity nor exercise control over such entity.

1. **Aaloka Real Estate Private Limited**

Corporate Information

Aaloka Real Estate Private Limited ("AREPL") was incorporated under the Companies Act on July 20, 1999. The business of AREPL is to erect, construct houses, pull down, rebuild, enlarge, alter and improve houses, building of works of all kinds on any land or property and for roads, street, squares, gardens and other convenience.

Registered Office

The registered office of AREPL is located at 601, 6th Floor, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Government Colony, Bandra (East), Mumbai 400 051.

Board of Directors

1. Mr. Pranav V. Adani
2. Mr. Devang Desai
3. Mr. Juvenil Jani

Shareholding Pattern

The shareholding pattern of AREPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (Rs. 100 per share)	Percentage
1.	Adani Infrastructure and Developers Private Limited (AIDPL)	5,000	100.00
	Total	**5,000**	**100.00**

Financial Performance

The summary audited financials of AREPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	**For the year ended**		
	March 31, 2008	**March 31, 2007**	**March 31, 2006**
Equity Capital	0.10	0.10	0.10
Reserves (excluding revaluation reserves) and surplus	(1.98)	(0.54)	(0.47)
Income	5.53	0.00	0.00
Profit/(Loss) After Tax	(1.44)	(0.07)	(0.11)
Earning Per Share (face value Rs. 10)	(1,444.37)	(72.06)	(135.12)
Net asset value per share*	(1,881.29)	(437.26)	(365.53)

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

AREPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

2. **Adani Agri Fresh Limited**

Corporate Information

Adani Agri Fresh Limited ("AAFL") was incorporated under the Companies Act on December 14, 2004. AAFL is engaged in the business of establishing, constructing, building, equipping, owning and maintaining and to carry on the business as keepers of cold storages, strong chambers, ice plants, godowns, warehouse, refrigerators, freezing house and room coolers etc.

Registered Office

The registered office of AAFL is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat.

Board of Directors

The board of directors of AAFL comprises of:

1. Mr. Pranav V. Adani
2. Mr. Atul Chaturvedi
3. Mr. Sameer Vora

Shareholding Pattern

The shareholding pattern of AAFL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Enterprises Limited*	45,610,000	100.00
	Total	**45,610,000**	**100.00**

**This includes 60 equity shares of AAFL held by the nominees of AEL.*

Financial Performance

The summary audited financials of AAFL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	456.10	456.10	315.60
Reserves (excluding revaluation reserves) and surplus	(98.12)	(3.14)	(3.12)
Income	264.00	0.00	0.00
Profit/ (Loss) After Tax	(175.60)	0.00	0.00
Earning Per Share (face value Rs. 10)	(3.85)	0.00	0.00
Net Asset Value per share (in Rs.)*	7.85	9.93	9.90

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

AAFL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

3. **Adani Agri Logistics Limited**

Corporate Information

Adani Agri Logistics Limited ("AALL") was incorporated under the Companies Act on January 25, 2005 as Adani Logistics Limited. Its name was subsequently changed to Adani Agri Logistics Limited on June 28, 2005. AALL is a subsidiary of Adani Enterprises Limited. AALL is engaged in the business of transportation.

Registered Office

The registered office of AALL is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009, Gujarat.

Board of Directors

The board of directors of AALL comprises of:

1. Mr. Pranav V. Adani;
2. Mr. Atul Chaturvedi; and
3. Mr. Yogendra Sharma.

Shareholding Pattern

The shareholding pattern of AALL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Enterprises Limited	99,828,000*	100.00
	Total	**99,828,000**	**100.00**

** This includes 25,250 equity shares of AALL held by nominees of Adani Enterprises Limited.*

Financial Performance

The summary audited financials of AALL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	**March 31, 2007**	**March 31, 2006**
Equity Capital	922.64	534.54	115.23
Reserves (excluding revaluation reserves) and surplus	(183.32)	(53.86)	(74.07)
Income	0.00	0.00	0.00
Profit/ (Loss) After Tax	0.00	0.00	0.00
Earning Per Share (face value Rs. 10)	0.00	0.00	0.00
Net asset value per share*	7.40	4.82	0.41

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

AALL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

4. **Adani Agro Private Limited**

Corporate Information

Adani Agro Private Limited ("AAPL") was incorporated under the Companies Act as Adani Agro Limited on February 14, 1995. It was subsequently converted into a private limited company and consequently the name of the company has been changed from Adani Agro Limited to Adani Agro Private Limited. AAPL is engaged in the business as agriculturists, dry farming, floriculture, tissue culture, horticulturists, farms, planters, gardeners, vegetable growers, cultivators, fillers, nurserymen, husbandmen and producers of all varieties and kind of agricultural products, vegetable, seeds to grow vegetable plants, etc.

Registered Office

The registered office of AAPL is located at 8th Floor, Shikhar, near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of AAPL comprises of:

1. Mr. Samir Vora
2. Mr. Pranav Adani

Shareholding Pattern

The shareholding pattern of AAPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of Equity Shares held	Percentage
1.	SBAFT (Priti G Adani)	2,042,798	39.18
2.	SBAFT (Shilin R Adani)	42,798	0.82
3.	SBAFT (Vinod S Adani)	42,798	0.82
4.	SBAFT (Ranjan Vinod Adani)	42,798	0.82
5.	SBAFT (Pranav Adani)	42,800	0.82
6.	Adani Commodities (Priti G. Adani)	1,000,000	19.18
7.	Adani Commodities (Shilin R. Adani)	1,000,000	19.18
8.	Adani Commodities (Vinod S. Adani)	500,000	9.59
9.	Adani Commodities (Ranjan V. Adani)	500,000	9.59
10.	Others	8	0.00
	Total	**5,214,000**	**100.00**

Financial Performance

The summary audited financials of AAPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	52.14	52.14	52.14
Reserves (excluding revaluation Reserves) and surplus	875.32	710.74	499.74
Income including other income	218.59	1,478.45	1,857.48
Profit/ (Loss) After Tax	164.55	210.97	(107.13)
Earning Per Share (face value Rs. 10)*(in Rs.)	31.56	40.46	(20.55)
Net asset value per share (in Rs.)**	177.88	146.31	105.85

**Annualised.*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

AAPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

5. **Adani Developers Private Limited**

Corporate Information

Adani Developers Private Limited (“ADPL”) was incorporated under the Companies Act on May 13, 2005 as Adani Realty Private Limited. Its name was subsequently changed to Adani Developers Private Limited on February 10, 2006. ADPL is engaged in the business of developing real estate.

Registered Office

The registered office of ADPL is located at Adani House, near Mithakhali Circle, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of ADPL comprises of:

1. Mr. Samir Vora
2. Mr. Tarwinder Singh
3. Mr. Devang Desai

Shareholding Pattern

The shareholding pattern of ADPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Infrastructure and Developers Private Limited*	900,000	100.00
	Total	**900,000**	**100.00**

* *This includes 5,000 equity shares of ADPL held by nominees of Adani Infrastructure and Developers Private Limited*

Financial Performance

The summary audited financials of ADPL for the last three fiscal years are as follows:

(In Rs. million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	9.00	0.50	0.10
Reserves (excluding revaluation reserves) and surplus	(2.38)	(1.63)	(0.28)
Income (Loss)	0.00	0.00	0.00
Profit (Loss) After Tax	(0.76)	(1.35)	(0.28)
Earning Per Share (face value Rs. 10)*	(3.38)	(133.35)	(27.80)
Net asset value per share **	7.35	(2.25)	(17.80)

* *Basic and diluted.*

* *NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

ADPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding.

6. **Adani Energy Limited**

Corporate Information

Adani Energy Limited ("Adani Energy") was incorporated under the Companies Act as Gujarat Adani Energy Limited on October 31, 2001. Its name was subsequently changed to Adani Energy (Gujarat) Limited on November 8, 2005 and to Adani Energy Limited on March 7, 2006. Adani Energy is a subsidiary of Adani Enterprises Limited. Adani Energy is engaged in the business of production, supply, transportation and distribution of all forms of conventional and non conventional energy.

Registered Office

The registered office of Adani Energy is located at Adani House, near Mithakhali Circle, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of Adani Energy comprises of:

1. Mr. Gautam S. Adani
2. Mr. Rajeev Sharma
3. Mr. Rajesh S. Adani
4. Mr. Vijay Ranchan

Shareholding Pattern

The shareholding pattern of Adani Energy on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Enterprises Limited*	163,139,200	100.00
	Total	**163,139,200**	**100.00**

* *This includes 600 equity shares of Adani Energy held by nominees of Adani Enterprises Limited*

Financial Performance

The summary audited financials of Adani Energy for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	1,631.39	1,631.39	900.0
Reserves and surplus (excluding revaluation reserves)	277.52	(29.91)	(48.54)
Income	2,531.87	1,774.76	790.61
Profit / (Loss) After Tax	175.09	95.57	17.42
Earning Per Share (face value Rs. 10)*	1.07	0.86	0.38
Net asset value per share **	11.70	9.82	9.46

* *Annualised and diluted.*

** *NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

Adani Energy is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

7. **Adani Estates Private Limited**

Corporate Information

Adani Estates Private Limited ("AEPL") was incorporated under the Companies Act on October 20, 2005 as Adani Realty (Mumbai) Private Limited. Its name was subsequently changed to Adani Townships & Real Estate Company (Mumbai) Private Limited on March 6, 2006. Its name was subsequently changed to Adani Estate Private Limited on August 23, 2006. AEPL is engaged in the business of developing real estate

Registered Office

Its registered office is located at Adani House, near Mithakhali Circle, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of AEPL comprises of:

1. Mr. Tarwinder Singh
2. Mr. Bhavik B. Shah
3. Mr. Juvenil Jani

Shareholding Pattern

The shareholding pattern of AEPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Infrastructure and Developers Private Limited*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes 100 equity shares of AEPL held by nominees of Adani Infrastructure and Developers Private Limited*

Financial Performance

The summary audited financials of AEPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	0.50	0.50	0.10
Reserves (excluding revaluation reserves) and surplus	2.07	1.70	1.21
Income	134.22	118.34	3.23
Profit/ (Loss) After Tax	0.37	0.49	1.21
Earning Per Share (face value Rs. 10)*	7.48	48.40	120.68
Net asset value per share**	51.40	43.92	130.68

* *Basic and diluted*

** *NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

AEPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

8. **Adani Global FZE**

Corporate Information

Adani Global FZE ("AG FZE") was incorporated in pursuant to Law No. 9 of 1992 of H.H. Sheikh Maktoum Bin Rashid Al Maktoum, Ruler of Dubai and Implementing Regulations issued thereunder by the Jebel Ali Free Zone Authority and Registered in the FZE Register on November 22, 1997. The objects for which the company is established is general trading.

Registered Office

The registered office of AG FZE is located at 4th Floor, Standard Chartered Bank Building, next to Ramada Hotel, Bur Dubai, Dubai, U.A.E.

Board of Directors

The board of directors of AG FZE comprises of:

1. Mr. Vinod S. Shah
2. Mr. Rakesh Shah

Shareholding Pattern

The shareholding pattern of AG FZE on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (AED* 1,000,000 Per Shares)	Percentage
1.	Adani Global Limited, Mauritius	18	100.00
	Total	**18**	**100.00**

** AED – United Arab Emirates Dirhams*

Financial Performance

The summary audited financials of AG FZE for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the period from April 1, 2007 to March 31, 2008	For the period from January 1, 2006 to March 31, 2007	For the period from January 1, 2005 to December 31, 2005
Equity Capital	195.90	230.20	230.20
Reserves (excluding revaluation reserves) and surplus	958.40	844.80	734.00
Income	17,237.00	15,905.90	13,289.60
Profit/(Loss) After Tax	176.20	146.60	147.90
Earning Per Share (face value AED* 1,000,000) **	9,790,710.00	6,513,459.51	8,218,193.18
Net asset value per share ***	64,127,777.78	59,722,222.22	53,566,666.67

** AED – United Arab Emirates Dirhams*

*** Annualised*

**** NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

9. **Adani Global Limited**

Corporate Information

Adani Global Limited ("AGL") was incorporated in Republic of Mauritius on January 22, 1997. The objects for which the company is established are to engage in any offshore business or businesses whatsoever, which are not prohibited under laws for the time being in force in the Republic of Mauritius and to do all such other things as are incidental to, or the company may think conducive to the conduct, promotion or attainment of the objects of the company.

Registered Office

The registered office of AGL is located at C/o Trustlink International Limited, Suite 501, St. James Court, St. Denis Street, Port Louis, Mauritius.

Board of Directors

The board of directors of AGL comprises of:

1. Mr. Vinod S. Shah
2. Mr. Samir Vora
3. Mr. Giandeo Reemul
4. Mr. Theyvarajen Ponumbalum

Shareholding Pattern

The shareholding pattern of AGL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (US$ 100 Per Shares)	Percentage
1.	Adani Enterprises Limited, Mauritius	64,000	100,00
	Total	**64,000**	**100.00**

Financial Performance

The summary audited financials of AGL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the period from April 1, 2007 to March 31, 2008	For the period from January 1, 2006 to March 31, 2007	For the period from January 1, 2005 to December 31, 2005
Equity Capital	255.80	308.90	308.90
Reserves (excluding revaluation reserves) and surplus	14.70	(11.60)	5.90
Income	4.00	4.40	4.30
Profit/(Loss) After Tax	3.40	3.00	4.00
Earning Per Share*	53.49	37.77	62.42
Net asset value per share **	4,226.56	4,645.31	4,918.75

* *Annualised.*

** *NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

10. **Adani Global PTE Limited**

Corporate Information

Adani Global PTE Limited ("AGPL") was incorporated in Republic of Singapore on April 8, 2000. AGPL is engaged in the business of importers and exporters, commission agents and manufacturers' representative and to carry on business as stevedores, merchants, carriers by land, water and air, freight contractors, managers of shipping property, ship owners, aircraft owners, warehousemen, wharfingers, etc.

Registered Office

The registered office of AGPL is located at 3, Shenton Way, # 09-09 A Shenton House, Singapore 068 805.

Board of Directors

The board of directors of AGPL comprises of:

1. Mr. Vinod S. Shah
2. Mr. Atul Chaturvedi

Shareholding Pattern

The shareholding pattern of AGPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (SG$ 1 Per Shares)	Percentage
1.	Adani Global Limited, Mauritius	43,117,530	100.00
	Total	**43,117,530**	**100.00**

Financial Performance

The summary audited financials of AGPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the period from April 1, 2007 to March 31, 2008	For the period from January 1, 2006 to March 31, 2007	For the period from January 1, 2005 to December 31, 2005
Equity Capital	1,103.20	240.70	240.70
Reserves (excluding revaluation reserves) and surplus	266.10	132.20	68.10
Income	60,025.40	54,570.50	30,324.10
Profit/ (Loss) After Tax	125.00	46.40	29.30
Earning Per Share*	2.90	4.19	3.31
Net asset value per share **	31.76	42.14	34.89

* *Annualised.*

** *NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

11. **Adani Infrastructure and Developers Private Limited**

Corporate Information

Adani Infrastructure and Developers Private Limited ("AIDPL") was incorporated under the Companies Act on July 12, 2006. AIDPL is engaged in the business of development of real estate.

Registered Office

Its registered office is located at 601, 6th Floor, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Government Colony, Bandra (East), Mumbai 400 051.

Board of Directors

The board of directors of AIDPL comprises of:

1. Mr. Devang Desai
2. Mr. Bhavik B. Shah
3. Mr. Pranav V. Adani

Shareholding Pattern

The shareholding pattern of AIDPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Enterprises Limited*	50,000	95.00
2.	Suryarath Tradelink Private Limited	2,632	5.00
	Total	**52,632**	**100.00**

* *This includes 5,000 equity shares of AIDPL held by nominees of Adani Enterprises Limited.*

Financial Performance

The summary audited financials of AIDPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended	
	March 31, 2008	March 31, 2007
Equity Capital	0.50	0.50
Reserves (excluding revaluation reserves) and surplus	16.79	0.56
Income	1,619.57	299.99
Profit/ (Loss) After Tax	16.22	0.56
Earning Per Share (face value Rs. 10)*	324.46	55.48
Net asset value per share **	345.73	21.26

* *Basic and diluted.*

** *NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

AIDPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

12. **Adani Infrastructure Services Private Limited**

Corporate Information

Adani Infrastructure Services Private Limited ("AISPL") was incorporated under the Companies Act on October 27, 1999 as Adani Infrastructure Services Limited. It was converted into private limited company and the name was changed to Adani Infrastructure Services Private Limited on March 7, 2006. APIPL is engaged in the business of developing, maintaining and operating infrastructure facilities and making investments in such enterprises.

Registered Office

The registered office of AISPL is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of AISPL comprises of:

1 Mr. Pranav Adani

2 Mr. Bhavik B. Shah

Shareholding Pattern

The shareholding pattern of AISPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	SBAFT (representing the beneficial interest of Shilin R. Adani)	44,859,402	37.32
2.	SBAFT (representing the beneficial interest of Gautam S. Adani /Rajesh S. Adani)	48,100,264	40.01
3.	SBAFT (representing the beneficial interest of Vinod S. Adani)	13,596,402	11.31
4.	SBAFT (representing the beneficial interest of Ranjan Vinod Adani)	13,549,402	11.27
5.	SBAFT (representing the beneficial interest of Priti G. Adani)	101,000	0.08
6.	SBAFT (representing the beneficial interest of Pranav V. Adani)	1,500	0.00
7.	SBAFT (representing the beneficial interest of Namrata P. Adani)	1,000	0.00
8.	Mr. Bhavik B. Shah	1,000	0.00
	Total	**120,209,970**	**100.00**

Financial Performance

The summary audited financials of AISPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	1,202.10	1,202.10	1,202.10
Reserves (excluding revaluation reserves) and surplus	5,062.95	5,062.58	4,776.05
Income	0.65	311.29	1.02
Profit/ (Loss) After Tax	(103.28)	286.12	0.53
Earning Per Share (face value Rs. 10)*	(0.86)	2.38	0.00
Net Asset value per share**	52.12	52.11	49.73

* *Computed on the basis of earnings including extraordinary items*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

AISPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

13. **Adani Land Developers Private Limited**

Corporate Information

Adani Land Developers Private Limited ("ALDPL") was incorporated under the Companies Act, 1956 on September 7, 2006. ALDPL is engaged in the business of developing real estate.

Registered Office

Its registered office is located at 8th Floor, Shikhar, near Adani House, Mithakhali Circle, Navrangpura,

Ahmedabad 380009.

Board of Directors

The board of directors of ALDPL comprises of:

1. Mr. Devang Desai
2. Mr. Tarwinder Singh
3. Mr. Juvenil Jani

Shareholding Pattern

The shareholding pattern of ALDPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Infrastructure and Developers Private Limited*	50,000	100.00
	Total	**50,000**	**100.00**

**This includes 5,000 equity shares of ALDPL held by nominees of Adani Infrastructure and Developers Private Limited.*

Financial Performance

The summary audited financials of ALDPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended	
	March 31, 2008	**March 31, 2007**
Equity Capital	0.50	0.50
Reserves (excluding revaluation reserves) and surplus	(0.69)	(0.03)
Income (Loss)	0.16	0.00
Profit/ (Loss) After Tax	(0.67)	(0.03)
Earning Per Share (face value Rs. 10)* (in Rs.)	(13.33)	(2.76)
Net asset value per share (in Rs.)**	(3.89)	9.44

**Basic and diluted.*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

ALDPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

14. **Adani Landscapes Private Limited**

Corporate Information

Adani Landscapes Private Limited ("Adani Landscapes") was incorporated under the Companies Act on September 27, 2007. Adani Landscapes is engaged in the business of developing real estate.

Registered Office

Its registered office is located at Adani House, Mithakhali Circle, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of Adani Landscapes comprises of:

1. Mr. Samir Vora
2. Mr. Devang Desai
3. Mr. Tarwinder Singh

Shareholding Pattern

The shareholding pattern of Adani Landscapes as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Infrastructure and Developers Private Limited*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes six equity shares of Adani Landscapes held by nominees of Adani Infrastructure and Developers Private Limited.*

Financial Performance

The summary audited financials of Adani Landscapes for the last fiscal year is as follows:

(In Rs. Million, except share data)

Particulars	For the year ended March 31, 2008
Equity Capital	0.50
Reserves (excluding revaluation reserves) and surplus	(0.04)
Income (Loss)	0.00
Profit/ (Loss) After Tax	(0.04)
Earning Per Share (face value Rs. 10)*	(0.81)
Net asset value per share**	9.19

**Basic and diluted.*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

Adani Landscapes is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

15. **Adani Mining Private Limited**

Corporate Information

Adani Mining Private Limited ("AMPL") was incorporated under the Companies Act on August 31, 2007. AMPL is engaged in the business of carrying on in India or elsewhere in the world the business to prospect for, explore, mine quarry, beneficiate, develop, derive, discover, excavate, dredge for, open, work on mine, win, purchase, crush, polish, smelt, manufacture, process, generate, release, dig, break, blast, grade, manipulate, acquire, operate, organize, commercialize, promote, exercise, turn to account, producer, prepare, remove, undertake, convert, finish, load, unload, handle, transport, buy, sell, import, export, supply or otherwise obtain and to act as agent, broker, intermediary, advisor, stockiest, distributor, consultant, contractors, manager, mine owner, quarry owner, operator, or otherwise to deal in all sorts of coal, ore, minerals, metals, stones etc.

Registered Office

Its registered office is located at 10th Floor, Shikhar, near Adani House, Mithakhali Circle, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of AMPL comprises of:

1. Mr. Pranav V. Adani
2. Mr. Devang Desai
3. Mr. Mahesh Thaper

Shareholding Pattern

The shareholding pattern of AMPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Enterprises Limited*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes 30,000 equity shares of AMPL held by nominees of AEL.*

Financial Performance

The summary audited financials of AMPL for the last fiscal year is as follows:

(In Rs. Million, except share data)

Particulars	For the year ended March 31, 2008
Equity Capital	0.50
Reserves (excluding revaluation reserves) and surplus	(0.21)
Income (Loss)	0.00
Profit /(Loss) After Tax	0.00
Earning Per Share (face value Rs. 10)* (in Rs.)	0.00
Net asset value per share (in Rs.)**	5.70

**Basic and diluted.*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

AMPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

16. **Adani Mundra SEZ Infrastructure Private Limited**

Corporate Information

Adani Mundra SEZ Infrastructure Private Limited ("AMSPL") was incorporated under the Companies Act on June 22, 2006 as Adicorp Mundra SEZ Private Limited. Its name was subsequently changed to Adani Mundra SEZ Infrastructure Private Limited on February 2, 2008. AMSPL is a subsidiary of Adani Infrastructure and Development Private Limited. AMSPL is engaged in the business of developing townships, land, roads, residential and business complex and other construction projects at Mundra.

Registered Office

The registered office of AMSPL is located at Ashima House, Kavi Nanalal Marg, B/h M. J. Library, Ellisbridge, Ahmedabad 380 006.

Board of Directors

The board of directors of AMSPL comprises of:

1. Mr. Samir Vora
2. Mr. Devang Desai
3. Mr. Tarwinder Singh

Shareholding Pattern

The shareholding pattern of AMSPL as of June 15, 2009 as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Infrastructure and Developers Private Limited	50,000*	100.00
	Total	**50,000**	**100.00**

**This includes 6 equity shares of AMSPL held by nominees of Adani Infrastructure and Developers Private Limited.*

Financial Performance

The summary audited financials of AMSPL for the last two fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended	
	March 31, 2008	March 31, 2007
Equity Capital	0.50	0.20
Reserves (excluding revaluation reserves) and surplus	1.09	0.34
Income	23.20	32.51
Profit/ (Loss) After Tax	0.75	0.34
Earning Per Share (face value Rs. 10)	34.46	22.11
Net asset value per share *	31.88	27.15

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

AMSPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

17. **Adani Petronet (Dahej) Port Private Limited**

Corporate Information

Adani Petronet (Dahej) Port Private Limited ("APPPL") was incorporated under the Companies Act on January 28, 2003. APPPL is engaged in promoting, financing, establishing and upgrading the port at Dahej for all types of cargo (excluding liquefied natural gas).

Registered Office

Its registered office is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of APPPL comprises of:

1. Mr. Gautam S. Adani
2. Mr. Rajeeva Ranjan Sinha
3. Mr. P. Dasgupta
4. Mr. A. Sengupta

Shareholding Pattern

The shareholding pattern of APPPL as of June 15, 2009 as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	MPSEZL	32,055,000	50.00
2	Petronet LNG Limited	32,055,000	50.00
	Total	**64,110,000**	**100.00**

Financial Performance

The summary audited financials of APPPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	423.90	0.20	0.10
Reserves and surplus (excluding revaluation reserves)	0.00	(86.52)	(53.92)
Income	0.00	0.00	0.00
Profit/ (Loss) After Tax	0.00	0.00	0.00
Earning Per Share (face value Rs. 10) *	(9.11)	0.00	0.00
Net asset value per share **	10.00	(4,316.24)	(5,381.67)

* *Basic and diluted.*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

APPPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

18. **Adani Properties Private Limited**

Corporate Information

Adani Properties Private Limited ("APPL") was incorporated under the Companies Act on May 25, 1995. APPL is engaged in the business for the purpose of investment to acquire by purchase, lease, exchange, rent, auction, etc.

Registered Office

The registered office of APPL is located at Shikhar, near Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of APPL comprises of:

1. Mr. Samir Vora
2. Mr. Pranav Adani

Shareholding Pattern

The shareholding pattern of APPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	SBAFT (representing the beneficial interest of Priti G. Adani)	398,000	39.80
2.	SBAFT (representing the beneficial interest of Shilin R Adani)	49,995	5.00
3.	SBAFT (representing the beneficial interest of Ranjan Vinod Adani)	552,000	55.20
4.	Others	5	0.00
	Total	**1,000,000**	**100.00**

Financial Performance

The summary audited financials of APPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	10.00	10.00	10.00
Reserves (excluding revaluation reserves) and surplus	906.19	905.51	907.97
Income including other income	7.51	7.47	7.39
Profit/ (Loss) After Tax	0.68	(2.46)	(3.35)
Earning Per Share (face value Rs. 10)(in Rs.)*	0.68	(2.46)	(3.35)
Net asset value per share (in Rs.)**	916.19	915.51	917.97

* *Computed on the basis of earnings including extraordinary items*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account. Increase in Net Asset Value per share in FY 2006 is a result of the increase in Revaluation Reserves.*

APPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

19. **Adani Retail Private Limited**

Corporate Information

Adani Retail Private Limited ("ARPL") was incorporated under the Companies Act as B2C India Limited on July 7, 2000. Its name was subsequently changed to Adani Retail Limited on October 21, 2005. Pursuant to EGM dated July 10, 2008 Adani Retail Limited was converted into a private limited company and its name was changed to Adani Retail Private Limited on August 14, 2008. ARPL is engaged in the business of operation of retail departmental stores.

Registered Office

The registered office of ARPL is located at Adani House, near Mithakhali Circle, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of ARPL comprises of:

1. Mr. Bhavik B. Shah
2. Mr. Samir Vora

Shareholding Pattern

The shareholding pattern of ARPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Agro Private Limited	3,479,000	49.00
2.	Mr. Gautam S. Adani	100	0.00
3.	Mr. Rajesh S. Adani	905,250	12.75
4.	Mr. Pushpa V. Adani	905,250	12.75
5.	Mr. Mahasukh S. Adani	100	0.00
6.	Mrs. Shilin R. Adani	905,250	12.75
7.	Mrs. Priti G. Adani	905,050	12.75
	Total	**7,100,000**	**100.00**

Financial Performance

The summary audited financials of ARPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	71.00	71.00	71.00
Reserves (excluding revaluation reserves) and surplus	(60.28)	(77.26)	165.35
Income	101.07	1,665.03	1,475.86
Profit/ (Loss) After Tax	(36.30)	(192.10)	(1.03)
Earning Per Share (face value Rs. 10)(in Rs.)	(5.11)	(27.12)	(0.15)
Net asset value per share (in Rs.)*	1.51	(0.88)	33.29

*NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.

ARPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

20. **Adani Shipping PTE Limited**

Corporate Information

Adani Shipping PTE Limited ("ASPL") was incorporated in Republic of Singapore on September 27, 2006. The principal activities for which the company is established is to carry on the business to own / charter ships and other vessels to transport cargo for Adani Group Companies and others.

Registered Office

The registered office of ASPL is located at 3, Shenton Way, # 09-09 A Shenton House, Singapore 068 805.

Board of Directors

The board of directors of ASPL comprises of:

1. Mr. Vinod S. Shah
2. Mr. Pranav Vora
3. Mr. Sunil M. Shah

Shareholding Pattern

The shareholding pattern of ASPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (SG$* 1 Per Shares)	Percentage
1.	Adani Global Limited, Mauritius	1,000	100.00
	Total	**1,000**	**100.00**

SG$ = Singapore Dollar

Financial Performance

The summary audited financials of ASPL for the last two fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended	
	March 31, 2008	March 31, 2007
Equity Capital*	0.03	0.03
Reserves (excluding revaluation reserves) and surplus	0.90	(0.80)
Income	0.00	0.00
Profit/ (Loss) After Tax	0.90	0.00
Earning Per Share	878.00	0.00
Net asset value per share**	926.79	(771.79)

Equity share capital has been converted from USD to INR at an exchange rate used for the purpose of the balance sheet for the respective fiscal year.

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

21. **Adani Shipyard Private Limited**

Corporate Information

Adani Shipyard Private Limited ("Adani Shipyard") was incorporated under the Companies Act as Mundra Shipyard Private Limited on July 21, 2005. The name of the company was subsequently changed to Adani Shipyard Private Limited on March 31, 2006. ASPL is primarily engaged in the business of shipbuilding, naval and marine architecture and repair, alteration and servicing of ships and other vessels.

Registered Office

The registered office of Adani Shipyard is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of Adani Shipyard comprises of:

1. Mr. Malay Mahadevia
2. Mr. Rajesh S. Adani

Shareholding Pattern

The shareholding pattern of Adani Shipyard as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Mr. Gautam S. Adani	4,000	40.00
2.	Mr. Rajesh S. Adani	3,000	30.00
3.	Mr. Pranav V. Adani	3,000	30.00
	Total	**10,000**	**100.00**

Financial Performance

The summary audited financials of Adani Shipyard for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	0.10	0.10	0.10
Reserves (excluding revaluation reserves) and surplus	(0.58)	(0.49)	(0.05)
Income	0.00	0.00	0.00
Profit/ (Loss) After Tax	0.00	0.00	0.00
Earning Per Share (face value Rs. 10) (in Rs.)	0.00	0.00	0.00
Net asset value per share (in Rs.)*	(47.98)	(39.18)	4.81

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

Adani Shipyard is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

22. **Adani Virginia, Inc.**

Corporate Information

Adani Virginia, Inc. ("AV") was incorporated in Commonwealth of Virginia on March 17, 2005. AV is engaged in the business of disassembling aging ships and converting them to scrap metal.

Registered Office

The registered office of AV is located at 12913, Mill Meadow Court, Midlothian, VA 23122.

Board of Directors

The board of directors of AV comprises of:

1. Mr. Harsh Mishra
2. Mr. Shailesh Vyas

Shareholding Pattern

The shareholding pattern of AV on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (US$ 1 Per Shares)	Percentage
1.	Adani Global FZE., Dubai	50	100.00
	Total	**50**	**100.00**

Financial Performance

The summary audited financials of AV for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the period from April 1, 2007 to March 31, 2008	For the period from January 1, 2006 to March 31, 2007	For the period from January 1, 2005 to December 31, 2005
Equity Capital	0.00	0.00	0.00
Reserves (excluding revaluation reserves) and surplus	63.90	44.40	(3.40)
Income	398.00	454.20	101.10
Profit/ (Loss) After Tax	24.20	49.80	(2.90)
Earning Per Share (face value US$ 1)	483,229.00	796,885.00	(57,059.00)
Net asset value per share*	1,278,040.02	888,000.00	(68,000.00)

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

23. **Adani Welspun Exploration Limited**

Corporate Information

Adani Welspun Exploration Limited ("AWEL") was incorporated under the Companies Act on August 5, 2005 as Adani Energy (Haryana) Limited. Its name was subsequently changed to Adani Welspun Exploration Limited on April 13, 2007. AWEL is engaged in the business of manufacturing, producing, to acquire, concessions, licences or orders from any authority for supply, transportation and distributions of all forms of conventional and / or non-conventional types of energy and also to explore, manufacture, refine, treat, reduce, distil, blend, purify and pump, store, hold transport, use, experiment with market, distribute, exchange, supply sell and other wise dispose of, import, export and trade and generally deal in any and all kinds of petroleum and petroleum products, oil gas and other volatile substances etc.

Registered Office

Its registered office is located at Adani House, near Mithakhali Circle, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of AWEL comprises of:

1. Mr. Gautam S. Adani
2. Mr. Sanjay Gupta
3. Mr. Devang Desai
4. Mr. Balkrishna Goenka
5. Mr. Akhil Jindal

Shareholding Pattern

The shareholding pattern of AWEL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Enterprises Limited*	3,150,000	65.00
2.	Welspun Natural Resources Private Limited	1,696,150	35.00
	Total	**4,846,150**	**100.00**

* *This includes 50,000 equity shares of AWEL held by nominees of Adani Enterprises Limited.*

Financial Performance

The summary audited financials of AWEL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	8.46	0.50	0.50
Reserves (excluding revaluation reserves) and surplus	(0.03)	(0.03)	(0.03)
Income	0.00	0.00	0.00
Profit/ (Loss) After Tax	0.00	0.00	0.00
Earning Per Share (face value Rs. 10)	0.00	0.00	0.00
Net asset value per share *	9.97	9.48	9.48

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

AWEL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

24. **Adani Wilmar Limited**

Corporate Information

Adani Wilmar Limited ("AWL") was incorporated under the Companies Act on January 22, 1999. AWL is engaged in the business of manufacturing and trading of edible oil and vanaspati.

Registered Office

Its registered office is located at Fortune House, near Navrangpura Railway Station, Ahmedabad 380 009.

Board of Directors

The board of directors of AWL comprises of:

1. Mr. Gautam S. Adani
2. Mr. Rajesh S. Adani
3. Mr. Pranav V. Adani
4. Mr. Kuok Khoon Hong
5. Mr. Martua Sitorus
6. Mr. Teo Kim Yong

Shareholding Pattern

The shareholding pattern of AWL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Enterprises Limited	37,702,278	50.00
2.	Wilmar Investments (Mauritius) Limited	37,702,278	50.00
	Total	**75,404,556**	**100.00**

* *This includes 6,000 equity shares of AWL held by nominees of Adani Enterprises Limited.*

Financial Performance

The summary audited financials of AWL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2009	March 31, 2008	March 31, 2007
Equity Capital	754.04	597.18	597.18
Reserves (excluding revaluation reserves) and surplus	2,698.77	837.31	529.89
Income	57,997.65	33,929.32	26,417.48
Profit/ (Loss) After Tax	606.56	310.85	39.44
Earning Per Share (face value Rs. 10)	2.87	2.24	0.66
Net asset value per share *	45.79	24.03	18.87

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

AWL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

25. **Assets Trade & Investments Private Limited**

Corporate Information

Assets Trade & Investments Private Limited ("ATIP") was incorporated in Republic of Mauritius on June 9, 2008. The object for which the company is established are investment holding company and also any business whatsoever and the company shall have full power and authority to carry out any object not prohibited by law for the time being in force in the Republic of Mauritius.

Registered Office

The registered office of ATIP is located at c/o Trustlink International Limited, Suite 501, St. James Court, St. Denis Street, Port Louis, Mauritius.

Board of Directors

The board of directors of ATIP comprises of:

1. Mr. Vinod Shantilal Shah
2. Mr. Giandeo Reemul
3. Mr. Navind Beeharry

Shareholding Pattern

The shareholding pattern of ATIP on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (US$ 1 Per Shares)	Percentage
1.	Vinod S. Shah	10,000	100.00
	Total	**10,000**	**100.00**

Financial Performance

The audited financial statements of the company are not available as it is in the first year of its incorporation.

26. **B2B India Private Limited**

Corporate Information

B2B India Private Limited ("B2B") was incorporated under the Companies Act as B2B India Limited on July 21, 2000. It was subsequently converted into a private limited company and consequently its name was changed to B2B India Private Limited on June 3, 2002. B2B is engaged in the business of purchase, sale, supply, import, export, distribute and to deal as trader, agent, broker, representative or otherwise to deal in any kind of online product.

Registered Office

The registered office of B2B is located at Adani House, near Mithakhali Circle, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of B2B comprises of:

1. Mr. Samir Vora
2. Mr. Pranav Adani

Shareholding Pattern

The shareholding pattern of B2B on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Priti G Adani (On behalf of SBAFT)	4,500	45.00
2.	Ranjan Vinod Adani (On behalf of SBAFT)	2,750	27.50
3.	Shilin R Adani (On behalf of SBAFT)	2,749	27.49
4.	Adani Agro Private Limited(Partner of M/s. Advance Investments)	1	0.01
	Total	**10,000**	**100.00**

Financial Performance

The summary audited financials of B2B for the last three fiscal years are as follows:

(In Rs. million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	0.10	0.10	0.10
Reserves (excluding revaluation reserves) and surplus	(0.03)	(0.04)	(0.04)
Income including other income	0.02	0.02	0.00
Profit/ (Loss) After Tax	0.01	(0.01)	0.00
Earning Per Share (face value Rs. 10)	0.53	(1.23)	0.00
Net asset value per share*	6.94	5.62	6.05

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

B2B is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

27. **Belvedere Golf and Country Club Private Limited**

Corporate Information

Belvedere Golf and Country Club Private Limited ("BGCCPL") was incorporated under the Companies Act on December 5, 2008. BGCCPL is engaged in the business of establishing, running, managing, constructing, building, taking on hire or lease, maintaining, organising, promoting, providing, acquiring, buying, selling, converting, developing, erecting or carrying on the business as proprietors of golf club, golf academy, golf driving range, club, club house, etc.

Registered Office

The registered office of BGCCPL is located at 10th Floor, Shikhar, Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of BGCCPL comprises of:

1. Mr. Tarwinder Singh
2. Mr. Juvenil Jani
3. Mr. Sunil Sharma

Shareholding Pattern

The shareholding pattern of BGCCPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Shantigram Estate Management Private Limited*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes six equity shares of BGCCPL held by nominees of Shantigram Estate Management Private Limited*

Financial Performance

The financial statements of BGCCPL are not available as it is in the first year of its incorporation.

BGCCPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

28. **Chemoil Adani Private Limited**

Corporate Information

Chemoil Adani Private Limited ("CPL") was incorporated under the Companies Act on May 27, 2008. CPL is engaged in the business of manufacturers, importers, exporters, buyers, distributors, refiners, blenders, suppliers, sellers, stockists, agents, brokers, sub-brokers, concessionaries, consultants, consignors, job-workers, and/or dealers of storage and distribution facilities for petroleum, petroleum oil, petrochemicals, all petroleum products, chemical/ lube oil, base oil, fuel oil, gas oil, kerosene, fuel for ships, bunkeroil, tube oils, etc.

Registered Office

The registered office of CPL is located at Adani House, Near Mithakhali Circle, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of CPL comprises of:

1. Mr. Pranav V. Adani
2. Mr. Devang Desai

Shareholding Pattern

The shareholding pattern of CPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Chemoil Adani PTE Ltd.*	1,687,964	100.00
	Total	**1,687,964**	**100.00**

* *This includes two equity shares of CPL held by nominees of Chemoil Adani PTE Limited.*

Financial Performance

The financial statements of CPL are not available as it is in the first year of its incorporation.

CPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

29. **Chemoil Adani PTE Limited**

Corporate Information

Chemoil Adani PTE Limited ("CAPL") was incorporated in Singapore on March 26, 2008. CAPL is engaged in the business of importing petroleum oil of different grade and viscosity and selling it in bulk.

Registered Office

The registered office of the CAPL is located at 1 Temasek Avenue #36-01 Millenia Tower, Singapore 039192

Board of Directors

The board of directors of CAPL comprises of:

1. Mr. Rakesh Shah
2. Mr. Vinod Shah
3. Mr. Vijay Nair
4. Mr. Sanjay Anand

Shareholding Pattern

The shareholding pattern of CAPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (US$ 1 per share)	Percentage
1.	Chemoil Energy Limited	5,000,000	50.00
2.	Adani Global Limited, Mauritius	5,000,000	50.00
	Total	**10,000,000**	**100.00**

Financial Performance

The financial statements of CAPL are not available as it is in the first year of its incorporation.

30. **Columbia Chrome (India) Private Limited**

Corporate Information

Columbia Chrome (India) Private Limited ("CCIPL") was incorporated under the Companies Act on March 6, 1995. CCIPL is engaged in the business of developing of carrying on business of engineers, designers, fabricators, manufacturers, repairers, importers, exporters of and dealers in all types of machinery and equipment and in particular hydraulic and pneumatic machinery, equipment, components and accessories including cylinders, pumps, motors, valves and accessories and to provide services and facilities for erection, supervision, training, hard chroming, honing, grinding, machining, welding, reconditioning, and testing machinery and equipment.

Registered Office

Its registered office is located at Oriental Building, Office No. 2, 1st Floor, 51-57 MG Road, 12/30 Nagindas Master Road, Mumbai 400 051.

Board of Directors

The board of directors of CCIPL comprises of:

1. Mr. Rajesh S. Adani
2. Mr. Tarwinder Singh
3. Mr. Chetan R. Shah
4. Mr. Mayur R. Shah

Shareholding Pattern

The shareholding pattern of CCIPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Estate Private Limited*	7,812	60.00
2.	Marathon Nextgen Reality & Textiles Limited**	5,208	40.00
	Total	**13,020**	**100.00**

* *This includes 300 equity shares of CCIPL held by nominees of Adani Estate Private Limited.*

** *This includes 1,020 equity shares of CCIPL held by nominees of Marathon Nextgen Reality & Textiles Limited.*

Financial Performance

The summary audited financials of CCIPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	**March 31, 2007**	**March 31, 2006**
Equity Capital	1.30	1.30	1.30
Reserves (excluding revaluation reserves) and surplus	0.70	0.67	0.72
Income	0.33	0.03	1.39
Profit/ (Loss) After Tax	0.02	(0.05)	0.66
Earning Per Share (face value Rs. 10)	1.73	(4.00)	50.00
Net asset value per share*	153.43	151.70	155.39

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

CCIPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

31. **Concord Trade and Investment Private Limited**

Corporate Information

Concord Trade and Investment Private Limited ("Concord") was incorporated in Republic of Mauritius on February 16, 2009. The main object of business of Concord is to act as an investment holding company and it has full power and authority to carry out any object not prohibited by law for the time being in force in the Republic of Mauritius.

Registered Office

The registered office of Concord is located at C/o Trustlink International Limited, Suite 501, St James Court, St Denis Street, Port Louis, Mauritius.

Board of Directors

The board of directors of Concord comprises of:

1. Mr. Vinod Shantilal Shah; and
2. Mr. Giandeo Reemul

Shareholding Pattern

The shareholding pattern of Concord on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (US$ 1 Per Shares)	Percentage
1.	Vinod S. Shah	10,000	100.00
	Total	**10,000**	**100.00**

Financial Performance

The audited financial statements of Concord are not available as it is in the first year of its incorporation.

32. **Inland Conware Private Limited**

Corporate Information

Inland Conware Private Limited ("ICPL") was incorporated under the Companies Act on July 13, 2005. ICPL is a subsidiary of MPSEZL. ICPL is engaged in the business of multimodal transport operation within India and abroad, establishing and managing Inland Containers Depots and Container Freight Stations, providing warehousing facilities and acting as clearing and forwarding agents. Pursuant to a scheme of amalgamation dated April 28, 2009 approved by the High Court of Gujarat, vide its order dated April 28, 2009, Adani Logistics Limited and Inland Conware (Ludhiana) Limited were amalgamated into ICPL.

Registered Office

Its registered office is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of ICPL comprises of:

1. Mr. Yogendra Sharma
2. Mr. Ameet H. Desai
3. Mr. Rajeeva Ranjan Sinha

Shareholding Pattern

The shareholding pattern of ICPL as of June 22, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	MPSEZL*	147,040,000	100.00
	Total	**147,040,000**	**100.00**

**This includes 3,300 equity shares of ICPL held by nominees of MPSEZL.*

Financial Performance

The summary audited financials of ICPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	1,239.60	0.10	0.10
Reserves (excluding revaluation reserves) and surplus	0.00	0.00	0.00
Income	0.00	0.00	0.00
Profit/ (Loss) After Tax	0.00	0.00	0.00
Earning Per Share (face value Rs. 10) (in Rs.)	0.00	0.00	0.00
Net asset value per share (in Rs.)*	10.00	10.00	10.00

NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account. Reserves have not been adjusted for pre-operative expenses of Rs. 74.00 million, Rs. 46.44 million and Rs. 27.49 million for fiscal 2008, fiscal 2007 and fiscal 2006, respectively.

ICPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

33. **Jade Agri Land Private Limited**

Corporate Information

Jade Agri Land Private Limited ("JALPL") was incorporated under the Companies Act on August 12, 2008. JALPL is engaged in the business of acquiring, purchasing or taking on lease the agricultural land anywhere in India and to do the business of agriculture, horticulture, floriculture, sericulture and cultivation of all kinds of seeds, fruits including grapes, oranges, apples, mangoes, proprietor of orchards and traders, exporter, dealers, processors, preservers and sellers of the products of such horticulture, floriculture, sericulture, seeds and cultivation, etc.

Registered Office

Its registered office is located at 601, 6th Floor, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Government Colony, Bandra (East), Mumbai 400 051.

Board of Directors

The board of directors of JALPL comprises of:

1. Mr. Tarwinder Singh
2. Mr. Vipinchandra H. Mehta
3. Mr. Juvenil Jani

Shareholding Pattern

The shareholding pattern of JALPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Infrastructure and Developers Private Limited*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes 6 equity shares of JALPL held by nominees of Adani Infrastructure and Developers Private Limited.*

Financial Performance

The financial statements of JALPL are not available as it is in the first year of its incorporation.

JALPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

34. **Jade Agricultural Company Private Limited**

Corporate Information

Jade Agricultural Company Private Limited ("JACPL") was incorporated under the Companies Act on August 12, 2008. JACPL is engaged in the business of acquiring, purchasing or taking on lease the agricultural land anywhere in India and to do the business of agriculture, horticulture, floriculture, sericulture and cultivation of all kinds of seeds, fruits including grapes, oranges, apples, mangoes, proprietor of orchards and traders, exporter, dealers, processors, preservers and sellers of the products of such horticulture, floriculture, sericulture, seeds and cultivation, etc.

Registered Office

Its registered office is located at 601, 6th Floor, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Government Colony, Bandra (East), Mumbai 400 051.

Board of Directors

The board of directors of JACPL comprises of:

1. Mr. Tarwinder Singh
2. Mr. Vipinchandra H. Mehta
3. Mr. Ravjibhai Patel

Shareholding Pattern

The shareholding pattern of JACPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Infrastructure and Developers Private Limited*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes six equity shares of JACPL held by nominees of Adani Infrastructure and Developers Private Limited.*

Financial Performance

The financial statements of JACPL are not available as it is in the first year of its incorporation.

JACPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

35. **Jade Food & Properties Private Limited**

Corporate Information

Jade Food & Properties Private Limited ("JFPPL") was incorporated under the Companies Act on August 12, 2008. JFPPL is engaged in the business of acquiring, purchasing or taking on lease the agricultural land anywhere in India and to do the business of agriculture, horticulture, floriculture, sericulture and cultivation of all kinds of seeds, fruits including grapes, oranges, apples, mangoes, proprietor of orchards and traders, exporter, dealers, processors, preservers and sellers of the products of such horticulture, floriculture, sericulture, seeds and cultivation, etc.

Registered Office

Its registered office is located at 601, 6th Floor, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Government Colony, Bandra (East), Mumbai 400 051.

Board of Directors

The board of directors of JFPPL comprises of:

1. Mr. Tarwinder Singh
2. Mr. Ravjibhai Patel
3. Mr. Samir Vora

Shareholding Pattern

The shareholding pattern of JFPPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Infrastructure and Developers Private Limited*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes six equity shares of JFPPL held by nominees of Adani Infrastructure and Developers Private Limited.*

Financial Performance

The financial statements of JFPPL are not available as it is in the first year of its incorporation.

JFPPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

36. **Karnavati Aviation Private Limited**

Corporate Information

Karnavati Aviation Private Limited ("KAPL") was incorporated under the Companies Act, 1956 on July 11, 2007 in the name of Gujarat Adani Aviation Private Limited. Subsequently, its name was changed to Karnavati Aviation Private Limited on February 10, 2009. KAPL is engaged in the business of planning, promoting, developing, organizing, operating and carrying on the business of air charter, air taxi and air transport services scheduled and non scheduled, for the carriage of passengers and to import, export, own, buy or sell, let or hire or hire purchase or lease or charter aircrafts, component parts, tools, equipment and to deal in aerial conveyance.

Registered Office

Its registered office is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of KAPL comprises of:

1. Mr. Satwinder Singh Bhatti
2. Mr. K. Venugopal

Shareholding Pattern

The shareholding pattern of KAPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Mundra Port and Special Economic Zone Limited*	1,000,000	100.00
	Total	**1,000,000**	**100.00**

* *This includes 100 equity shares of KAPL held by nominees of Mundra Port and Special Economic Zone Limited.*

Financial Performance

The summary audited financials of KAPL for the last two fiscal years is as follows:

(In Rs. Million, except share data)

Particulars	For the year ended March 31, 2008
Equity Capital	10.00
Reserves (excluding revaluation reserves) and surplus	(0.29)
Income (Loss)	0.00
Profit/ (Loss) After Tax	0.00
Earning Per Share (face value Rs. 10)	0.00
Net asset value per share*	9.71

NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.

KAPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

37. **Lushgreen Landscapes Private Limited**

Corporate Information

Lushgreen Landscapes Private Limited ("LLPL") was incorporated under the Companies Act on August 12, 2008. LLPL is engaged in the business of acquiring, purchasing or taking on lease the agricultural land anywhere in India and to do the business of agriculture, horticulture, floriculture, sericulture and cultivation of all kinds of seeds, fruits including grapes, oranges, apples, mangoes, proprietor of orchards and traders, exporter, dealers, processors, preservers and sellers of the products of such horticulture, floriculture, sericulture, seeds and cultivation, etc.

Registered Office

Its registered office is located at 601, 6th Floor, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Government Colony, Bandra (East), Mumbai 400 051.

Board of Directors

The board of directors of LLPL comprises of:

1. Mr. Tarwinder Singh
2. Mr. Vipinchandra H. Mehta
3. Mr. Samir Vora

Shareholding Pattern

The shareholding pattern of LLPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Infrastructure and Developers Private Limited*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes 6 equity shares of LLPL held by nominees of Adani Infrastructure and Developers Private Limited.*

Financial Performance

The financial statements of LLPL are not available as it is in the first year of its incorporation.

LLPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

38. **Miraj Impex Private Limited**

Corporate Information

Miraj Impex Private Limited ("Miraj") was incorporated under the Companies Act on April 10, 1997. Miraj is engaged in the business of carrying on the business of manufacturer's representatives, agents, traders, dealers, exporters, importers, factors, consignees of all kinds, types and sizes of articles, goods, metal, gift articles, merchandise and commodities whether for domestic, commercial, industrial, agricultural and defence purpose / use in India and also to act as export house.

Registered Office

Its registered office is located at Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of Miraj comprises of:

1. Mr. Samir Vora
2. Mr. Juvenil Jani
3. Mr. Tarwinder Singh

Shareholding Pattern

The shareholding pattern of Miraj as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Enterprises Limited*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes 60 equity shares of Miraj held by nominees of Adani Enterprises Limited.*

Financial Performance

The summary audited financials of Miraj for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	0.50	0.10	0.10
Reserves (excluding revaluation reserves) and surplus	(13.42)	(0.06)	(0.06)
Income	0.00	0.00	0.00
Profit/ (Loss) After Tax	0.00	0.00	(0.01)
Earning Per Share (face value Rs. 10)* (in Rs.)	0.00	(0.35)	(0.88)
Net asset value per share (in Rs.)**	(258.46)	3.67	3.96

* *Computed on the basis of earnings including extraordinary items*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

Miraj is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

39. **MPSEZ Utilities Private Limited**

Corporate Information

MSPEZ Utilities Private Limited ("MPSEZ Utilities") was incorporated under the Companies Act, 1956 on July 13, 2007. MPSEZ Utilities is engaged in the business of planning, execution, operating and maintaining and carrying on business of utility services of water supply, waste water management, electrical power distribution, natural gas distribution, telecom services, bus transportation services, transportation infrastructure, rail transportation and other utility services to be provided to incumbents in the procession as well as non-processing area of the SEZ.

Registered Office

Its registered office is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of MPSEZ Utilities comprises of:

1. Mr. Ameet H. Desai
2. Mr. Malay Mahadevia

Shareholding Pattern

The shareholding pattern of MPSEZ Utilities as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	MPSEZL*	10,000	100.00
	Total	**10,000**	**100.00**

* *This includes 100 equity shares of MPSEZ Utilities held by nominees of MPSEZL.*

Financial Performance

The summary audited financials of MPSEZ Utilities for the last fiscal year is as follows:

(In Rs. Million, except share data)

Particulars	For the year ended March 31, 2008
Equity Capital	0.10
Reserves (excluding revaluation reserves) and surplus	(0.02)
Income (Loss)	0.00
Profit /(Loss) After Tax	0.00
Earning Per Share (face value Rs. 10)* (in Rs.)	0.00
Net asset value per share (in Rs.)**	8.46

**Basic and diluted.*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

MPSEZ Utilities is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

40. **Mundra Port and Special Economic Zone Limited ("MPSEZL")**

Corporate Information

Mundra Port and Special Economic Zone Limited ("MPSEZL") was incorporated under the Companies Act on May 26, 1998 as Gujarat Adani Port Limited ("GAPL"). Pursuant to an order of the High Court of Gujarat, Adani Port Limited merged with GAPL with effect from April 1, 2003. Further, Mundra Special Economic Zone Limited and Adani Chemicals Limited were merged with GAPL with effect from April 1, 2006. Its name was subsequently changed to Mundra Port and Special Economic Zone Limited on July 7, 2006. MPSEZL is engaged in the business of port operation and SEZ development.

Registered Office

The registered office of MPSEZL is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of MPSEZL comprises of:

1. Mr. Gautam S. Adani
2. Mr. Rajesh S. Adani
3. Mr. Atanu Chakraborty
4. Mr. S. Venkiteswaran
5. Mr. K. N. Venkatasubramanian
6. Mr. Surendra Kumar Tuteja
7. Mr. Arun Duggal
8. Mr. D. T. Joseph
9. Mr. Ameet H. Desai
10. Mr. Rajeev Ranjan Sinha
11. Dr. Malay Mahadevia

Shareholding Pattern

The shareholding pattern of MPSEZL on March 31, 2009 is as follows:

Sr. No	Category of shareholder	No. of shareholders	Total no. of shares	No. of shares held in de materialized form	Total shareholding as a percentage of total no. of shares		Shares pledged or otherwise encumbered	
					% of shares (A+B)	% of shares (A+B+C)	No. of shares	% No. of shares
(A)	**Shareholding of Promoter and Promoter Group**							
(1)	**Indian**							
(a)	Individuals/ Hindu Undivided Family	3	641,026	641,026	0.16	0.16	0	0
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00	0	0
(c)	Bodies Corporate	5	224,146,540	224,146,540	55.94	55.94	47,099,000	21.01
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00	0	0
(e)	Any Other (specify)							
	Partnership Firm	2	40,020,530	40,020,530	9.99	9.99	0	0
	Family Trust	1	6,000	6,000	0.00	0.00	0	0
	Sub-Total (A)(1)	11	264,814,096	264,814,096	66.09	66.09	47,099,000	17.79
(2)	**Foreign**							
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0	0
(b)	Bodies Corporate	4	60547655	60,547,655	15.11	15.11	0	0
(c)	Institutions	0	0	0	0.00	0.00	0	0
(d)	Any Other (specify)	0	0	0	0	0	0	0
	Sub-Total (A)(2)	4	60,547,655	60,547,655	15.11	15.11	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	15	325,361,751	325,361,751	81.20	81.20	47,099,000	14.48
(B)	**Public shareholding**							
(1)	**Institutions**							
(a)	Mutual Funds/ UTI	27	3,499,107	3,499,107	0.87	0.87	NA	NA
(b)	Financial Institutions/ Banks	29	7,584,344	7,584,344	1.89	1.89	NA	NA
(c)	Central Government/ State Government(s)	1	802	802	0.00	0.00	NA	NA
(d)	Venture Capital Funds	0	0	0	0.00	0.00	NA	NA
(e)	Insurance Companies	1	3,391	3,391	0.00	0.00	NA	NA

Sr. No	Category of shareholder	No. of shareholders	Total no. of shares	No. of shares held in de materialized form	Total shareholding as a percentage of total no. of shares		Shares pledged or otherwise encumbered	
					% of shares (A+B)	% of shares (A+B+C)	No. of shares	% No. of shares
(f)	Foreign Institutional Investors	100	25,849,082	25,849,082	6.45	6.45	NA	NA
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00	NA	NA
(h)	Any Other (specify)	0	0	0	0	0	0	0
	Sub-Total (B)(1)	158	36,936,726	36,936,726	9.22	9.22	NA	NA
(2)	**Non-institutions**							
(a)	Bodies Corporate	1913	4,689,807	4,689,807	1.17	1.17	NA	NA
(b)	Individuals							
(i)	Individual shareholders holding nominal share capital up to Rs. 1 lakh	510868	13,706,976	13,690,254	3.42	3.42	NA	NA
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	47	5,537,933	5,124,333	1.38	1.38	NA	NA
(c)	Any Other (specify)							
	Foreign Nationals	2	400,004	400,004	0.10	0.10	NA	NA
	Foreign Companies	6	12,791,434	12,791,434	3.19	3.19	NA	NA
	Directors/ Relatives of Director	6	219,930	219,930	0.05	0.05	NA	NA
	Trusts	23	1,030	1,030	0.00	0.00	NA	NA
	Overseas Bodies Corporate	1	15	15	0.00	0.00	NA	NA
	Non Resident Indians (Repat)	1853	269,221	269,221	0.07	0.07	NA	NA
	Clearing Member	521	683,025	683,025	0.17	0.17	NA	NA
	Non Resident Indians (Non Repat)	552	80,968	80,968	0.02	0.02	NA	NA
	Sub-Total(B)(2)	515792	38,380,343	37,950,021	9.58	9.58	NA	NA
	Total Public Shareholding (B)= (B)(1)+(B)(2)	515950	75,317,069	74,886,747	18.80	18.80	NA	NA
	TOTAL(A)+(B)	515965	400,678,820	400,248,498	100.00	100.00	47,099,000	11.75
(C)	**Shares held by Custodians and against which Depository Receipts have been issued**	0	0	0		0.00	NA	NA
	GRAND TOTAL (A)+(B)+(C)	**515965**	**400,678,820**	**400,248,498**	**100.00**	**100.00**	**47,099,000**	**11.75**

Financial Performance

The summary audited financials of MPSEZL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital*	4,006.79	3,604.30	1,802.10
Reserves (excluding revaluation reserves) and surplus	22,090.21	3,772.60	4,155.37
Income (including other income)	8,461.11	5,961.30	4,003.51
Profit/ (Loss) After Tax	2,134.12	1,874.40	672.39
Earning Per Share (face value Rs. 10)	5.49	5.20	1.87
Net asset value per share**	65.13	20.50	33.06

* *The increase of Rs. 402.80 million in FY 2006 represents the issue of 40,216,410 equity shares of Rs. 10 each fully paid up of Adani Port Limited, as per scheme of amalgamation. This amount appeared as equity share capital surplus account as of March 31, 2005.*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

MPSEZL has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

Share Price Information

The equity shares of MPSEZL are listed on BSE and NSE.

The monthly high and low of the closing market price of the equity shares of MPSEZL having a face value of Rs. 10 each on NSE are as follows:

Month	High (Rs.)	Low (Rs.)
June 2009	687.40	600.85
May 2009	611.20	401.35
April 2009	403.50	340.80
March 2009	326.60	297.70
February 2009	389.60	334.15
January 2009	395.20	331.25

Source: www.nse-india.com

The monthly high and low of the closing market price of the equity shares of MPSEZL having a face value of Rs. 10 each on BSE are as follows:

Month	High (Rs.)	Low (Rs.)
June 2009	684.15	599.35
May 2009	612.55	402.40
April 2009	404.00	340.85
March 2009	324.45	298.45
February 2009	387.20	333.55
January 2009	395.10	330.60

Source: www.bseindia.com

The market capitalisation of MPSEZL based on the closing price of Rs. 604.10 per equity share on the NSE as on June 30, 2009 was Rs. 242,050.18 million.

The market capitalisation of MPSEZL based on the closing price of Rs. 604.25 per equity share on the BSE as on June 30, 2009 was Rs. 242,110.29 million.

Details of public/ rights issue

The initial public offering of equity shares of MPSEZL having a face value of Rs. 10 each took place in November 2007 (the "IPO"). A total of 40,250,000 equity shares were issued as part of the IPO and the issue price was Rs. 440 per equity share.

The objects of the issue were as follows:

- Construction and development of basic infrastructure and the allied facilities in the proposed SEZ at Mundra;
- Construction and development of a terminal for coal and other cargo at Mundra Port;
- Contribution towards investment in Adani Petronet (Dahej) Port Private Limited;
- Contribution towards investment in Adani Logistics Limited;
- Contribution towards investment in Inland Conware Private Limited; and
- General Corporate Purposes

MPSEZL has utilized the net proceeds arising out of the IPO for the stated objects. The details of utilisation of the IPO proceeds for the objects of the issue in the IPO as of March 31, 2009 are given in the table below:

(In Rs. Million)

Sr. No.	Objects of the issue in the IPO	Proposed Utilization	Funds Utilized as at March 31, 2009
1.	SEZ Projects	5,000.00	1,912.85
2.	Coal Terminal Project	4,500.00	3,177.01
3.	Investment in Adani Petronet (Dahej) Port Private Limited('APPL')	2,094.60	414.70
4.	Investment in Adani Logistics Limited ('ALL')	480.00	246.80
5.	Investment in Inland Conware Private Limited ('ICPL')	1,087.80	450.80
6.	General Corporate Purpose	4,047.60	3,231.92
7.	Issue Expenses	500.00	415.48
	Total	**17,710.00***	9,849.56

* *Total proceeds received from the IPO was Rs. 17,710.00 Million, out of which total funds of Rs. 7,860.44 million remained unutilized as at March 31, 2009.*

Mechanism for redressal of investor grievance

The Board of Directors of MPSEZL has constituted a shareholder/investor grievance committee to deal with various matters relating to redressal of investors grievances. MPSEZL has also entered into an agreement with the Link Intime India Private Limited (previously known as Intime Spectrum Registry Limited) to handle all investor grievances under the overall supervision of the investor grievance committee of MPSEZL.

Investor grievances are usually resolved within an average period of 15 days from the date of its receipt.

During the quarter ended March 31, 2009, MPSEZL had 13 outstanding complaints from the shareholders for various reasons including non-receipt of refund order, non credit of shares in the account.

41. **Mundra SEZ Textile and Apparel Park Private Limited**

Corporate Information

Mundra SEZ Textile and Apparel Park Limited ("MTAP") was incorporated under the Companies Act on October 25, 2005 in Ahmedabad. The business of the company is to undertake, develop and operate infrastructure projects in textile and other sectors.

Registered Office

Its registered office is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of MTAP comprises of:

1. Mr. Samir Vora
2. Mr. Bharat C. Vedant
3. Mr. Ravi Raman
4. Mr. Bishwanath Sinha
5. Mr. Rajeev Ranjan Sinha

Shareholding Pattern

The shareholding pattern of MTAP as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Mundra Port and Special Economic Zone Limited	2,450,000*	60.44
2.	Adani Enterprises Limited	352,000	8.68
3.	Adani Logistics Limited	265,400	6.55
4.	Ashapura Garments Limited	144,700	3.57
5.	Skaps Industries India Private Limited	517,300	12.76
6.	Anjani Udyog Private Limited	324,200	8.00
	Total	**4,053,600**	**100.00**

* *This includes 4,005 equity shares of MTAP held by nominees of MPSEZL.*

Financial Performance

The summary audited financials of MTAP for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	30.67	30.67	30.67
Reserves (excluding revaluation reserves) and surplus	98.29	36.68	(0.44)
Income	0.00	0.00	0.00
Profit/ (Loss) After Tax	0.00	0.00	0.00
Earning Per Share (face value Rs. 10)	0.00	0.00	0.00
Net asset value per share*	42.04	21.96	9.86

NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.

MTAP is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

42. **Natural Growers Private Limited**

Corporate Information

Natural Growers Private Limited ("NGPL") was incorporated under the Companies Act on August 20, 2008. NGPL is engaged in the business of acquiring, purchasing or taking on lease the agricultural land anywhere in India and to do the business of agriculture, horticulture, floriculture, sericulture and cultivation of all kinds of seeds, fruits including grapes, oranges, apples, mangoes, proprietor of orchards and traders, exporter, dealers, processors, preservers and sellers of the products of such horticulture, floriculture, sericulture, seeds and cultivation, etc.

Registered Office

Its registered office is located at 601, 6th Floor, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Government Colony, Bandra (East), Mumbai 400 051.

Board of Directors

The board of directors of NGPL comprises of:

1. Mr. Tarwinder Singh
2. Mr. Ravjibhai Patel
3. Mr. Laxmiprasad Choudhary

Shareholding Pattern

The shareholding pattern of NGPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Infrastructure and Developers Private Limited*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes six equity shares of NGPL held by nominees of Adani Infrastructure and Developers Private Limited.*

Financial Performance

The financial statements of NGPL are not available as it is in the first year of its incorporation.

NGPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

43. **Panchdhara Agro Farms Private Limited**

Corporate Information

Panchdhara Agro Farms Private Limited ("PAFPL") was incorporated under the Companies Act on August 18, 1994. PAFPL is engaged in the business of agriculture, horticulture, farmer, planters, gardeners, vegetable growers and cultivators.

Registered Office

Its registered office is located at 41, Kajal Kiran, opposite Jain Derasar, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of PAFPL comprises of:

1. Mr. Prakash Shah
2. Mr. Rajivbhai Patel
3. Mr. Juvenil Jani

Shareholding Pattern

The shareholding pattern of PAFPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (Rs.10 per share)	Percentage
1.	Shantigram Estate Management Private Limited (SEMPL)*	50,000	100.00
	Total	**50,000**	**100.00**

* *This includes 50 equity shares of PAFPL held by nominees of SEMPL.*

Financial Performance

The summary audited financials of PAFPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	0.10	0.10	0.10
Reserves (excluding revaluation reserves) and surplus	(0.20)	(0.11)	(0.15)
Income	0.00	0.23	0.08
Profit/(Loss) After Tax	0.08	0.04	(0.03)
Earning Per Share (face value Rs. 10) (in Rs.)	(8.23)	3.81	(3.35)
Net asset value per share (in Rs.)*	(9.73)	(1.50)	(5.31)

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

PAFPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

44. **Parsa Kante Collieries Limited**

Corporate Information

Parsa Kante Collieries Limited ("PKCL") was incorporated under the Companies Act on October 16, 2007. PKCL is engaged in the business of developing and operating the coal mines, coal blocks in Sargaja district for the exclusive use of Rajasthan Rajya Vidyut Utpadan Nigam Limited ("RRVUNL") and also benefication transportation and delivers of coal to RRVUNL for its generation stations etc.

Registered Office

Its registered office is located at Plot No. 25, Yudhisthar Marg, "C" Scheme, Jaipur 302 001.

Board of Directors

The board of directors of PKCL comprises of:

1. Mr. Rajesh S. Adani
2. Mr. Samir Vora
3. Mr. Praveen Khandelwal
4. Mr. S.K. Calla
5. Mr. Narendra Pal Gangwar
6. Mr. Akhil Arora
7. Mr. Umesh Gupta
8. Mr. G. S. Bhatia

Shareholding Pattern

The shareholding pattern of PKCL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Enterprises Limited*	370,000	74.00
2.	RRVUNL	130,000	26.00
	Total	**500,000**	**100.00**

* *This includes 6,000 equity shares of PKCL held by nominees of AEL.*

Financial Performance

The summary audited financials of PKCL for the last two fiscal years is as follows:

(In Rs. Million, except share data)

Particulars	For the year ended March 31, 2008
Equity Capital	5.00
Reserves (excluding revaluation reserves) and surplus	(2.63)
Income (Loss)	0.00
Profit/ (Loss) After Tax	0.00
Earning Per Share (face value Rs. 10)**	0.00
Net asset value per share *	4.73

***Basic and diluted.*

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

PKCL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

45. **Pride Trade and Investment Private Limited**

Corporate Information

Pride Trade and Investment Private Limited ("Pride") was incorporated in Republic of Mauritius on August 8, 2007. Pride is engaged in the business of investment holding company and also any other business whatsoever and Pride shall have full power and authority to carry out any object not prohibited by law for the time being in force in the Republic of Mauritius.

Registered Office

The registered office of Pride is located at c/o Trustlink International Limited, Suite 501, St James Court, St Denis Street, Port Louis, Mauritius.

Board of Directors

The board of directors of Pride comprises of:

1. Mr. Vinod Shantilal Shah
2. Mr. Vidya Mungroo
3. Mr. Giandeo Reemul

Shareholding Pattern

The shareholding pattern of Pride on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (US$ 1 Per Shares)	Percentage
1.	Vinod S. Shah	10,000	100.00
	Total	**10,000**	**100.00**

Financial Performance

The summary audited financials of Pride for the last fiscal year is as follows:

(In USD Million, except share data)

Particulars	For the year ended March 31, 2008
Equity Capital	0.01
Reserves (excluding revaluation reserves) and surplus	(0.01)
Income (Loss)	0.00
Profit/ (Loss) After Tax	(0.01)
Earning Per Share (face value USD 1)*	(0.69)
Net asset value per share **	0.31

**Basic and diluted.*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

46. **PT Adani Global, Indonesia**

Corporate Information

PT Adani Global Indonesia ("PT Adani") was incorporated under law and legislation of the Republic of Indonesia on September 3, 2006. PT Adani is engaged in the business of trading, import and export and to attain the aim and objective above, the company may run business activities of export of commodities among others are coal, ore, iron steel, petroleum coke and all the goods which do not belong to contraband goods, import of commodities, among others are granite, marble, natural stone and all the goods which do not belong to contraband goods.

Registered Office

The registered office of PT Adani is located at Graha Mustika Ratu Lantai 5, JI. Jendral Gatot Subroto Kav 74 – 75, Jakarta Selatan 12870.

Board of Directors

The board of directors of PT Adani comprises of:

1. Mr. Harsh Mishra
2. Mr. Samir Vora
3. Mr. Y. M. Didi

Shareholding Pattern

The shareholding pattern of PT Adani on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (USD 100 Per Shares)	Percentage
1.	Adani Global Limited, Mauritius	12,500	5.00
2.	Adani Global PTE. Limited, Singapore	237,500	95.00
	Total	**250,000**	**100.00**

Financial Performance

The summary audited financials of PT Adani for the last two fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended	
	March 31, 2008	March 31, 2007
Equity Capital	398.80	30.60
Reserves (excluding revaluation reserves) and surplus	5.50	(0.90)
Income	24.60	34.30
Profit/ (Loss) After Tax	6.40	(0.90)
Earning Per Share (face value Rupiah 925,800)*	25.70	(854.20)
Net asset value per share **	4,043.00	4,291.91

* *Rupiah – Indonesian currency*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

47. **PT Kapuas Coal Mining**

Corporate Information

PT Kapuas Coal Mining ("PTKCM") was incorporated on December 10, 2008 under the laws of Indonesia. PTKCM is engaged in the business of coal mining in Kabupaten Kapuas, the regent of Kapuas, Indonesia.

Registered Office

The registered office of PTKCM is located at Graha Mustika Ratu Lantai 5, Jl. Jendral Gatot Subroto Kav 74-75, Jakarta Selatan 12870.

Board of Directors

The board of directors of PTKCM comprises of:

1. Mr. Rajesh S. Adani
2. Mr. Harsh Mishra
3. Mr. Yoginder Mohan Diddee
4. Mr. Samir Vora
5. Mr. Ganeshan Varadarajan
6. Mr. Jayaraman Udaykumar
7. Mr. Rangga W Binti
8. Mr. Vikram Shankarlal

Shareholding Pattern

The shareholding pattern of PTKCM on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (RP* . 1 million per share)	Percentage
1.	Adani Global Pte. Ltd. Singapore	1,740	87.00
2.	Perusahaan Daerah Panunjung	200	10.00
3.	PT Hasta Mundra	20	1.00
4.	PT Suar Harapan Bangsa	20	1.00
5.	PT Karya Perintis Sejati	20	1.00
	Total	**2,000**	**100.00**

**RP refers to Indonesian Rupiah*

Financial Performance

The financial statements of PTKCM as are not available as it is in the first year of its incorporation.

48. **Radiant Trade and Investment Private Limited**

Corporate Information

Radiant Trade and Investment Private Limited ("Radiant") was incorporated in Republic of Mauritius on August 8, 2007. Radiant is engaged in the business of investment holding company and also any other business whatsoever and the company shall have full power and authority to carry out any object not prohibited by law for the time being in force in the Republic of Mauritius.

Registered Office

The registered office of Radiant is located at C/o Trustlink International Limited, Suite 501, St James Court, St. Denis Street. Port Louis, Mauritius.

Board of Directors

The board of directors of Radiant comprises of:

1. Mr. Vinod Shantilal Shah

2. Mr. Vidya Mungroo

3. Mr. Giandeo Reemul

Shareholding Pattern

The shareholding pattern of Radiant on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (US$ 1 Per Shares)	Percentage
1.	Vinod S. Shah	10,000	100.00
	Total	**10,000**	**100.00**

Financial Performance

The summary audited financials of Radiant for the last fiscal year is as follows:

(In USD Million, except share data)

Particulars	For the year ended March 31, 2008
Equity Capital	0.01
Reserves (excluding revaluation reserves) and surplus	(0.01)
Income (Loss)	0.00
Profit/ (Loss) After Tax	(0.01)
Earning Per Share (face value USD 1)*	(0.68)
Net asset value per share**	0.32

**Basic and diluted.*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

49. **Rajasthan SEZ Private Limited**

Corporate Information

Rajasthan SEZ Private Limited (“RSPL”) was incorporated under the Companies Act on January 24, 2008. RSPL is a subsidiary of MPSEZL. RSPL is engaged in the business to establish and develop special economic zones and industrial estates/parks.

Registered Office

The registered office of RSPL is located at Adani House, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of RSPL comprises of:

1. Dr. Malay Mahadevia

2. Mr. Ameet H. Desai

Shareholding Pattern

The shareholding pattern of RSPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	MPSEZL*	10,000	100.00
	Total	**10,000**	**100.00**

* *This includes 100 equity shares of RSPL held by nominees of MPSEZL.*

Financial Performance

The summary audited financials of RSPL for the last fiscal year is as follows:

(In Rs. Million, except share data)

Particulars	For the year ended March 31, 2008
Equity Capital	0.10
Reserves (excluding revaluation reserves) and surplus	(0.02)
Income (Loss)	0.00
Profit/ (Loss) After Tax	0.00
Earning Per Share (face value Rs. 10)*	0.00
Net asset value per share**	8.45

**Basic and diluted*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

RSPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

50. **Rajendra Agri Trade Private Limited**

Corporate Information

Rajendra Agri Trade Private Limited ("RATPL") was incorporated under the Companies Act on July 7, 2006. RATPL is engaged in the business to plant, grow, alleviate, produce, raise, process, store, grind, clean, mix, grade, polish, can, import, export, buy, sell, warehouse and to act as agent, broker, stockist, indentor, consignor, merchant, adatia, farmer, or otherwise to deal with all types of seed, breeders farm house, farmers, horticulturists, floriculturists, tissueculturists, timbergrowers, forestowners and invest into different entities carrying agriculture related businesses.

Registered Office

The registered office of the RATPL is located at 601, 6th Floor, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Government Colony, Bandra (East), Mumbai 400 051.

Board of Directors

The board of directors of RATPL comprises of:

1. Mr. Samir Vora
2. Mr. Ravjibhai Patel
3. Mr. Juvenil Jani

Shareholding Pattern

The shareholding pattern of RATPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (Rs. 100 per share)	Percentage
1.	Adani Infrastructure Development Private Limited*	5,000	100.00
	Total	**5,000**	**100.00**

* *This includes six equity shares of RATPL held by nominees of Adani Infrastructure Development Private Limited.*

Financial Performance

The summary audited financials of RATPL for the last two fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended	
	March 31, 2008	March 31, 2007
Equity Capital	0.10	0.10
Reserves (excluding revaluation reserves) and surplus	(0.03)	(0.03)
Income	0.00	0.00
Profit/ (Loss) After Tax	0.00	0.00
Earning Per Share (face value Rs. 10)	0.00	0.00
Net asset value per share*	68.25	72.44

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

RATPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

51. **Rohit Agri Trade Private Limited**

Corporate Information

Rohit Agri Trade Private Limited ("RoATPL") was incorporated under the Companies Act on July 7, 2006. RoATPL is engaged in the business to plant, grow, alleviate, produce, raise, process, store, grind, clean, mix, grade, polish, can, import, export, buy, sell, warehouse and to act as agent, broker, stockist, indentor, consignor, merchant, adatia, farmer, or otherwise to deal with all types of seed, breeders farm house, farmers, horticulturists, floriculturists, tissue culturists, timber growers, forest owners, invest into different entities carrying agriculture related businesses.

Registered Office

The registered office of the RoATPL is located at 601, 6th Floor, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Government Colony, Bandra (East), Mumbai 400 051.

Board of Directors

The board of directors of RoATPL comprises of:

1. Mr. Samir Vora
2. Mr. Ravjibhai Patel
3. Mr. Juvenil Jani

Shareholding Pattern

The shareholding pattern of RoATPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (Rs. 100 per share)	Percentage
1.	Adani Infrastructure Development Private Limited*	5000	100.00
	Total	**5000**	**100.00**

**This includes six equity shares of RoATPL held by nominees of Adani Infrastructure Development Private Limited.*

Financial Performance

The summary audited financials of RoATPL for the last two fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended	
	March 31, 2008	March 31, 2007
Equity Capital*	0.10	0.10
Reserves (excluding revaluation reserves) and surplus	(0.03)	(0.03)
Income	0.00	0.00
Profit/ (Loss) After Tax	0.00	0.00
Earning Per Share (face value Rs. 10) (in Rs.)	0.00	0.00
Net asset value per share (in Rs.)*	68.25	72.44

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

RoATPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

52. **Shantigram Estate Management Private Limited**

Corporate Information

Shantigram Estate Management Private Limited ("SEMPL") was incorporated under the Companies Act on November 17, 2005 as Adani Realty (Ahmedabad) Private Limited. Its name was subsequently changed to Adani Townships & Real Estate Company Private Limited on January 25, 2006. Its name was subsequently changed to Shantigram Estate Management Private Limited on April 17, 2007. SEMPL is engaged in the business of developing real estate.

Registered Office

Its registered office is located at Ashima House, Kavi Nanala Marg, B/h. M. J. Library, Ellisbridge, Ahmedabad 380 008.

Board of Directors

The board of directors of SEMPL comprises of:

1. Mr. Pranav V. Adani
2. Mr. Tarwinder Singh
3. Mr. Devang Desai

Shareholding Pattern

The shareholding pattern of SEMPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Infrastructure and Developers Private Limited*	50,000	100.00
	Total	**50,000**	**100.00**

**This includes 100 equity shares of SEMPL held by nominees of Adani Infrastructure and Developers Private Limited.*

Financial Performance

The summary audited financials of SEMPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	0.50	0.50	0.10
Reserves (excluding revaluation reserves) and surplus	(1.32)	(1.23)	(0.03)
Income	0.00	0.00	0.00
Profit/ (Loss) After Tax	(0.09)	1.20	0.03
Earning Per Share (face value Rs. 10)*	(1.86)	(118.87)	(2.73)
Net asset value per share**	(16.44)	(14.58)	7.27

**Computed on the basis of earnings including extraordinary items*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

SEMPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

53. **Shantigram Utility Services Private Limited**

Corporate Information

Shantigram Utility Services Private Limited ("SUSPL") was incorporated under the Companies Act on December 5, 2008. SUSPL is engaged in the business of establishing, running, managing, constructing, building, owning, operating, taking on hire, leasing or carrying on the business of public utilities including distribution of power, supply of domestic and commercial gas, water, telecom, transport facility, heat and light, museum art galleries, amusement parks etc.

Registered Office

The registered office of SUSPL is located at 10th Floor, Shikhar, Adani House, Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Board of Directors

The board of directors of SUSPL comprises of:

1. Mr. Tarwinder Singh
2. Mr. Juvenil Jani
3. Mr. Sunil Sharma

Shareholding Pattern

The shareholding pattern of SUSPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Shantigram Estate Management Private Limited*	50,000	100.00
	Total	**50,000**	**100.00**

**This includes six equity shares of BGCCPL held by nominees of Shantigram Estate Management Private Limited.*

Financial Performance

The financial statements of SUSPL are not available as it is in the first year of its incorporation.

SUSPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

54. **Shantikrupa Estates Private Limited**

Corporate Information

Shantikrupa Estates Private Limited ("SEPL") was incorporated under the Companies Act, on March 30, 2004. SEPL is primarily engaged in the business of real estate development. Pursuant to a scheme of amalgamation dated February 17, 2009 approved by the High Court of Gujarat, vide its order dated April 28, 2009 Shantikrupa Infrastructure Private Limited was amalgamated into SEPL.

Registered Office

Its registered office is located at 901, Milestone Building, Opp. T. V. Tower, Nr. Drive In Cinema, Thaltej, Ahmedabad 380 054.

Board of Directors

The board of directors of SEPL comprises of:

1. Mr. Vasant S. Adani
2. Ms. Pushpa V. Adani
3. Ms. Riddhi V. Adani

Shareholding Pattern

The shareholding pattern of SEPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Mr. Vasant S. Adani	495,000	99.00
2.	Ms. Pushpa V. Adani	4,999	0.9998
3.	Vasant S. Adani Family Trust	1	0.0002
	Total	**500,000**	**100.00**

Financial Performance

The summary audited financials of SEPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	5.00	0.10	0.10
Reserves and Surplus	5.29	5.05	(1.81)
Income	26.12	23.34	0.00
Profit/ (Loss) After Tax	0.23	6.86	(1.40)
Earning Per Share (face value Rs. 10)	15.00	686.50	(140.95)
Net Asset value per share*	20.57	514.85	(171.18)

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

SEPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

55. **Shantikrupa Services Private Limited**

Corporate Information

Shantikrupa Services Private Limited ("SSPL") was incorporated under the Companies Act on March 1, 2006. SSPL is engaged in the business of supplying construction equipment either on rent or hire-purchase or otherwise.

Registered Office

Its registered office is located at 901, Milestone Building, Opp. T. V. Tower, Nr. Drive In Cinema, Thaltej, Ahmedabad 380 054.

Board of Directors

The board of directors of SSPL comprises of

1. Mr. Vasant S. Adani; and
2. Mr. Bhavik B. Shah.

Shareholding Pattern

The shareholding pattern of SSPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Mr. Vasant S. Adani	5,000	50.00
2.	Ms. Pushpa V. Adani	5,000	50.00
	Total	**10,000**	**100.00**

Financial Performance

The summary audited financials of SSPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ending		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	0.10	0.10	0.10
Reserves (excluding revaluation reserves) and surplus	(0.02)	(0.01)	0.00
Income	0.00	0.00	0.00
Profit/ (Loss) After Tax	0.00	0.00	0.00
Earning Per Share (face value Rs. 10)	0.00	0.00	0.00
Net Asset value per share*	7.61	9.46	9.68

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

SSPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

56. **Sunanda Agri Trade Private Limited**

Corporate Information

Sunanda Agri Trade Private Limited ("SATPL") was incorporated under Companies Act on July 7, 2006. SATPL is engaged in the business to plant, grow, alleviate, produce, raise, process, store, grind, clean, mix, grade, polish, can, import, export, buy, sell, warehouse and to act as agent, broker, stockist, indentor, consignor, merchant, adatia, farmer, or otherwise to deal with all types of seed, breeders farm house, farmers, horticulturists, floriculturists, tissue culturists, timber growers, forest owners, invest into different entities carrying agriculture related businesses.

Registered Office

The registered office of the SATPL is located at 601, 6th Floor, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Government Colony, Bandra (East), Mumbai 400 051.

Board of Directors

The board of directors of SATPL comprises of:

1. Mr. Ravjibhai Patel
2. Mr. Laxmiprasad Chaudhary
3. Mr. Juvenil Jani

Shareholding Pattern

The shareholding pattern of SATPL on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (Rs. 100 per share)	Percentage
1.	Adani Infrastructure Development Private Limited*	5,000	100.00
	Total	**5,000**	**100.00**

**This includes six equity shares of SATPL held by nominees of Adani Infrastructure Development Private Limited.*

Financial Performance

The summary audited financials of SATPL for the last two fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended	
	March 31, 2008	March 31, 2007
Equity Capital	0.10	0.10
Reserves (excluding revaluation reserves) and surplus	(0.03)	(0.03)
Income	0.00	0.00
Profit/ (Loss) After Tax	0.00	0.00
Earning Per Share (face value Rs. 10) (in Rs.)	0.00	0.00
Net asset value per share (in Rs.)*	68.25	72.44

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

SATPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

57. **Swayam Realtors and Traders Private Limited**

Corporate Information

Swayam Realtors and Traders Private Limited ("SRTPL") was incorporated under the Companies Act on September 8, 2004. SRTPL is engaged in the business of developing real estate.

Registered Office

Its registered office is located at Marathon NextGen, Off. Ganpat Rao Kadam Marg, Lower Parel (W), Mumbai 400 013.

Board of Directors

The board of directors of SRTPL comprises of:

1. Mr. Rajesh S. Adani
2. Mr. Devang Desai
3. Mr. Chetan R. Shah
4. Mr. Mayur R. Shah

Shareholding Pattern

The shareholding pattern of SRTPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Estate Private Limited*	636,121	60.00
2.	Marathon Nextgen Reality & Textiles Limited**	424,081	40.00
	Total	**1,060,202**	**100.00**

* *This includes 300 equity shares of SRTPL held by nominees of Adani Estate Private Limited.*

** *This includes 200 equity shares of SRTPL held by nominees of Marathon Nextgen Reality & Textiles Limited.*

Financial Performance

The summary audited financials of SRTPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	10.60	0.50	0.50
Reserves (excluding revaluation reserves) and surplus	(0.48)	(0.07)	(0.07)
Profit /(Loss) After Tax	(0.40)	0.00	0.07
Earning Per Share (face value Rs. 10)	(0.72)	(0.03)	(1.41)
Net asset value per share	9.55	8.56	8.59

SRTPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

58. **Trident Trade and Investment Private Limited**

Corporate Information

Trident Trade and Investment Private Limited ("Trident") was incorporated in Republic of Mauritius on August 8, 2007. The object for which the company is established are investment holding company and also any business whatsoever and the company shall have full power and authority to carry out any object not prohibited by law for the time being in force in the Republic of Mauritius.

Registered Office

The registered office of Trident is located at C/o Trustlink International Limited, Suite 501, St James Court, St Denis Street, Port Louis, Mauritius.

Board of Directors

The board of directors of Trident comprises of:

1. Mr. Vinod Shantilal Shah
2. Mr. Vidya Mungroo
3. Mr. Giandeo Reemul

Shareholding Pattern

The shareholding pattern of Trident on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (US$ 1 Per Shares)	Percentage
1.	Vinod S. Shah	10,000	94.34
2.	Adani Investment	600	5.66
	Total	**10,600**	**100.00**

Financial Performance

The summary audited financials of Trident for the last fiscal year is as follows:

(In USD Million, except share data)

Particulars	For the year ended March 31, 2008
Equity Capital	0.01
Reserves (excluding revaluation reserves) and surplus	(0.01)
Income (Loss)	1.24
Profit/ (Loss) After Tax	(0.01)
Earning Per Share (face value USD 1)	(0.57)
Net asset value per share*	0.43

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

59. **Ventura Power Investment Private Limited**

Corporate Information

Ventura Power Investment Private Limited ("Ventura Power") was incorporated in the Republic of Mauritius on June 9, 2008 as Lingo (Mauritius) Private Limited. The name of the company was subsequently changed to Ventura Power Investment Private Limited through a shareholder's resolution dated April 16, 2009. The approval regarding change of name is currently pending with the relevant statutory authority. Ventura Power is engaged in the business of investment holding company and also any other business whatsoever and the company shall have full power and authority to carry out any object not prohibited by law for the time being in force in the Republic of Mauritius.

Registered Office

The registered office of Ventura Power is located at C/o Trustlink International Limited, Suite 501, St James Court, St. Denis Street, Port Louis, Mauritius.

Board of Directors

The board of directors of Ventura Power comprises of:

1. Mr. Vinod Shantilal Shah
2. Mr. Navind Beeharry
3. Mr. Giandeo Reemul

Shareholding Pattern

The shareholding pattern of Ventura Power on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (US$ 1 Per Shares)	Percentage
1.	Vinod S. Shah	10,000	100.00
	Total	**10,000**	**100.00**

Financial Performance

The audited financial statements of the company are not available as it is in the first year of its incorporation.

60. **Ventura Trade and Investment Private Limited**

Corporate Information

Ventura Trade and Investment Private Limited ("Ventura") was incorporated in Republic of Mauritius on August 8, 2007. The object for which the company is established are investment holding company and also any business whatsoever and the company shall have full power and authority to carry out any object not prohibited by law for the time being in force in the Republic of Mauritius.

Registered Office

The registered office of Ventura is located at C/o Trustlink International Limited, Suite 501, St James Court, St Denis Street, Port Louis, Mauritius.

Board of Directors

The board of directors of Ventura comprises of:

1. Mr. Vinod Shantilal Shah
2. Mr. Vidya Mungroo
3. Mr. Giandeo Reemul

Shareholding Pattern

The shareholding pattern of Ventura on June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held (US$ 1 Per Shares)	Percentage
1.	Vinod S. Shah	10,000	100.00
	Total	**10,000**	**100.00**

Financial Performance

The summary audited financials of Ventura for the last fiscal year is as follows:

(In USD Million, except share data)

Particulars	For the year ended March 31, 2008
Equity Capital	0.01
Reserves (excluding revaluation reserves) and surplus	(0.01)
Income (Loss)	0.00
Profit/ (Loss) After Tax	(0.01)
Earning Per Share (face value USD 1)*	(1.00)
Net asset value per share**	0.34

**Basic and diluted.*

***NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

61. **Vishakha Polyfab Private Limited**

Corporate Information

Vishakha Polyfab Private Limited ("VPPL") was incorporated under the Companies Act on December 29, 1993. VPPL is engaged in the business of manufacturing of Multilayer plastic extruded film (plain and printed).

Registered Office

Its registered office is located at 549/2, Village Vadsar, Taluka Kalol, Khatraj, Gandhinagar.

Board of Directors

The board of directors of VPPL comprises of:

1. Mr. Jigish Doshi
2. Mr. Bhadresh Doshi
3. Mr. Dhaval Shah
4. Mr. Kamal Moondra

Shareholding Pattern

The shareholding pattern of VPPL as of June 15, 2009 is as follows:

Sr. No.	Name of the shareholder	Number of equity shares held	Percentage
1.	Adani Wilmar Limited	2,000,000	50.00
2.	Bhadresh Doshi	270,000	6.75
3.	Umesh Doshi	209,500	5.24
4.	Jigish Doshi*	1,520,000	38.00
5.	Jigish Doshi (Nominee on behalf of Labdhi International)	500	0.01
	Total	**4,000,000**	**100.00**

* *This includes one equity shares of VPPL held by nominees of Vishakha Industries*

Financial Performance

The summary audited financials of VPPL for the last three fiscal years are as follows:

(In Rs. Million, except share data)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Equity Capital	40.00	40.00	40.00
Reserves (excluding revaluation reserves) and surplus	85.60	71.72	64.77
Income	427.53	315.59	305.36
Profit/ After Tax	20.90	13.97	27.15
Earning Per Share (face value Rs. 10)	6.22	3.49	6.79
Net asset value per share*	31.40	27.93	26.19

**NAV per share is calculated using the formula: (equity share capital + reserves) / number of equity shares outstanding. Further, the reserves have been adjusted for miscellaneous expenditure and debit in profit and loss account.*

VPPL is an unlisted company and it has not made any public or rights issue in the preceding three years. It has not become a sick company within the meaning of Sick Industrial Companies (Special Provisions) Act, 1985 and it is not under winding up.

Partnership Firms/Sole Proprietorships forming part of Promoter Group

1. Adani Exports

Corporate Information

Adani Exports is a partnership firm formed on June 1, 2006. Adani Exports is engaged in the business of manufacturing of jewellery from gold bar.

Registered Office

The offices of Adani Exports are located at 8th Floor, Shikhar, Near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Partners

The partners of Adani Exports and their profit/loss interest as of June 15, 2009 are as follows:

Sr. No	Name of the partner	Interest (Percentage)
1.	Adani Enterprises Limited	99.00
2.	Adani Agro Private Limited	1.00
	Total	**100.00**

Financial Performance

The summary financials of Adani Exports for the last two fiscal years are as follows:

(In Rs. Million)

Particulars	For the year ended	
	March 31, 2008	March 31, 2007
Partners' Capital Account	2,555.57	737.72
Total income	24,305.07	9,694.22
Net Profit/(Loss)	1,790.74	725.08

2. Adani Textile Industries

Corporate Information

Adani Textile Industries ("ATI") is a partnership firm formed on January 1, 1981. ATI is engaged in the business of manufacturer, processor, traders, exporter, importer, indentors, commission agent in textiles, cosmetics, toiletries and other items.

Registered Office

The offices of ATI are located at 9th Floor, Shikhar, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Partners

The partners of ATI and their profit/loss interest as of June 15, 2009 are as follows:

Sr. No	Name of the partner	Interest (Percentage)
1.	Mr. Mahasukh S. Adani	99.00
2.	Mr. Vasant S. Adani	1.00
	Total	**100.00**

Financial Performance

The summary financials of ATI for the last three fiscal years are as follows:

(In Rs. Million)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Partners' Capital Account	146.11	116.06	126.39
Total income	205.10	184.18	206.33
Net Profit/(Loss)	6.31	4.88	(3.59)

3. EZY Global

Corporate Information

EZY Global is a partnership firm formed on June 6, 2004. EZY Global is engaged in the business of manufacturer, processor, traders, exporter, importer, indentors, commission agent in textiles, cosmetics, toiletries and other items.

Registered Office

The offices of EZY Global are located at 9th Floor, Shikhar, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Partners

The partners of EZY Global and their profit/loss interest as of June 15, 2009 are as follows:

Sr. No	Name of the partner	Interest (Percentage)
1.	Mr. Mahasukh S. Adani	99.00
2.	Mr. Vasant S. Adani	1.00
	Total	**100.00**

Financial Performance

The summary financials of EZY Global for the last three fiscal years are as follows:

(In Rs. Million)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Partners' Capital Account	17.32	32.98	56.42
Total income	28.99	36.33	91.42
Net Profit/(Loss)	3.95	1.98	0.83

4. Shanti Builders

Corporate Information

Shanti Builders is a partnership firm formed on September 1, 2004. Shanti Builders is engaged in the business construction activities.

Registered Office

The offices of Shanti Builders are located at 8th Floor, Shikhar, near Mithakhali Six Roads, Navrangpura, Ahmedabad 380 009.

Partners

The partners of Shanti Builders and their profit/loss interest as of June 15, 2009 are as follows:

Sr. No.	Name of the partner	Interest (Percentage)
1.	Mr. Mahasukh S. Adani	1.00
2.	Mr. Vasant S. Adani	78.00
3.	Mr. Pranav V. Adani	1.00
4.	Mr. Dilip R. Shah	20.00
	Total	**100.00**

Financial Performance

The summary financials of Shanti Builders for the last three fiscal years are as follows:

(In Rs. Million)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31,2006
Partners' Capital Account	17.54	21.82	19.45
Total income	59.67	26.30	Nil
Net Profit/(Loss)	40.73	9.17	Nil

None of our Promoters or Promoter Group Companies have been restrained or prohibited by SEBI or any other regulatory authority from accessing the capital markets for any reason, except as stated in this Red Herring Prospectus.

Trusts forming part of the Promoter Group

1. Gautambhai S. Adani Family Trust

Corporate Information

Gautam S. Adani Family Trust is a private trust and it was set up on December 1, 1998. Its income is mainly on account of investments in shares, interest income and interest on fixed deposits.

Board of Trustees

The trustees of the Gautam S. Adani Family Trust are:

1. Mr. Gautam S. Adani
2. Mr. Rajesh S. Adani
3. Mr. Vinod S. Adani
4. Ms. Priti Gautam Adani

Beneficiaries

The beneficiaries of Gautam S. Adani Family Trust are:

1. Mr. Gautam S. Adani and his family members
2. Shantilal Bhudarmal Adani Family Trust

Financial Performance

The summary financials of Gautam S. Adani Family Trust for the last three fiscal years are as follows:

(In Rs. Million)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Trust Fund	0.98	1.00	1.00
Trust Income	0.02	4.20	0.00
Surplus of Income over Expenditure	0.17	0.00	(0.70)

2. Mahasukbhai S. Adani Family Trust

Corporate Information

Mahasukbhai S. Adani Family Trust is a private trust and it was set up on December 1, 1998. Its income is mainly on account of investments in shares, interest income and interest on fixed deposits.

Board of Trustees

The trustees of the Mahasukhbhai S. Adani Family Trust are:

1. Mr. Mahasukhbhai S. Adani
2. Mrs. Suvarnaben M. Adani

Beneficiaries

The beneficiaries of Mahasukhbhai S. Adani Family Trust are:

1. Mr. Mahasukhbhai S. Adani and his family members
2. Shantilal Bhudarmal Adani Family Trust

Financial Performance

The summary financials of Mahasukhbhai S. Adani Family Trust for the last three fiscal years are as follows:

(In Rs. Million)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Trust Fund	380.16	384.65	387.31
Trust Income/ Receipt	1.34	12.44	0.04
Surplus of Income over Expenditure	1.33	0.00	(0.07)

3. Shantilal Bhudarmal Adani Family Trust

Corporate Information

Shantilal Bhudarmal Adani Family Trust is a private trust and it was set up on June 5, 1981. Its income is mainly on account of investments in shares and interest on fixed deposits.

Board of Trustees

The trustees of Shantilal Bhudarmal Adani Family Trust are:

1. Mr. Vinod S. Adani
2. Mr. Gautam S. Adani
3. Mr. Rajesh S. Adani

Beneficiaries

The beneficiaries of Shantilal Bhudarmal Adani Family Trust are:

1. Mr. Mahasukhbhai S. Adani;
2. Mr. Vinod S. Adani;
3. Mr. Vasant S. Adani;
4. Mr. Gautam S. Adani;
5. Mr. Rajesh S. Adani; and
6. their respective family members.

Financial Performance

The summary financials of Shantilal Bhudarmal Adani Family Trust for the last three fiscal years are as follows:

(In Rs. Million)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Trust Fund	4,903.62	4,905.30	1,906.70
Trust Income	0.37	126.60	366.20
Surplus of Income over Expenditure	(0.64)	125.40	365.10

4. Rajeshbhai S. Adani Family Trust

Corporate Information

Rajesh S. Adani Family Trust is a private trust and it was set up on December 1, 1998. Its income is mainly on account of investments in shares, Interest Income and interest on fixed deposits.

Board of Trustees

The trustees of the Rajesh S. Adani Family Trust are:

1. Mr. Rajesh S. Adani
2. Mr. Gautam S. Adani
3. Mr. Vinod S. Adani
4. Mr. Shilin Rajesh Adani

Beneficiaries

The beneficiaries of Rajesh S. Adani Family Trust are:

1. Mr. Rajesh S. Adani and his family members
2. Shantilal Bhudarmal Adani Family Trust

Financial Performance

The summary financials of Rajesh S. Adani Family Trust for the last three fiscal years are as follows:

(In Rs. Million)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Trust Fund	6.62	6.60	7.30
Trust Income	0.02	5.60	0.10
Surplus of Income over Expenditure	0.02	0.00	0.00

5. Vasantbhai S. Adani Family Trust

Corporate Information

Vasantbhai S. Adani Family Trust is a private trust and it was set up on December 1, 1998. Its income is mainly on account of investments in shares, interest income and interest on fixed deposits.

Board of Trustees

The trustees of the Vasantbhai S. Adani Family Trust are:

1. Mr. Vasantbhai S. Adani
2. Mrs. Pushpaben V. Adani

Beneficiaries

The beneficiaries of Vasantbhai S. Adani Family Trust are:

1. Mr. Vasantbhai S. Adani and his family members
2. Shantilal Bhudarmal Adani Family Trust

Financial Performance

The summary financials of Vasantbhai S. Adani Family Trust for the last three fiscal years are as follows:

(In Rs. Million)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Trust Fund	227.05	235.85	235.86
Trust Income/ Receipt	2.55	5.15	0.04
Surplus of Income over Expenditure	2.26	0.00	(1.50)

6. Vinodbhai S. Adani Family Trust

Corporate Information

Vinodbhai S. Adani Family Trust is a private trust and it was set up on December 1, 1998. Its income is mainly on account of investments in shares, interest income and interest on fixed deposits.

Board of Trustees

The trustees of the Vinodbhai S. Adani Family Trust are:

1. Mr. Vinodbhai S. Adani
2. Mrs. Ranjanben V. Adani
3. Mr. Gautambhai S. Adani
4. Mr. Rajeshbhai S. Adani

Beneficiaries

The beneficiaries of Vinodbhai S. Adani Family Trust are:

1. Mr. Vinodbhai S. Adani and his family members
2. Shantilal Bhudarmal Adani Family Trust

Financial Performance

The summary financials of Vinodbhai S. Adani Family Trust for the last three fiscal years are as follows:

(In Rs. Million)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Trust Fund	5.79	5.79	5.71
Trust Income/ Receipt	0.06	3.66	0.02
Surplus of Income over Expenditure	0.06	0.17	(0.01)

HUFs forming part of the Promoter Group

1. Gautambhai S. Adani HUF

Gautambhai S. Adani HUF is a Hindu Undivided Family, represented by its karta Mr. Gautam S. Adani.

Financial Performance

The audited summary financials of Gautambhai S. Adani HUF for the last three fiscal years are as follows:

(In Rupees)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Capital Account	291.00	291.00	113,985.00
Interest Income	-	1,990.00	2,020.00
Net Surplus	-	1,866.00	2,020.00

2. Mahasukhbhai S. Adani HUF

Mahasukhbhai S. Adani HUF is a Hindu Undivided Family, represented by its karta Mr. Mahasukhbhai S. Adani.

Financial Performance

The audited summary financials of Mahasukhbhai S. Adani HUF for the last three fiscal years are as follows:

(In Rupees)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Capital Account	89.00	89.00	6,905.00
Interest Income	-	119.00	452.00
Net Surplus	-	119.00	(4,948.00)

3. Rajeshbhai S. Adani HUF

Rajeshbhai S. Adani HUF is a Hindu Undivided Family, represented by its karta Mr. Rajesh S. Adani.

Financial Performance

The audited summary financials of Rajeshbhai S. Adani HUF for the last three fiscal years are as follows:

(In Rupees)

Particulars	For the year ended		
	March 31, 2008	March 31, 2007	March 31, 2006
Capital Account	12.00	35.0	78.0
Interest Income	-	2.0	78.0
Net Surplus	-	(44.0)	78.0

4. Vasantbhai S. Adani HUF

Vasantbhai S. Adani HUF is a Hindu Undivided Family, represented by its karta Mr. Vasant S. Adani.

Financial Performance

The audited summary financials of Vasantbhai S. Adani HUF for the last three fiscal years are as follows:

(In Rupees)

Particulars	**For the year ended**		
	March 31, 2008	**March 31, 2007**	**March 31, 2006**
Capital Account	10,347.00	9,998.00	9,661.00
Interest Income	349.00	337.00	603.00
Net Surplus	349.00	337.00	(2,097.00)

5. Vinodbhai S. Adani HUF

Vinodbhai S. Adani HUF is a Hindu Undivided Family, represented by its karta Mr. Vinod S. Adani.

Financial Performance

The audited summary financials of Vinodbhai S. Adani HUF for the last three fiscal years are as follows:

(In Rupees)

Particulars	**For the year ended**		
	March 31, 2008	**March 31, 2007**	**March 31, 2006**
Capital Account	89.00	89.00	6,587.00
Interest Income	-	114.00	184.00
Net Surplus	-	(9.00)	184.00

Disassociation by our Promoters in the last three years

AEL has disassociated from Advantage Retail Limited as it was transferred to Reliance Retail Limited.

RELATED PARTY TRANSACTIONS

Based on the standalone financial statements of the Company:

(Rs. in Millions)

	For the year ended March 31, 2009			For the year ended March 31, 2008		For the year ended March 31, 2007		For the year ended March 31, 2006		For the year ended March 31, 2005		For the year ended March 31, 2004	
	Value of Transactions	Balance		Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance
(i) Advance for purchase of Steel													
Adani Global FZE	-	-		38.60	-	14.27	14.27 Dr.	-	-	-	-	-	-
(ii) Advance for Constructing Employee Township													
Adani Mundra SEZ Infrastructure Pvt. Ltd.	530.00	712.33	Dr	132.20	183.09 Dr.	50.89	50.89 Dr.	-	-	-	-	-	-
(iii) Sharing of Common Expenses													
Mundra Port and Special Economic Zone Ltd	-	-		-	-	6.62	-	14.40	15.91 Cr.	-	-	-	-
Adani Enterprise Ltd	62.71	-		13.50	2.01 Cr.	8.49	10.74 Cr.	-	-	-	-	-	-
(iv) Bank guarantee and LC Commission charges													
Adani Enterprise Ltd	-	-		-	-	10.74	-	-	-	-	-	-	-
(v) Purchase of Material													
Adani Enterprise Ltd	33.67	5.01	Cr	9.00	-	5.04	-	-	-	-	-	-	-
(vi) Loan Received and Interest thereon													
Adani Enterprise Ltd.	110.22	-		-	-	-	-	-	-	-	-	-	-

	For the year ended March 31, 2009			For the year ended March 31, 2008		For the year ended March 31, 2007		For the year ended March 31, 2006		For the year ended March 31, 2005		For the year ended March 31, 2004	
	Value of Transactions	Balance		Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance
(vii) Share Application Money													
Adani Enterprise Ltd	360.00	0.60	Cr	2,553.70	360.60 Cr.	2,797.40	200.00 Cr.	-	-	-	-	-	-
Mundra Port and Special Economic Zone Ltd	-	-		-	-	68.00	-	68.00	68.00 Cr.	-	-	-	-
(viii) Equity Contribution													
Priti G Adani	-	-		-	-	-	-	-	-	-	-	1.80	1.80 Cr.
Shilin R Adani	-	-		-	-	-	-	-	-	-	-	1.80	1.80 Cr.
Pushpa V Adani	-	-		-	-	-	-	-	-	-	-	1.80	1.80 Cr.
Suvarna M Adani	-	-		-	-	-	-	-	-	-	-	1.80	1.80 Cr.
Ranjan V Adani	-	-		-	-	-	-	-	-	-	-	1.80	1.80 Cr.
(ix) Deposit for Rent													
Adani Properties Pvt. Ltd	10.00	10.00	Dr	-	-	-	-	-	-	-	-	-	-
(x) Rent													
Adani Properties Pvt Ltd	0.61	-		0.70	-	5.89	-	0.04	-	-	-	-	-
Adani Wilmar Ltd	0.98	-		0.81	0.11 Cr.	0.07	0.07 Cr.	-	-	-	-	-	-
Mundra Port and Special Economic Zone Ltd	1.29	-		-	-	0.44	-	0.34	-	-	-	-	-
(xi) Purchase of Desalination Plant													
Adani Wilmar Ltd	-	-		-	-	26.65	-	-	-	-	-	-	-
(xii) Purchase of Fixed Assets													
Mundra Port and Special Economic Zone Ltd	-	-		-	-	-	-	0.89	-	-	-	-	-
Adani Power Maharashtra Ltd.	368.86	-		-	-	-	-	-	-	-	-	-	-

	For the year ended March 31, 2009			For the year ended March 31, 2008		For the year ended March 31, 2007		For the year ended March 31, 2006		For the year ended March 31, 2005		For the year ended March 31, 2004	
	Value of Transactions	Balance		Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance
(xiii) Lease Rent, Infrastructure Usage Charges and Land Charges													
Mundra Port and Special Economic Zone Ltd	887.65	663.39	Cr	4,703.42	1,575.70 Cr	2,645.71	2,046.25 Cr.	-	-	-	-	-	-
(xiv) Salary & Allowances													
Shri R K Gupta	4.56	-		3.43	-	1.74	-	-	-	-	-	-	-
(xv) Advance under Coal Supply Agreement													
entered into													
Adani Enterprise Ltd	-	1,500.00	Dr	1,500.00	1500.00 Dr	-	-	-	-	-	-	-	-
(xvi) Electricity Charges													
Adani Wilmar Limited	0.53	-		0.31	0.08 Cr.	-	-	-	-	-	-	-	-
(xvii) Storage charges, Terminal Handling charges etc.													
Mundra Port and Special Economic Zone Ltd	53.57	14.04	Cr	3.97	3.97 Cr.	-	-	-	-	-	-	-	-
(xviii) Loans to Companies													
Adani Energy Ltd	-	-		200.00	-	-	-	-	-	-	-	-	-
Aloka Real Estate Pvt Ltd	-	-		600.00	-	-	-	-	-	-	-	-	-
Adani Power Rajasthan Limited	600.10	600.71	Dr	0.61	0.61 Dr.	-	-	-	-	-	-	-	-
(xix) Fuel Expenses													
Adani Energy Ltd	0.04	-		0.07	0.01 Cr.	0.01	-	-	-	-	-	-	-

	For the year ended March 31, 2009			For the year ended March 31, 2008		For the year ended March 31, 2007		For the year ended March 31, 2006		For the year ended March 31, 2005		For the year ended March 31, 2004	
	Value of Transactions	Balance		Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance
(xx) Reimbursement of Expenses													
PT Adani Global	-	-		0.51	-	-	-	-	-	-	-	-	-
Adani Mining Pvt Ltd	1.75	-		0.50	0.50 Cr	-	-	-	-	-	-	-	-
Adani Energy Ltd.	0.26	-		-	-	-	-	-	-	-	-	-	-
Adani Infrastructure Services Pvt. Ltd.	0.19	-		-	-	-	-	-	-	-	-	-	-
Adani Welspun Exploration Limited	0.80	-		-	-	-	-	-	-	-	-	-	-
Karnavati Aviation Pvt Ltd	23.55	-		-	-	-	-	-	-	-	-	-	-
Mundra Power SEZ Ltd.	0.03	-		-	-	-	-	-	-	-	-	-	-
(xxi) Purchase of Furniture													
Ezy Global	-	-		0.41	-	-	-	-	-	-	-	-	-
(xxii)Loans from Relative of Directors													
Pritiben G Adani (Loan Repayment)	-	-		-	-	-	-	-	-	-	-	9.10	-
(xxiii) Interest on Loan from Companies													
Adani Energy Limited	-	-		3.29	-	-	-	-	-	-	-	-	-
Aloka Real Estate Pvt. Ltd.	-	-		4.41	-	-	-	-	-	-	-	-	-

	For the year ended March 31, 2009			For the year ended March 31, 2008		For the year ended March 31, 2007		For the year ended March 31, 2006		For the year ended March 31, 2005		For the year ended March 31, 2004	
	Value of Transactions	Balance		Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance
(xxiv) Investments													
Adani Power Maharashtra Pvt. Limited	2,312.90	2,313.00	Dr	0.10	0.10 Dr	-	-	-	-	-	-	-	-
Adani Power Maharashtra Ltd. (Share Application Money)	-	-		273.27	273.27 Dr	-	-	-	-	-	-	-	-
Adani Power Dahej Ltd. (Share Application Money)	380.10	406.40	Dr	26.30	26.30 Dr	-	-	-	-	-	-	-	-
Adani Power Rajasthan Limited	0.40	0.50	Dr	0.10	0.10 Dr	-	-	-	-	-	-	-	-
Adani Power Dahej Ltd.	0.40	0.50	Dr	0.10	0.10 Dr	-	-	-	-	-	-	-	-
Mundra Power SEZ Ltd.	0.50	0.50	Dr	-	-	-	-	-	-	-	-	-	-
Adani Power Overseas Ltd.	0.53	0.53	Dr	-	-	-	-	-	-	-	-	-	-

Based on the consolidated financial statements of the Company:

Description	Name of Related Party	Nature of Relationship	Value of Transactions		Balance as at	
			Year ended 31st March, 2009	Year ended 31st March, 2008	31st March, 2009	31st March, 2008
Advance for Purchase of Steel	Adani Global FZE	Fellow Subsidiary	-	38.60	-	-
Advance for Constructing Employee Township	Adani Mundra SEZ Infrastructure Pvt. Ltd.	Fellow Subsidiary	530.00	132.20	712.33 Dr.	183.09 Dr.
Sharing of Common Expenses	Adani Enterprises Ltd.	Holding Company	62.71	13.50	-	2.01 Cr.
Purchase of Bitumen			0.00	8.99	-	0.00 Dr.
Interest on Loan			0.22	-	-	-
Coal Purchase			1.03	-	-	-
Purchase of HSD			29.59	-	6.75 Cr	-
Director Appointment Fees			0.00	-	-	-
Purchase of Granite			3.05	-	1.74 Cr	-
Advance as per the terms of Coal Supply Agreement entered into			-	1,500.00	1,500.00 Dr	1,500.00 Dr.
Loan Taken			110.00	-	-	-
Share Application Money			360.00	2,553.70	0.60 Cr.	360.60 Cr.
Rent	Adani Properties Pvt. Ltd.	Other parties which are significantly influenced by the company (either individually or with others)	0.61	0.70	-	-
	Adani Wilmar Limited		0.98	0.81	-	0.11 Cr.
	Mundra Port and Special Economic Zone Limited		1.29	-	-	-
Electricity Charges	Adani Wilmar Ltd.	Other parties which are significantly influenced by the company (either individually or with others)	0.53	0.31	-	0.08 Cr.
Lease Rent, Infrastructure Usage Charges & Land Charges	Mundra Port and Special Economic Zone Ltd.	Other parties which are significantly influenced by the company (either individually or with others)	887.65	4,703.42	663.38 Cr.	1,575.70 Cr.
Storage Charges, Terminal Handling Charges, What rf age, Crane Hiring, Water Front Royalty, Etc..			53.57	3.97	14.04 Cr.	3.97 Cr.
Loans to Companies	Adani Energy Limited	Fellow Subsidiary	-	200.00	-	-
	Aloka Real Estate Pvt. Ltd.	Fellow Subsidiary	-	600.00	-	-
Interest on Loan from Companies	Adani Energy Limited	Fellow Subsidiary	-	3.29	-	-
	Aloka Real Estate Pvt. Ltd.	Fellow Subsidiary	-	4.41	-	-

Description	Name of Related Party	Nature of Relationship	Value of Transactions		Balance as at	
			Year ended 31st March, 2009	Year ended 31st March, 2008	31st March, 2009	31st March, 2008
Deposit for Rent	Adani Properties Pvt. Ltd.	Other parties which are significantly influenced by the company (either individually or with others)	10.00	-	10.00 Dr.	-
Fuel Expenses	Adani Energy Limited	Fellow Subsidiary	0.04	0.07	-	0.01 Cr.
Reimbursement of Expenses	PT Adani Global	Fellow Subsidiary	-	0.51	-	-
	Adani Energy Ltd	Fellow Subsidiary	0.26	-	-	-
	Adani Infrastructure Services Pvt. Ltd.	Other parties which are significantly influenced by the company (either individually or with others)	0.19	-	-	-
	Karnavati Aviation Private Limited	Other parties which are significantly influenced by the company (either individually or with others)	26.13	-	-	-
	Adani Mining Private Limited	Fellow Subsidiary	6.30	1.32	-	1.32 Cr.
	Adani Welspun Exploration Limited	Fellow Subsidiary	0.80	-	-	-
Furniture Purchase	Ezy Global	Other parties which are significantly influenced by the company (either individually or with others)	-	0.41	-	-
Salary & Allowances	Sri R. K. Gupta	Key Management Personnel	4.56	3.43	-	-
Advance	Adani Infrastructure and Developers Private Limited	Fellow Subsidiary	200.00	-	200.00 Cr.	-

DIVIDEND POLICY

The declaration and payments of dividends will be recommended by our Board of Directors and approved by our shareholders, in their discretion, and will depend on a number of factors, including but not limited to our earnings, capital requirements and overall financial position. Our Company has no stated dividend policy.

For details of the dividend paid by the Company, see "Financial Statements – Auditor's Report" beginning on page 237 of the Red Herring Prospectus

FINANCIAL STATEMENTS

Auditors' report
(as required by Part II of Schedule II of the Companies Act, 1956)

To,
The Board of Directors,
Adani Power Limited
Regd. Office: 9th Floor "Shikhar",
Mithakhali Six Roads,
Mithakhali,
Ahmedabad – 380 009

Dear Sirs,

1. We have examined (a) the unconsolidated restated financial information of Adani Power Limited ("the Company") (b) the consolidated restated financial information of the Company and its five subsidiaries (collectively described as "the Group") annexed to this report. The said restated financial information has been prepared by the Company and approved by the Board of Directors, in accordance with the requirements of:

    a. paragraph B (1) of Part II of Schedule II of the Companies Act, 1956 ("the Act") ;

    b. the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000 (the "SEBI Guidelines") and the related clarifications thereto issued by the Securities and Exchange Board of India ("SEBI") pursuant to section 11 of the Securities and Exchange Board of India Act, 1992, as amended to date; and

    c. the terms of our engagement agreed upon with you in accordance with our appointment letter dated 5th June, 2009 in connection with the offer document being issued by the Company for its proposed Initial Public Issue of Equity Shares.

2. Restated financial information as per Audited Financial Statements:

    a. The restated unconsolidated financial information of the Company has been extracted from the audited unconsolidated financial statements for the years ended on 31st March 2009, 31st March 2008, 31st March 2007, 31st March 2006, 31st March 2005 and 31st March 2004 which have been approved by the Board of Directors and adopted by the Members of the Company at the respective Annual General Meetings. Audit of the unconsolidated financial statements for the financial years ended on 31st March 2006, 31st March 2005 and 31st March 2004 were conducted by M/s. Dharmesh Parikh & Co., and for the year ended on 31st March 2007 was conducted by M/s. C.C. Chokshi & Co., being the auditors of the Company for those years, and accordingly reliance has been placed on the financial statements audited by them for the said years.

    b. The restated consolidated financial information of the Group has been extracted from the audited consolidated financial statements for the years ended on 31st March 2009 and 31st March 2008 which have been approved by the Board of Directors and adopted by the Members of the Company at the respective Annual General Meetings.

       We have not audited the financial statements of subsidiaries Adani Power Maharashtra Ltd. ("APML"), Adani Power Dahej Ltd. ("APDL"), Adani Power Rajasthan Ltd. ("APRL") and Adani Power (Overseas) Ltd. ("APOL") whose financial statements reflect total assets of Rs.4,165.90 Million and Rs.614.60 Million as at 31st March, 2009 and 31st March, 2008 respectively; total expenses of Rs.21.65 Million and Nil for the years ended on 31st March, 2009 and 31st March, 2008 respectively and net cash in-flows amounting to Rs.639.97 Million and Rs.3.03 Million for the years ended on 31st March, 2009 and 31st March, 2008 respectively. These financial statements have been audited by M/s. C.C. Chokshi & Co. in respect of APML, by M/s. Dharmesh Parikh & Co. in respect of APDL and APRL and by M/s. KSI Shah & Associates in respect of APOL, whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of such other auditors.

3. In accordance with the requirements of Paragraph B of Part II of Schedule II of the Act, the SEBI Guidelines and terms of our engagement agreed with you, we further report that:

We have examined the unconsolidated "Summary of Profit and Loss Account, As Restated" for the years ended 31st March, 2009, 2008, 2007, 2006, 2005 and 2004, the unconsolidated "Summary Statement of Assets and Liabilities, As Restated", as at 31st March 2009, 2008, 2007, 2006, 2005 and 2004 and the related unconsolidated "Summary of Cash Flow Statements, As Restated", for the years then ended and the notes thereon.

We have examined the "Summary of Consolidated Profit and Loss Account, As Restated" for the years ended 31st March 2009 and 2008, the "Summary Statement of Consolidated Assets and Liabilities, As Restated", as at 31st March 2009 and 2008 and the "Summary Statement of Consolidated Cash Flows, As Restated", for the years then ended and the notes thereon.

4. Without qualifying our opinion, we draw your attention to:

   a. Note 4 in Annexure V (B) to restated unconsolidated financial information and Note 2 in Annexure V (B) to restated consolidated financial information on "Material Adjustments", regarding charging off preliminary expenses and certain other expenses to the unconsolidated and consolidated "Summary of Profit and Loss Account, As Restated", for the limited purpose of inclusion in the offer document as against the same shown in the audited unconsolidated and consolidated financial statements under (i) Miscellaneous Expenses (to the extent not written off or adjusted) and (ii) Project Development Expenditure.

   b. Note 6 in Annexure V (B) on "Material Adjustments" to restated unconsolidated financial information regarding adoption of the Accounting Standard 15 (Revised 2005) "Employee Benefits" for the years ended on 31st March, 2009 and 2008 and regarding not adopting the same for the years ended on 31st March 2007, 2006, 2005 and 2004 considering that such non-adoption does not have a material impact on the assets/liabilities and accumulated balances of employees benefits payable for the years ended on 31st March, 2007, 2006, 2005 and 2004.

5. Based on our examination, we further report that:

   a. The unconsolidated and consolidated "Summary of Profits and Loss Account, As Restated"; "Summary Statement of Assets and Liabilities, As Restated" and the related unconsolidated and consolidated "Summary of Cash Flow Statements, As Restated" are after making adjustments and regroupings as in our opinion were appropriate and more fully described in Annexure V (B) on "Material Adjustments" to the restated unconsolidated and consolidated financial information;

   b. The restated unconsolidated and consolidated financial information has been made after incorporating adjustments for the material amounts in the respective financial years to which they relate;

   c. There are no extra-ordinary items that need to be disclosed separately in the restated financial information;

   d. There are no qualifications in the Auditors' Reports which would require an adjustment in the restated financial information.

6. Other financial information:

   a. We have also examined the restated unconsolidated financial information of the Company as at and for the years ended on 31st March 2009, 2008, 2007, 2006, 2005 and 2004, listed below, which is proposed to be included in the offer document, as approved by the Board of Directors of the Company and annexed to this report:

      i. Schedules of restated unconsolidated financial information as appearing in Annexure IV;

      ii. Details of Investments as appearing in Annexure IV D;

      iii. Details of Loans and Advances as appearing in Annexure IV E;

      iv. Details of Secured and Unsecured Loans, as appearing in Annexure IV F;

      v. Details of Other Income, as appearing in Annexure IV I;

      vi. Details of Administrative and General Expenditure, as appearing in Annexure IV J;

      vii. Significant Accounting Policies and Notes To The Restated Summary Statements of Assets and Liabilities, Profit and Loss Accounts and Cash Flows as appearing in Annexure V;

      viii. Details of related party disclosure as appearing in Note 15 to Annexure V (C);

ix. Statement of Accounting Ratios as appearing in Annexure VI;

x. Details of Dividends declared by the Company, as appearing in Annexure VII;

xi. Statement of Tax Shelters, as appearing in Annexure VIII; and

xii. Capitalization Statement, as appearing in Annexure IX.

b. We have also examined the restated consolidated financial information relating to the Group as at and for the years ended on 31st March, 2009 and 2008, listed below, which is proposed to be included in the offer document, as approved by the Board of Directors and annexed to this report:

i. Schedules of restated consolidated financial information as appearing in Annexure IV;

ii. Details of Investments as appearing in Annexure IV D;

iii. Details of Loans and Advances as appearing in Annexure IV E;

iv. Details of Secured and Unsecured Loans, as appearing in Annexure IV F;

v. Details of Other Income, as appearing in Annexure IV I;

vi. Details of Administrative and General Expenditure, as appearing in Annexure IV J;

vii. Significant Accounting Policies and Notes To The Restated Summary Statements of Assets and Liabilities, Profit and Loss Accounts and Cash Flows as appearing in Annexure V;

viii. Details of related party disclosure as appearing in Note 9 to Annexure V (C);

ix. Statement of Accounting Ratios as appearing in Annexure VI;

x. Details of Dividends declared by the Company, as appearing in Annexure VII;

xi. Statement of Tax Shelters, as appearing in Annexure VIII; and

xii. Capitalization Statement, as appearing in Annexure IX.

7. This report should not be in any way construed as a reissuance or redating of any of the previous audit reports issued by us or by M/s. C.C. Chokshi & Co. or by M/s. Dharmesh Parikh & Co., nor should this report be construed as a new opinion on any of the financial statements referred to herein.

8. We did not perform audit tests for the purpose of expressing an opinion on individual balances of account or summaries of selected transactions, and accordingly, we express no such opinion thereon.

9. We have no responsibility to update our report for events and circumstances occurring after the date of the report.

10. This report is intended solely for use of the management and for inclusion in the offer document in connection with the proposed public offer of the Company and is not to be used, referred to or distributed for any other purpose without our prior written consent.

For **Deloitte Haskins & Sells**
Chartered Accountants

Gaurav J. Shah
Partner
Membership Number: 35701

Place: Ahmedabad
Date: 29th June, 2009

ANNEXURE I : SUMMARY STATEMENT OF ASSETS AND LIABILITIES, AS RESTATED

(Rs. in Millions)

	Particulars	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
I	**Fixed Assets**						
	Gross Block	3,355.25	85.96	11.93	1.83	-	-
	Less : Accumulated Depreciation / Amortisation	98.28	11.19	1.48	0.03	-	-
	Net Block	**3,256.97**	**74.77**	**10.45**	**1.80**	**-**	**-**
	Capital Work- in- Progress including Capital Advances	55,930.83	22,219.91	5,515.79	0.28	-	-
	Project Development Expenditure	6,390.53	1,596.46	455.62	121.02	9.33	9.33
	Construction Material at site	150.50	139.19	47.26	-	-	-
		65,728.83	**24,030.33**	**6,029.12**	**123.10**	**9.33**	**9.33**
II	**Investments**	**2,721.44**	**832.27**	**0.01**	**-**	**-**	**-**
III	**Current Assets, Loans and Advances**						
	Cash and Bank Balances	4,941.63	1,917.85	497.04	2.67	0.06	0.07
	Loans and Advances	4,741.93	1,750.74	10.21	10.71	-	-
		9,683.56	**3,668.59**	**507.25**	**13.38**	**0.06**	**0.07**
	A= (I+II+III)	**78,133.83**	**28,531.19**	**6,536.38**	**136.48**	**9.39**	**9.40**
IV	**Liabilities and Provisions**						
	Secured Loans	40,896.87	10,111.74	1,442.69	-	-	-
	Unsecured Loans	9,000.00	-	-	-	-	-
	Current Liabilities	5,443.88	4,090.62	2,307.91	28.56	0.01	0.01
	Provisions	9.20	5.91	1.84	0.05	-	-
		55,349.95	**14,208.27**	**3,752.44**	**28.61**	**0.01**	**0.01**
	B=(IV)	**55,349.95**	**14,208.27**	**3,752.44**	**28.61**	**0.01**	**0.01**
	NET WORTH A - B	**22,783.88**	**14,322.92**	**2,783.94**	**107.87**	**9.38**	**9.39**
	Net Worth Represented by						
	Share Capital						
	- Equity Shares	18,419.76	5,520.83	2,606.90	9.50	9.50	9.50
	- Preference Shares	-	1,500.00	-	-	-	-
	Share Application Money Pending Allotment	0.60	360.60	200.00	98.50	-	-
	Reserves and Surplus	4,516.64	6,979.17	-	-	-	-
	Less :						
	- Misc Expenditure	96.71	-	-	-	-	-
	- Debit Balance in Profit and Loss Account	56.41	37.68	22.96	0.13	0.12	0.11
	NET WORTH	**22,783.88**	**14,322.92**	**2,783.94**	**107.87**	**9.38**	**9.39**

Note:
The above statement should be read with the Significant Accounting Policies and Notes to Statement of Assets and Liabilities, Profit and Loss Account and Cashflows as appearing in Annexure V.

ANNEXURE II: SUMMARY PROFIT AND LOSS ACCOUNT, AS RESTATED

(Rs. in Millions)

	Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008	For the Year ended March 31, 2007	For the Year ended March 31, 2006	For the Year ended March 31, 2005	For the Year ended March 31, 2004
I	**Income**						
	Income from Operations	-	-	-	-	-	-
	Other Income	-	-	-	-	-	-
	Total Income	-	-	-	-	-	-
II	**Expenditures**						
	Operating Expenses	-	-	-	-	-	-
	Personnel Expenses	-	-	-	-	-	-
	Administrative and General Expenses (Refer Annexure-IV J)	18.73	14.72	22.83	0.01	0.01	0.01
	Depreciation / Amortisation	-	-	-	-	-	-
	Total Expenditures	**18.73**	**14.72**	**22.83**	**0.01**	**0.01**	**0.01**
III	**Profit/ (Loss) before Tax, Prior Period and Extra Ordinary Items**	**(18.73)**	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**	**(0.01)**
	- Prior Period Items and Extra Ordinary Items	-	-	-	-	-	-
	Profit / (Loss) before Tax	**(18.73)**	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**	**(0.01)**
IV	**Provision For Tax**						
	- Current Tax	-	-	-	-	-	-
	- Deferred Tax (credit) / Charges	-	-	-	-	-	-
	Net Profit / (Loss) after Tax	**(18.73)**	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**	**(0.01)**
	Net Profit / (Loss) as Restated	**(18.73)**	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**	**(0.01)**
V	Balance brought forward from Previous Year	(37.68)	(22.96)	(0.13)	(0.12)	(0.11)	(0.10)
	Accumulated Losses carried forward	**(56.41)**	**(37.68)**	**(22.96)**	**(0.13)**	**(0.12)**	**(0.11)**

Note:

The above statement should be read with the Significant Accounting Policies and Notes to Statement of Assets and Liabilities, Profit and Loss Account and Cashflows as appearing in Annexure V.

ANNEXURE III : SUMMARY OF CASH FLOW STATEMENTS, AS RESTATED

(Rs. in Millions)

	Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008	For the Year ended March 31, 2007	For the Year ended March 31, 2006	For the Year ended March 31, 2005	For the Year ended March 31, 2004
(A)	**CASH FLOW FROM OPERATING ACTIVITIES**						
	Net Profit / (Loss) before tax, as restated	(18.73)	(14.72)	(22.83)	(0.01)	(0.01)	(0.01)
	Operating profit before working capital changes	**(18.73)**	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**	**(0.01)**
	Cash from / (Used) in Operating Activities	**(18.73)**	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**	**(0.01)**
(B)	**CASH FLOW FROM INVESTING ACTIVITIES**						
	Investment in subsidiaries	(2,421.56)	(299.87)	-	-	-	-
	(Purchase) / Sale of Fixed Assets	(3,269.29)	(74.02)	(10.11)	-	-	0.27
	(Purchase) / Sale of Investments	532.39	(532.39)	-	-	-	-
	Capital Work in Progress	(39,451.38)	(16,357.36)	(2,743.20)	(95.88)	(0.00)	(0.21)
	Loan to Subsidiaries	(600.10)	-	-	-	-	-
	Loan to Companies	-	-	-	-	-	0.06
	Advance to Holding Company	-	(1,500.00)	-	-	-	-
	Income Tax paid	(12.37)	(23.58)	-	-	-	-
	Net Cash Flow from Investing Activities	**(45,222.31)**	**(18,787.22)**	**(2,753.31)**	**(95.88)**	**(0.00)**	**0.12**
(C)	**CASH FLOW FROM FINANCING ACTIVITIES**						
	Proceeds from Issue of Equity Shares	8,576.40	9,893.09	2,597.40	98.50	-	9.00
	Proceeds from Issue of Preference Shares	-	1,500.00	-	-	-	-
	Increase in Share Application Money	-	160.60	101.50	-	-	-
	Long Term Borrowings	30,785.13	8,669.06	571.61	-	-	-
	Misc. Expenditure	(96.71)	-	-	-	-	-
	Short Term Borrowings	9,000.00	-	-	-	-	-
	Repayment of Unsecured Loan	-	-	-	-	-	(9.10)
	Net Cash Flow from Financing Activities	**48,264.82**	**20,222.75**	**3,270.51**	**98.50**	**-**	**(0.10)**
	Net Changes in Cash & Cash Equivalents (A+B+C)	**3,023.78**	**1,420.81**	**494.37**	**2.61**	**(0.01)**	**0.01**
	Cash and Cash Equivalents as at the beginning of the year	**1,917.85**	**497.04**	**2.67**	**0.06**	**0.07**	**0.06**
	Cash and Cash Equivalents as at the end of the year	**4,941.63**	**1,917.85**	**497.04**	**2.67**	**0.06**	**0.07**
		3,023.78	**1,420.81**	**494.37**	**2.61**	**(0.01)**	**0.01**
	Cash and cash equivalents include:						
	Cash and Cheques on Hand	0.33	0.57	0.06	0.02	0.02	0.00
	Balances with Non Scheduled Banks:						
	- In Current Accounts	0.40	2.42	-	-	-	-
	Balances with Scheduled Banks :						
	- In Current Accounts	2,585.14	1,494.36	7.48	2.65	0.04	0.07
	- In Margin Money Accounts	1,617.96	77.50	95.00	-	-	-
	- In Deposit Accounts	737.80	343.00	394.50	-	-	-
		4,941.63	**1,917.85**	**497.04**	**2.67**	**0.06**	**0.07**

Notes:

1 The above statement should be read with the Significant Accounting Policies and Notes to Statement of Assets and Liabilities, Profit and Loss Account and Cashflows as appearing in Annexure V.

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.

3 Negative Figures have been shown in brackets.

ANNEXURE IV A 1 : FIXED ASSETS AS AT MARCH 31, 2009

(Rs. in Millions)

	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
Particulars	**As at April 1, 2008**	**Additions during the year**	**Deductions / Adjustments during the year**	**As at March 31, 2009**	**As at April 1, 2008**	**For the year**	**Deductions / Adjustments during the year**	**As at March 31, 2009**	**As at March 31, 2009**
Land (Lease Hold)	-	2,667.32	-	2,667.32	-	26.31	-	26.31	2,641.01
Plant and Machinery	20.48	503.48	-	523.96	0.26	16.15	-	16.41	507.55
Building	-	28.75	-	28.75	-	28.75	-	28.75	-
Furnitures and Fixtures	6.91	10.42	0.36	16.97	5.30	3.87	0.23	8.94	8.03
Office Equipments	15.23	17.12	0.08	32.27	1.96	1.89	0.01	3.84	28.43
Computers	28.27	7.36	0.12	35.51	2.82	5.13	0.00	7.95	27.56
Computer Software	-	20.50	-	20.50	-	3.16	-	3.16	17.34
Electrical Installations	-	0.02	-	0.02	-	0.00	-	0.00	0.02
Vehicles	15.07	14.88	-	29.95	0.85	2.07	-	2.92	27.03
Total	**85.96**	**3,269.85**	**0.56**	**3,355.25**	**11.19**	**87.33**	**0.24**	**98.28**	**3,256.97**

ANNEXURE IV A 2 : FIXED ASSETS AS AT MARCH 31, 2008

(Rs. in Millions)

	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
Particulars	**As at April 1, 2007**	**Additions during the year**	**Deductions / Adjustments during the year**	**As at March 31, 2008**	**As at April 1, 2007**	**For the year**	**Deductions / Adjustments during the year**	**As at March 31, 2008**	**As at March 31, 2008**
Plant and Machinery	-	20.48	-	20.48	-	0.26	-	0.26	20.22
Furnitures and Fixtures	1.28	5.63	-	6.91	0.66	4.64	-	5.30	1.61
Office Equipments	1.13	14.10	-	15.23	0.21	1.75	-	1.96	13.27
Computers	4.50	23.77	-	28.27	0.39	2.43	-	2.82	25.45
Vehicles	5.02	10.05	-	15.07	0.22	0.63	-	0.85	14.22
Total	**11.93**	**74.03**	**-**	**85.96**	**1.48**	**9.71**	**-**	**11.19**	**74.77**

ANNEXURE IV A 3 : FIXED ASSETS AS AT MARCH 31, 2007

(Rs. in Millions)

	GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK	
Particulars	**As at April 1, 2006**	**Additions during the year**	**Deductions / Adjustments during the year**	**As at March 31, 2007**	**As at April 1, 2006**	**For the year**	**Deductions / Adjustments during the year**	**As at March 31, 2007**	**As at March 31, 2007**
Furnitures and Fixtures	0.16	1.12	-	1.28	-	0.66	-	0.66	0.62
Office Equipments	0.10	1.03	-	1.13	0.01	0.20	-	0.21	0.92
Computers	0.53	3.97	-	4.50	0.02	0.37	-	0.39	4.11
Vehicles	1.04	4.02	(0.04)	5.02	0.00	0.22	-	0.22	4.80
Total	**1.83**	**10.14**	**(0.04)**	**11.93**	**0.03**	**1.45**	**-**	**1.48**	**10.45**

ANNEXURE IV A 4 : FIXED ASSETS AS AT MARCH 31, 2006

(Rs. in Millions)

	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK
Particulars	**Additions during the year**	**Deductions / Adjustments during the year**	**As at March 31st 2006**	**For the year**	**Deductions / Adjustments during the year**	**As at March 31, 2006**	**As at March 31, 2006**
Furnitures and Fixtures	0.16	-	0.16	-	-	-	0.16
Office Equipments	0.10	-	0.10	0.01	-	0.01	0.09
Computers	0.53	-	0.53	0.02	-	0.02	0.51
Vehicles	1.04	-	1.04	0.00	-	0.00	1.04
Total	**1.83**	**-**	**1.83**	**0.03**	**-**	**0.03**	**1.80**

ANNEXURE IV A 5 : FIXED ASSETS AS AT MARCH 31, 2004

(Rs. in Millions)

	GROSS BLOCK (AT COST)				DEPRECIATION			NET BLOCK	
Particulars	**As at April 1, 2003**	**Additions during the year**	**Deductions / Adjustments during the year**	**As at March 31, 2004**	**As at April 1, 2003**	**For the year**	**Deductions / Adjustments during the year**	**As at March 31, 2004**	**As at March 31, 2004**
Vehicles	0.27	-	0.27	-	0.14	-	0.14	-	-
Total	**0.27**	**-**	**0.27**	**-**	**0.14**	**-**	**0.14**		

ANNEXURE IV B: CAPITAL WORK IN PROGRESS

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
Leasehold Land and Site Development	54.62	2,714.97	2,675.65	0.28	-	-
Building and Civil Works	2,908.75	1,644.98	316.67	-	-	-
Plant and Machinery	30,197.35	8,953.64	1,463.20	-	-	-
Electrical Installation	2,157.55	238.77	6.95	-	-	-
Railway Sidings	50.92	1.65	0.20	-	-	-
Desalination Plant	303.72	28.73	-	-	-	-
Transmission Line	3,922.72	1,335.28	-	-	-	-
Coal mine	86.73	79.90	-	-	-	-
SAP-Software and Implementation	21.78	11.43	-	-	-	-
Advance for Capital Expenditures Advance to Contractors	16,226.69	7,210.56	1,053.12	-	-	-
(Includes Rs. 712.33 millions (As at 31st March, 2008 - Rs. 183.09 millions) 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. 712.33 millions (As at 31st March 2008 - 183.09 millions)						
Total	**55,930.83**	**22,219.91**	**5,515.79**	**0.28**	**-**	**-**

ANNEXURE IV C: PROJECT DEVELOPMENT EXPENDITURE

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
Salary and Allowances	572.59	151.41	17.04	1.71	0.93	0.93
Contribution to Provident and other funds	25.98	7.49	4.94	0.10	-	-
Welfare Expenses	134.95	47.16	6.04	-	-	-
Administration and Office Expenses##	184.76	78.05	12.52	2.04	0.40	0.40
Communication Expenses##	17.15	6.30	1.39	0.31	0.08	0.08
Interest and Finance Charges	4,698.57	866.88	155.64	-	-	-
Miscellaneous Expenses	22.05	7.82	0.45	1.34	1.12	1.12
Other Employee Expenses	-	-	-	-	-	-
Professional Fees##	510.60	375.93	234.58	111.77	5.57	5.57
Stationery and Courier Expenses	8.48	4.01	1.01	0.15	0.03	0.03
Statutory Expenses	2.67	-	-	-	-	-
Legal Expenses	4.55	4.55	2.22	-	-	-
Auditor's Remuneration	-	-	-	-	-	-
Travelling Expenses##	152.73	57.79	19.71	3.60	1.06	1.06
Sub Lease Rent for Land	3.71	0.76	-	-	-	-
Vehicle Running Expenses##	63.91	32.05	2.58	-	-	-
Project Insurance	105.80	53.02	12.07	0.02	-	-
Depreciation	98.67	11.34	1.49	0.18	0.14	0.14
Provision for Taxes@@ (Including Fringe Benefit Tax)	70.63	53.01	8.94	-	-	-
Total (A)	**6,677.80**	**1,757.57**	**480.62**	**121.22**	**9.33**	**9.33**
Other Income						
Gain on Sale of Securities/ Treasury Bills	28.11	28.11	-	-	-	-
Interest (Net of Taxes deducted at source)	198.37	116.62	23.48	-	-	-
Dividend Income	34.39	4.18	-	-	-	-
Other Income	26.40	12.20	1.52	0.20	-	-
Total (B)	**287.27**	**161.11**	**25.00**	**0.20**	-	-
Total (A-B)	**6,390.53**	**1,596.46**	**455.62**	**121.02**	**9.33**	**9.33**
[1] ## Refer note 1 as appearing in Annexure V(B).						
[2] @@ Refer note 3 as appearing in Annexure V(B).						

ANNEXURE IV D: DETAILS OF INVESTMENTS

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
1. LONG TERM INVESTMENTS						
TRADE UNQUOTED						
Investments in Subsidiary Companies						
231,300,000 fully paid Equity Shares of Rs. 10 each of Adani Power Maharashtra Limited	2,313.00	0.10	-	-	-	-
- Share Application Money Pending Allotment	-	273.27	-	-	-	-
50,000 fully paid Equity Shares of Rs. 10 each of Adani Power Dahej Limited	0.50	0.10	-	-	-	-
- Share Application Money Pending Allotment	406.40	26.30	-	-	-	-
50,000 fully paid Equity Shares of Rs. 10 each of Adani Power Rajasthan Limited.	0.50	0.10	-	-	-	-
2 fully paid Equity Shares of AED 20000 each of Adani Power (Overseas) Limited	0.53	-	-	-	-	-
50,000 fully paid Equity Shares of Rs. 10 each of Mundra Power SEZ Limited	0.50	-	-	-	-	-
Sub total	**2,721.43**	**299.87**	**-**	**-**	**-**	**-**
NON TRADE UNQUOTED						
National Saving Certificates (Lying with Government Authorities)	0.01	0.01	0.01	-	-	-
Sub total	**0.01**	**0.01**	**0.01**	-	-	-
2. CURRENT INVESTMENTS (QUOTED)						
DWS Liquid Plus Fund	-	230.85	-	-	-	-
DWS Insta Cash Fund	-	0.25	-	-	-	-
DWS Money Plus Fund	-	301.29	-	-	-	-
Sub total	-	**532.39**	-	-	-	-
Total	**2,721.44**	**832.27**	**0.01**	-	-	-

ANNEXURE IV E: DETAILS OF OTHER CURRENT ASSETS, LOANS AND ADVANCES

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
Cash and Bank Balances						
Cash and Cheques on Hand	0.33	0.57	0.06	0.02	0.02	0.00
Balances with Non Scheduled Banks :						
- In Current Accounts (Maximum Balance outstanding during the period in current account with Bank of China is Rs 29.12 Millions (As at 31st March, 2008 -Rs. 7.11 Millions)	0.40	2.42	-	-	-	-
Balances with Scheduled Banks :						
- In Current Accounts	2,585.14	1,494.36	7.48	2.65	0.04	0.07
- In Margin Money Accounts	1,617.96	77.50	95.00	-	-	-
- In Deposit Accounts	737.80	343.00	394.50	-	-	-
	4,941.63	**1,917.85**	**497.04**	**2.67**	**0.06**	**0.07**
Loans and Advances						
(Unsecured, Considered good)						
Advances and Loans given to a Subsidiary**	600.71	0.61	-	-	-	-
Advances Recoverable in Cash or in Kind or for Value to be received *	2,413.12	65.96	8.15	10.71	-	-
Advances and Loans to a Holding Company**	1,500.00	1,500.00	-	-	-	-
Interest receivable	47.12	11.91	-	-	-	-
Prepaid Expense	37.68	-	-	-	-	-
Security Deposit	140.11	172.26	2.06	-	-	-
Advance Income Tax (Net of Provision)	3.19	-	-	-	-	-
	4,741.93	**1,750.74**	**10.21**	**10.71**	**-**	**-**
Total	**9,683.56**	**3,668.59**	**507.25**	**13.38**	**0.06**	**0.07**

Notes:

***Selective Financial Information on Loans and Advances as at March 31, 2009 is as follows:**	
	(Rs. in Millions)
	As at March 31, 2009
Advances Recoverable in Cash or in Kind or for Value to be received	
- Considered Good	
- From Promoter Group Companies	-
- From Associate Companies	-
- From Others	2,413.12
- Considered Doubtful	-
Less : Provision for doubtful loans and advances	-
	2,413.12
**Maximum amount outstanding during the period is as under:	
Adani Enterprises Ltd. - Rs. 1500.00 Millions (As at 31st March, 2008 - Rs. 1500.00 Millions)	
Adani Power Rajasthan Ltd. - Rs. 600.71 Millions (As at 31st March, 2008 - Rs.0.61 Millions)	

ANNEXURE IV F: DETAILS OF LOANS SECURED LOANS

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
Term Loans from Banks						
Term Loans	18,995.02	5,559.58	567.80	-	-	-
Bills Discounted under Letter of Credit[@]	21,901.85	4,552.16	874.89	-	-	-
(To be converted into Term Loan)						
TOTAL	**40,896.87**	**10,111.74**	**1,442.69**	-	-	-
UNSECURED LOANS						
From Banks						
Term Loan	9,000.00	-	-	-	-	-
(Repayable within one year)						
TOTAL	**9,000.00**	-	-	-	-	-

@ Refer note 2 as appearing in Annexure V(B).

The above borrowings are secured by:

1. Secured Loans aggregating to Rs. 24,780.09 millions (As at 31st March, 2008 - Rs. 8,961.74 millions) are secured by :
   (a) First mortgage and charge on all immovable and movable assets, both present and future of Phase I & Phase II, on pari passu basis; and
   (b) Corporate Guarantee provided by Mundra Port and Special Economic Zone Limited for Rs. 1,310.00 millions.
2. Secured Loans aggregating to Rs.15,429.68 millions (As at 31st March, 2008 - Rs. 1,150.00 millions) are secured by first mortgage and charge on all immovable and movable assets, both present and future of Phase III.
3. Secured Loans aggregating to Rs.687.10 millions (As at 31st March, 2008 - NIL) (Subordinate Debt) are secured by second mortgagee and charge on all immovable and movable assets, both present and future of Phase III.
4. The above Secured Loans are further secured by pledge of 531,436,831 Equity Shares of the Company through execution of Pledge Agreement with Adani Enterprise Limited as :
   (a) First charge for Secured Loans from banks aggregating to Rs. 40,209.76 millions (As at 31st March, 2008 - Rs.10,111.74 millions); and
   (b) Second charge for Secured Loans from banks aggregating to Rs. 687.10 millions (As at 31st March, 2008 - NIL).
5. Out of above Loans, payable within 12 months is Nil. (As at 31st March 2008 - Nil)

The figures disclosed above are based on the standalone restated financial statements of the Company.

ANNEXURE IV G: CURRENT LIABILITIES AND PROVISIONS

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
Current Liabilities						
Bills Payable under Letter of Credit	-	15.97	-	-	-	-
Sundry Creditors	4,985.00	3,878.61	2,306.65	28.50	-	-
Interest Accrued but not Due on Loans	254.75	80.04	0.77	-	-	-
Other Liabilities	204.13	116.00	0.49	0.06	0.01	0.01
	5,443.88	**4,090.62**	**2,307.91**	**28.56**	**0.01**	**0.01**
Provisions						
Provision for Income Tax (Net of Advance Tax)	-	2.52	1.30	-	-	-
Provision for Employee Benefits	9.20	3.39	0.54	0.05	-	-
	9.20	**5.91**	**1.84**	**0.05**	-	-
Total	**5,453.08**	**4,096.53**	**2,309.75**	**28.61**	**0.01**	**0.01**

ANNEXURE IV H: SHARE CAPITAL, RESERVES AND SURPLUS

(Rs. in Millions)

Particulars		As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
Schedule 'A' : Share Capital							
Authorised Share Capital							
No. of Equity Shares of Rs. 10/- Each (Nos)		2,500,000,000	2,500,000,000	2,500,000,000	1,000,000	1,000,000	1,000,000
Amount		25,000.00	25,000.00	25,000.00	10.00	10.00	10.00
Cumulative Compulsorily Convertible Participatory Preference Shares of Rs. 10 Each							
No. of Preference Shares of Rs. 10/- Each (Nos)		500,000,000	500,000,000	-	-	-	-
Preference Share Capital		5,000.00	5,000.00	-	-	-	-
		30,000.00	30,000.00	25,000.00	10	10	10
Issued, Subscribed and Paid-up Share Capital							
Equity Share Capital							
No. of Equity Shares of Rs. 10/- Each fully paid up (Nos)		1,841,976,236	552,083,333	260,690,000	950,000	950,000	950,000
Amount		18,419.76	5,520.83	2,606.90	9.50	9.50	9.50
Preference Share Capital							
No. of 0.01% Cumulative Compulsorily Convertible Participatory Preference Shares of Rs. 10/- Each fully paid up (Nos)		-	150,000,000				
Amount		-	1,500.00	-	-	-	-
TOTAL	**A**	**18,419.76**	**7,020.83**	**2,606.90**	**9.50**	**9.50**	**9.50**
Schedule 'B' : Reserves and Surplus							
Share Premium		4516.64 #	6,979.17	-	-	-	-
Total	**B**	**4,516.64**	**6,979.17**	-	-	-	-
Total A + B		**22,936.40**	**14,000.00**	**2,606.90**	**9.50**	**9.50**	**9.50**
# Utilised for issue of bonus shares							

Of the above equity shares as at 31st March 2009

1. 1,531,440,000 (As at 31st March, 2008 - 500,000,000) Shares are held by Adani Enterprises Ltd., the Holding Company and its nominees.
2. 32,059,002 (As at 31st March, 2008 - Nil) Shares of Rs. 10/- each were allotted at a premium of Rs.36.78 each on conversion of 0.01% Cumulative Compulsorily Convertible Participatory Preference Shares.
3. 787,313,868 (As at 31st March 2008 - Nil) Shares were allotted as fully paid up bonus shares by capitalization of Share Premium Account.

ANNEXURE IV I: DETAILS OF OTHER INCOME

(Rs.in Millions)

Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008	For the Year ended March 31, 2007	For the Year ended March 31, 2006	For the Year ended March 31, 2005	For the Year ended March 31, 2004
Other Income	-	-	-	-	-	-
TOTAL	-	-	-	-	-	-

ANNEXURE IV J: ADMINISTRATIVE AND GENERAL EXPENDITURE

(Rs. in Millions)

Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008	For the Year ended March 31, 2007	For the Year ended March 31, 2006	For the Year ended March 31, 2005	For the Year ended March 31, 2004
Professional Fees	-	11.12	-	-	-	-
Statutory Expenses	17.84	3.02	22.51	-	-	-
Auditor's Remuneration	0.71	0.51	0.32	0.01	0.01	0.01
Directors' Sitting Fees	0.18	0.07	-	-	-	-
Total	**18.73**	**14.72**	**22.83**	**0.01**	**0.01**	**0.01**

ANNEXURE - V

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE RESTATED SUMMARY STATEMENTS OF ASSETS AND LIABILITIES, PROFIT AND LOSS ACCOUNT AND CASHFLOWS, AS RESTATED:

(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 recognized 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) 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.

5) Intangible Assets

Computer Software cost is capitalized and recognized as Intangible Assets in terms of Accounting Standard -26 “Intangible Assets” based on materiality, accounting prudence and significant economic benefits expected to flow there from for a period longer than one year.

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) Cost of Leasehold land is amortized over the period of lease.

v) Intangible assets are amortized over a period of 5 years.

7) Leases

The Company’s significant leasing arrangements are in respect of operating leases for land, office premises, and residential facilities for employees and guest houses. The leasing arrangement range between 11 months to Fourteen 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 balance sheet date are restated at the rates prevailing on that date. In case of monetary items which are covered by forward exchange contracts, the difference between the rate prevailing on the balance sheet date and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized 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 in respect of the project cost is recognized as “Capital Work in Progress” or “Project Development Expenditure” as the case may be.

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 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 Project Development 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)

Share Issue Expenses incurred in connection with the proposed IPO of the Company is shown under Miscellaneous Expenditure (to the extent not written off or adjusted). Such expenditure would be adjusted against the Share Premium Account as and when shares will be issued after completion of the IPO. Preliminary expenses are charged to the Profit and Loss Account for the period in which the expenses are incurred.

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) Material Adjustments

1. Prior Period Expenses

In the Financial Statements for the years ended March 31, 2009, 2008, 2007, 2006, the Company has classified certain items as prior period items in “Project Development Expenditure”. Accordingly, for the purpose of the Restated Summary Statement, the said items have been appropriately adjusted in the respective years to which they pertain.

2. Change in the treatment of accounting for Bills discounted under Letter of Credit

In the Financial Statements for the year ended on March 31, 2009 and March 31, 2008, the Company has disclosed the amounts payable to suppliers of Plant and Machinery, discounted under Letter of Credit, as a part of Secured Loans. The said discounting as per the Loan Agreement with the lenders, forms part of the aggregate loan facility. Accordingly, for the purpose of the Restated Summary Statement, the said item has been appropriately disclosed for the year ended on March 31, 2007.

3. Short Provision of Income Tax

The provision for taxation for the year ended March 31, 2007 has been recomputed to give effect of interest income on the basis of opinion received by the Company. Accordingly, for the purpose of the Restated Summary Statement of Asset and Liabilities, the said item has been appropriately adjusted.

4. Administrative and General Expenses booked to Profit and Loss Account

For the limited purpose of including in the Red Herring Prospectus (RHP), in the restated financial information for the years ended on March 31, 2009, 2008, 2007, 2006, 2005, and 2004, Profit and Loss Account for the respective years have been prepared and preliminary expenses and certain other expenses (as shown in the Profit and Loss Account), have been charged to the Profit and Loss Account as against the same shown in the audited financial statements under (i) Miscellaneous Expenditure (to the extent not written off or adjusted) and (ii) Project Development Expenditure.

5. Material Regroupings

Appropriate adjustments have been made in the Restated financial information, wherever required, by a reclassification of the corresponding items of assets, liabilities and cash flows, in order to bring them in line with the groupings as per the audited financials of the Company for the period ended March 31, 2009.

6. Non Adjustments

Retirement Benefits

The Company has adopted revised Accounting Standard – 15 “Employee Benefits” issued by the Institute of Chartered Accountants of India, effective 1st April, 2007. Considering that the adoption of Accounting Standard – 15, by the Company before 1st April, 2007 does not have a material impact on the accumulated balances of Employee Benefits. Under the circumstances the management has not determined the effects on the Assets/Liabilities for the years ended on March 31, 2006, 2005, 2004 had the revised Standard been adopted by the Company for the each of those years.

(C) Notes on Accounts

1. 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. 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.

2. The Company's name was changed from "Adani Power Private Limited" to "Adani Power Limited" by a special resolution passed at the Extra-Ordinary General Meeting of the shareholders of the Company held on 12th April, 2007.

3. Contingent liabilities not provided for in respect of:

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
Estimated amount of contracts remaining to be executed on capital account and not provided for	124,908.72	121,938.55	11,234.14	56.75	-	-
Guarantees issued by the Company's bankers on behalf of the Company	4,138.00	3,140.00	1,500.00	-	-	-
Letter of Credit facilities provided by banks	6,179.52	4,944.20	6,480.60	-	-	-
Bonds submitted to Development Commissioner on behalf of Government of India	22,867.18	22,250.00	-	-	-	-

4. The Pre-operative Expenditure includes Director's Remuneration:-

(Rs. in Millions)

Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008	For the Year ended March 31, 2007	For the Year ended March 31, 2006	For the Year ended March 31, 2005	For the Year ended March 31, 2004
Managerial Remuneration to a Director	4.56	3.43	1.74	-	-	-
The Above is Inclusive of:						
(a) Salary and Allowances	3.58	2.74	1.37	-	-	-
(b) Estimated Value of Benefits in cash or in kind provided to Director	0.62	0.44	0.14	-	-	-
(c) Contribution to Provident & other Funds	0.27	0.19	0.17	-	-	-
(d) Contribution to Gratuity Fund	0.09	0.06	0.06	-	-	-

5. Auditors Remuneration includes:-

(Rs. in Millions)

	For the Year ended March 31, 2009	For the Year ended March 31, 2008	For the Year ended March 31, 2007	For the Year ended March 31, 2006	For the Year ended March 31, 2005	For the Year ended March 31, 2004
Audit Fees	0.70	0.40	0.28	0.01	0.01	0.01
Certification Work required to be done by the statutory Auditors	1.26	-	-	-	-	-
For other Services (Including Certification, etc)	0.17	0.11	0.04	-	-	-
Total	**2.13**	**0.51**	**0.32**	**0.01**	**0.01**	**0.01**

6. Operating Leases:-

Future Minimum Lease Payments	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
Not later than one Year	65.60	13.38	2.68	-	-	-
Later than one year and not later than five years	34.69	0.08	-	-	-	-
Later than five years	23.85	-	-	-	-	-

7. There are no dues outstanding for more than 30 days to Small Scale Industrial Undertakings (SSI), to the extent identified by the management from the available documents/information.

8. 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.

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):

(Rs. in Millions)

SN	Particulars	For the Year 2008-09	For the Year 2007-08
I.	**Reconciliation of Opening and Closing Balances of defined benefit obligation**		
	Liability at the beginning of the Year	2.36	0.51
	a) Current Service Cost	4.14	0.84
	b) Interest Cost	0.52	0.11
	c) Expected Return on Planned Assets	-	-
	d) Net Actuarial losses (gain) recognised in Year.	1.72	0.90
	Liability at the end of the Year	8.74	2.36
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	2.06	0.31
	Expected return on plan assets	0.76	0.16
	Contributions	7.49	1.75
	Actuarial gain/(loss) on plan assets	(0.48)	(0.16)
	Plan assets at the end of the Year at Fair value	9.83	2.06
III.	**Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets**		
	Obligations at the end of the Year	8.74	2.36
	Plan assets at the end of the Year at Fair value	9.83	2.06
	Asset / (Liability) recognized in balance sheet as on March 31, 2009	1.09	(0.30)
IV.	**Gratuity Cost for the Year**		
	Current service cost	4.14	0.84
	Interest cost	0.52	0.11
	Expected return on plan assets	(0.76)	(0.16)
	Actuarial Gain or Loss	2.20	1.06
	Net Gratuity cost	6.10	1.85
V.	**Actuarial Assumptions**		
	a) Discount Rate (per annum)	7.75%	7.75%
	b) Expected rate of return on plan assets	8.00%	8.00%
	c) Annual Increase in Salary Cost	6.00%	6.00%

The company has defined benefit plans for gratuity to eligible employees, contribution for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory and Development Authority Guidelines.

Past four years data for defined benefit obligation and fair value of plan

(Rs. in Millions)

Particulars	2005-06	2006-07	2007-08	2008-09
Present value of defined benefit obligations at the end of the year [independent actuary]	NA	NA	2.36	8.74
Fair value of plan assets at the end of the year	NA	NA	2.06	9.83
Net assets / (liability) at the end of year	NA	NA	(0.30)	1.09

The actuarial liability for leave encashment and compensated absences as at the period ended 31st March, 2009 is Rs. 10.90 millions. (As at 31st March, 2008 Rs. 3.17 millions)

10. The Company's activities during the year involve 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. Foreign Currency Transactions:-

(Rs. in Millions)

Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008	For the Year ended March 31, 2007	For the Year ended March 31, 2006	For the Year ended March 31, 2005	For the Year ended March 31, 2004
(a) C.I.F. Value of Imports						
- Capital Goods	21,552.45	7,260.30	1,260.73	-	-	-
(b) Expenditure in Foreign Currency						
- Payment for Erection Works	717.66	47.55	-	-	-	-
- Professional and Consultation Charges	184.61	6.08	1.96	-	-	-
- Usance Interest and Other Charges	314.21	65.44	0.12	-	-	-
-Travelling Expenses	14.35	10.11	4.05	-	-	-
-Project Office Expenses	52.38	26.37	-	-	-	-
- Other Payments	9.63	3.20	-	-	-	-

12. The Company does not use derivative instruments to hedge its Foreign Currency Exposure.

Foreign currency exposure not hedged by derivative instruments as at March 31, 2009:

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
(a) Imports Creditors	2,581.98	1,868.36	1,265.38	-	-	-
(b) Advance to Import Creditors	11,581.78	5,286.90	847.93			
(c) Bills payable	-	15.95	-	-	-	-
(d) Loan under letter of credit	21,901.85	4,552.16	3.81	-	-	-
(e) Usance Interest accrued but not due	208.92	75.75	-	-	-	-

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

14. Figures below Rs. 5,000/- are rounded off and represented by "0.00" in the Financial Statements and Nil balances are represented by " – ".

15. 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. 11th April, 2007) (Formerly known as Adani Power Maharashtra Pvt. Ltd.)
Adani Power Dahej Ltd. (W.e.f. 15th December, 2007) (Formerly known as Dahej Power Pvt. Ltd.)
Adani Power Rajasthan Ltd. (W.e.f. 10th March, 2008) (Formerly known as Adani Power Rajasthan Pvt. Ltd.)
Adani Power (Overseas) Ltd. (W.e.f. 13th October, 2008)
Mundra Power SEZ Ltd. (W.e.f . 27th October, 2008)

(II) Other related parties:
(i) Holding Company : Adani Enterprises Limited
(ii) Fellow Subsidiaries : Adani Global FZE
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.)
Aloka Real Estate Pvt. Ltd.
Adani Welspun Exploration Limited

(iii) Other Parties which significantly influenced by the company (either with other) :
Adani Infrastructure Services Pvt. Ltd.
Adani Properties Pvt. Ltd.
Mundra Port and Special Economic Zone Ltd.
Adani Wilmar Ltd.
Ezy Global
Karnavati Aviation Pvt. Ltd.

(III) Key Management Personnel : Shri Gautam S. Adani (Chairman)
Shri Rajesh S. Adani (Managing Director)
Shri R. K . Gupta (Whole Time Director)

(b) Balances and aggregate of transactions with these parties have been given below:

	For the year ended March 31, 2009			For the year ended March 31, 2008		For the year ended March 31, 2007		For the year ended March 31, 2006		For the year ended March 31, 2005		For the year ended March 31, 2004	
	Value of Transactions	Balance		Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance
(i) Advance for purchase of Steel													
Adani Global FZE	-	-		38.60	-	14.27	14.27 Dr.	-	-	-	-	-	-
(ii) Advance for Constructing Employee Township													
Adani Mundra SEZ Infrastructure Pvt. Ltd.	530.00	712.33	Dr	132.20	183.09 Dr.	50.89	50.89 Dr.	-	-	-	-	-	-
(iii) Sharing of Common Expenses													
Mundra Port and Special Economic Zone Ltd	-	-		-	-	6.62	-	14.40	15.91 Cr.	-	-	-	-
Adani Enterprise Ltd	62.71	-		13.50	2.01 Cr.	8.49	10.74 Cr.	-	-	-	-	-	-
(iv) Bank guarantee and LC Commission charges													
Adani Enterprise Ltd	-	-		-	-	10.74	-	-	-	-	-	-	-
(v) Purchase of Material													
Adani Enterprise Ltd	33.67	5.01	Cr	9.00	-	5.04	-	-	-	-	-	-	-
(vi) Loan Received and Interest thereon													
Adani Enterprise Ltd.	110.22	-		-	-	-	-	-	-	-	-	-	-

	For the year ended March 31, 2009			For the year ended March 31, 2008		For the year ended March 31, 2007		For the year ended March 31, 2006		For the year ended March 31, 2005		For the year ended March 31, 2004	
	Value of Transactions	Balance		Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance
(vii) Share Application Money													
Adani Enterprise Ltd	360.00	0.60	Cr	2,553.70	360.60 Cr.	2,797.40	200.00 Cr.	-	-	-	-	-	-
Mundra Port and Special Economic Zone Ltd	-	-		-	-	68.00	-	68.00	68.00 Cr.	-	-	-	-
(viii) Equity Contribution													
Priti G Adani	-	-		-	-	-	-	-	-	-	-	1.80	1.80 Cr.
Shilin R Adani	-	-		-	-	-	-	-	-	-	-	1.80	1.80 Cr.
Pushpa V Adani	-	-		-	-	-	-	-	-	-	-	1.80	1.80 Cr.
Suvarna M Adani	-	-		-	-	-	-	-	-	-	-	1.80	1.80 Cr.
Ranjan V Adani	-	-		-	-	-	-	-	-	-	-	1.80	1.80 Cr.
(ix) Deposit for Rent													
Adani Properties Pvt. Ltd	10.00	10.00	Dr	-	-	-	-	-	-	-	-	-	-
(x) Rent													
Adani Properties Pvt Ltd	0.61	-		0.70	-	5.89	-	0.04	-	-	-	-	-
Adani Wilmar Ltd	0.98	-		0.81	0.11 Cr.	0.07	0.07 Cr.	-	-	-	-	-	-
Mundra Port and Special Economic Zone Ltd	1.29	-		-	-	0.44	-	0.34	-	-	-	-	-
(xi) Purchase of Desalination Plant													
Adani Wilmar Ltd	-	-		-	-	26.65	-	-	-	-	-	-	-

	For the year ended March 31, 2009			For the year ended March 31, 2008		For the year ended March 31, 2007		For the year ended March 31, 2006		For the year ended March 31, 2005		For the year ended March 31, 2004	
	Value of Transactions	Balance		Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance
(xii) Purchase of Fixed Assets													
Mundra Port and Special Economic Zone Ltd	-	-		-	-	-	-	0.89	-	-	-	-	-
Adani Power Maharashtra Ltd.	368.86	-		-	-	-	-	-	-	-	-	-	-
(xiii) Lease Rent, Infrastructure Usage Charges and Land Charges													
Mundra Port and Special Economic Zone Ltd	887.65	663.39	Cr	4,703.42	1,575.70 Cr	2,645.71	2,046.25 Cr.	-	-	-	-	-	-
(xiv) Salary & Allowances													
Shri R K Gupta	4.56	-		3.43	-	1.74	-	-	-	-	-	-	-
(xv) Advance under Coal Supply Agreement													
entered into													
Adani Enterprise Ltd	-	1,500.00	Dr	1,500.00	1,500.00 Dr	-	-	-	-	-	-	-	-
(xvi) Electricity Charges													
Adani Wilmar Limited	0.53	-		0.31	0.08 Cr.	-	-	-	-	-	-	-	-
(xvii) Storage charges, Terminal Handling charges etc.													
Mundra Port and Special Economic Zone Ltd	53.57	14.04	Cr	3.97	3.97 Cr.	-	-	-	-	-	-	-	-

	For the year ended March 31, 2009			For the year ended March 31, 2008		For the year ended March 31, 2007		For the year ended March 31, 2006		For the year ended March 31, 2005		For the year ended March 31, 2004	
	Value of Transactions	Balance		Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance
(xviii) Loans to Companies													
Adani Energy Ltd	-	-		200.00	-	-	-	-	-	-	-	-	-
Aloka Real Estate Pvt Ltd	-	-		600.00	-	-	-	-	-	-	-	-	-
Adani Power Rajasthan Limited	600.10	600.71	Dr	0.61	0.61 Dr.	-	-	-	-	-	-	-	-
(xix) Fuel Expenses													
Adani Energy Ltd	0.04	-		0.07	0.01 Cr.	0.01	-	-	-	-	-	-	-
(xx) Reimbursement of Expenses													
PT Adani Global	-	-		0.51	-	-	-	-	-	-	-	-	-
Adani Mining Pvt Ltd	1.75	-		0.50	0.50 Cr	-	-	-	-	-	-	-	-
Adani Energy Ltd.	0.26	-		-	-	-	-	-	-	-	-	-	-
Adani Infrastructure Services Pvt. Ltd.	0.19	-		-	-	-	-	-	-	-	-	-	-
Adani Welspun Exploration Limited	0.80	-		-	-	-	-	-	-	-	-	-	-
Karnavati Aviation Pvt Ltd	23.55	-		-	-	-	-	-	-	-	-	-	-
Mundra Power SEZ Ltd.	0.03	-		-	-	-	-	-	-	-	-	-	-
(xxi) Purchase of Furniture													
Ezy Global	-	-		0.41	-	-	-	-	-	-	-	-	-
(xxii)Loans from Relative of Directors													
Pritiben G Adani (Loan Repayment)	-	-		-	-	-	-	-	-	-	-	9.10	-

	For the year ended March 31, 2009			For the year ended March 31, 2008		For the year ended March 31, 2007		For the year ended March 31, 2006		For the year ended March 31, 2005		For the year ended March 31, 2004	
	Value of Transactions	Balance		Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance	Value of Transactions	Balance
(xxiii) Interest on Loan from Companies													
Adani Energy Limited	-	-		3.29	-	-	-	-	-	-	-	-	-
Aloka Real Estate Pvt. Ltd.	-	-		4.41	-	-	-	-	-	-	-	-	-
(xxiv) Investments													
Adani Power Maharashtra Pvt. Limited	2,312.90	2,313.00	Dr	0.10	0.10 Dr	-	-	-	-	-	-	-	-
Adani Power Maharashtra Ltd. (Share Application Money)	-	-		273.27	273.27 Dr	-	-	-	-	-	-	-	-
Adani Power Dahej Ltd. (Share Application Money)	380.10	406.40	Dr	26.30	26.30 Dr	-	-	-	-	-	-	-	-
Adani Power Rajasthan Limited	0.40	0.50	Dr	0.10	0.10 Dr	-	-	-	-	-	-	-	-
Adani Power Dahej Ltd.	0.40	0.50	Dr	0.10	0.10 Dr	-	-	-	-	-	-	-	-
Mundra Power SEZ Ltd.	0.50	0.50	Dr	-	-	-	-	-	-	-	-	-	-
Adani Power Overseas Ltd.	0.53	0.53	Dr	-	-	-	-	-	-	-	-	-	-

ANNEXURE VI: STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

Particulars	As at March 31, 2009	As at March 31, 2008	As at March 31, 2007	As at March 31, 2006	As at March 31, 2005	As at March 31, 2004
Face Value per Equity Share as restated (Rs.)	10.00	10.00	10.00	10.00	10.00	10.00
Earnings / (Loss) Per Share						
- Basic Earnings / (Loss) Per Share	(0.01)	(0.01)	(0.26)	(0.01)	(0.01)	(0.03)
- Diluted Earnings / (Loss) Per Share	(0.01)	(0.01)	(0.26)	(0.01)	(0.01)	(0.03)
Return on Net Worth %	(0.08)	(0.10)	(0.82)	(0.01)	(0.11)	(0.11)
Net Asset Value per Equity Share (Rs.)	12.37	22.57	9.91	9.87	9.88	9.89
Total Debt / Equity Ratio	2.18	0.72	0.55	-	-	-
Interest Coverage Ratio	NA	NA	NA	NA	NA	NA
Debt Service Coverage Ratio	NA	NA	NA	NA	NA	NA
Weighted average number of equity shares outstanding during the year	948,137,418	256,872,079	88,146,250	950,000	950,000	350,000
Add : Effect of number of equity shares on issue of Bonus Shares	787,313,868	787,313,868	-	-	-	-
Total Weighted average number of equity shares outstanding during the year	1,735,451,286	1,044,185,947	88,146,250	950,000	950,000	350,000
Add : Effect of number of equity shares on conversion of Fully paid up Cumulative Compulsory Participatory Preference Shares	-	32,059,002	-	-	-	-
Total Potential Weighted average number of equity shares outstanding during the year	1,735,451,286	1,076,244,949	88,146,250	950,000	950,000	350,000
Total number of equity shares outstanding at the end of the year	1,841,976,236	552,083,333	260,690,000	950,000	950,000	950,000
* Face value of Rs. 10 each.						

Notes:

1. The ratios have been computed as below :

Basic Earnings per Share (Rs.) = $\dfrac{\text{Net profit/(loss) as restated, attributable to equity shareholders}}{\text{Total Weighted average number of equity shares outstanding during the year}}$

Diluted Earnings per Share (Rs.) = $\dfrac{\text{Net profit/(loss) as restated before extraordinary items, attributable to equity shareholders}}{\text{Potential Weighted average number of equity shares outstanding during the year}}$

Return on Net Worth % = $\dfrac{\text{Net profit/(loss) after tax, as restated}}{\text{Net worth as restated at the end of the year}}$

Net Asset Value per Equity Share (Rs.) = $\dfrac{\text{Net Worth less Preference Share Capital less Misc. Expenditure less Share Application Money}}{\text{Number of equity shares outstanding at the end of the year}}$

Total Debt / Equity Ratio = $\dfrac{\text{Long term Debt + Short Term Debt}}{\text{Equity Share Capital + Preference Share Capital + Reserves and Surplus}}$

2. Net worth means Equity Share Capital + Preference Share Capital + Other Reserves and Surplus.
3. The company has not started its commercial operation, and therefore Interest Coverage Ratio and Debt Service Coverage Ratio are not computed.
4. The figures disclosed above are based on the standalone restated financial statements of the Company.

ANNEXURE VII: DETAILS OF RATES OF DIVIDEND

(Rs. in Millions)

Particulars	Face Value (Rs./ Share)	For the Year ended March 31, 2009	For the Year ended March 31, 2008	For the Year ended March 31, 2007	For the Year ended March 31, 2006	For the Year ended March 31, 2005	For the Year ended March 31, 2004
Class of Shares							
Equity Share Capital	10	18,419.76	5,520.83	2,606.90	9.50	9.50	9.50
0.01% Cumulative Compulsory Convertible Participatory Preference Shares	10	-	1,500.00	-	-	-	-
Dividend		NIL	NIL	NIL	NIL	NIL	NIL
Dividend Tax		NIL	NIL	NIL	NIL	NIL	NIL

ANNEXURE VIII: STATEMENT OF TAX SHELTERS

(Rs. in Millions)

Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008	For the Year ended March 31, 2007	For the Year ended March 31, 2006	For the Year ended March 31, 2005	For the Year ended March 31, 2004
Income Tax Rates applicable	33.99%	33.99%	33.66%	36.59%	35.88%	36.75%
Net Profit/ (Loss) before tax as restated	**(18.73)**	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**	**(0.01)**
Tax at Notional Rates	-	-	-	-	-	-
Adjustments :						
Income from other Sources considered separately						
- Short Term Capital Gain Taxable at Current Rates	-	28.11	-	-	-	-
- Interest earned on Surplus Fund during Construction Period	81.75	79.15	23.48	-	-	-
Net Adjustments	81.75	107.26	23.48	-	-	-
Tax Saving / (Liabilities) thereon	(27.79)	(36.46)	(7.90)	-	-	-
Interest u/s 234	-	-	(0.13)	-	-	-
Tax Payable for the year	**(27.79)**	**(36.46)**	**(8.03)**	-	-	-

The figures for the year ended March 31, 2009 are based on the provisional computation of total income prepared by the company and are subject to any changes that may be considered at the time of final filing the return of income for the year ending March 31, 2009.

ANNEXURE IX: CAPITALIZATION STATEMENT AS AT MARCH 31, 2009

(Rs. In Millions)

Particulars	Pre-Issue	Post Issue
Long Term Debt	40,896.87	-
Short Term Debt	9,000.00	-
Total Debt	**49,896.87**	**-**
Shareholders' Funds		
- Equity Share Capital	18,419.76	see note (5) below
- Preference Share Capital	-	-
Reserves as restated		
- Securities Premium Account	4,516.64	see note (5) below
- Profit and Loss Account	-	-
- Other Reserve and Surplus	-	-
Total Shareholders' Funds	**22,936.40**	**-**
Long Term Debt / Equity	1.78	see note (5) below
Total Debt / Shareholders' funds	2.18	see note (5) below

Notes:

1. Short term debts represents debts which are due within twelve months from March 31, 2009 and includes current portion of Long term debt.
2. Long term debt represents debt other than short term debt, as defined above.
3. The figures disclosed above are based on the restated summary statement of assets and liabilities of the company as at March 31, 2009.
4. Long Term debt / Equity = $\dfrac{\text{Long Term Debt}}{\text{Shareholders' Funds}}$
5. The corresponding post issue figures are not determinable at this stage pending the completion of the Book Building Process and hence have not been furnished.

ANNEXURE - I : SUMMARY STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES, AS RESTATED

(Rs. in Millions)

	Particulars	As at March 31, 2009	As at March 31, 2008
I	**Fixed Assets**		
	Gross Block	3,471.73	183.51
	Less : Accumulated Depreciation / Amortisation	103.55	12.54
	Net Block	**3,368.18**	**170.97**
	Capital Work-in-Progress (including Capital Advances)	57,603.99	22,274.44
	Project Development Expenditure	7,955.59	2,000.92
	Construction Material at site (Includes Goods in Transit at cost)	285.43	149.05
		69,213.19	**24,595.38**
II	**Investments**	**0.01**	**532.40**
III	**Current Assets, Loans and Advances**		
	Cash and Bank Balances	5,585.47	1,920.97
	Loans and Advances	4,163.48	1,762.45
		9,748.95	**3,683.42**
	A= (I+II+III)	**78,962.15**	**28,811.20**
IV	**Liabilities and Provisions**		
	Secured Loans	40,896.87	10,111.74
	Unsecured Loans	9,000.00	-
	Current Liabilities	5,608.28	4,354.42
	Provisions	11.29	6.23
	B = IV	**55,516.44**	**14,472.39**
	NET WORTH A-B	**23,445.71**	**14,338.81**
	Net Worth Represented by		
	Share Capital		
	- Equity Shares	18,419.76	5,520.83
	- Preference Shares	-	1,500.00
	Share Application Money Pending Allotment	0.60	410.60
	Reserves and Surplus	4,516.64	6,979.17
	Minority Interest	702.95	-
	Less :		
	-Misc Expenditure	96.71	-
	-Debit Balance in Consolidated Profit and Loss Account	97.53	71.79
	NET WORTH	**23,445.71**	**14,338.81**

Note:

The above statement should be read with the Significant Accounting Policies and Notes to Consolidated Statement of Assets and Liabilities, Profit and Loss Account and Cashflows as appearing in Annexure V.

ANNEXURE II : SUMMARY OF CONSOLIDATED PROFIT AND LOSS ACCOUNT, AS RESTATED

(Refer Note No. B(2) of Annexure (V))

(Rs. in Millions)

	Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008
I	**Income**		
	Income from Operations	-	-
	Other Income	-	-
	Total Income	-	-
II	**Expenditures**		
	Operating Expenses	-	-
	Personnel Expenses	-	-
	Administrative and General Expenses (Refer Annexure-IV J)	27.76	71.79
	Depreciation / Amortisation	-	-
	Total Expenditures	**27.76**	**71.79**
III	**Profit/ (Loss) before Tax, Prior Period and Extra Ordinary Items**	**(27.76)**	**(71.79)**
	- Prior Period Items and Extraordinary Items	-	-
	Profit / (Loss) before Tax	**(27.76)**	**(71.79)**
IV	**Provision For Tax**		
	- Current Tax	-	-
	- Deferred Tax (credit) / Charges	-	-
	Net Profit / (Loss) after Tax before Minority Interest	**(27.76)**	**(71.79)**
V	**Minority Interest**	2.02	-
	Net Profit / (Loss) as Restated	**(25.74)**	**(71.79)**
VI	Balance brought forward from Previous Year	**(71.79)**	-
	Accumulated Losses carried forward	**(97.53)**	**(71.79)**

Note:

The above statement should be read with the Significant Accounting Policies and Notes to Consolidated Statement of Assets and Liabilities, Profit and Loss Account and Cashflows as appearing in Annexure V.

ANNEXURE III: SUMMARY STATEMENT OF CONSOLIDATED CASH FLOW, AS RESTATED

(Rs. in Millions)

Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before tax, as restated	**(27.76)**	**(71.79)**
Operating profit before working capital changes	(27.76)	(71.79)
Net Cash from / (Used) in operating activities	**(27.76)**	**(71.79)**
(B) CASH FLOW FROM INVESTING ACTIVITIES		
(Purchase) / Sale of Fixed Assets	(3,288.22)	(171.57)
(Purchase) / Sale of Investments (Net)	532.39	(532.39)
Capital Work in Progress	(42,457.40)	(17,150.46)
Advance to Holding Company	-	(1,500.00)
Taxes paid	(14.30)	(23.58)
Net Cash Flow from Investing Activities	**(45,227.53)**	**(19,378.00)**
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Issue of Equity Shares	9,231.37	9,893.60
Proceeds from Issue of Preference Share Capital	-	1,500.00
Increase in Share Application Money	-	809.74
Long Term Borrowings	30,785.13	8,670.27
Short Term Borrowings	9,000.00	-
Miscellaneous Expenditure	(96.71)	-
Net Cash Flow from Financing Activities	**48,919.79**	**20,873.61**
Net Change in Cash and Cash Equivalents (A+B+C)	**3,664.50**	**1,423.82**
Cash and Cash Equivalents at the beginning of the year	**1,920.97**	**497.15**
Cash and Cash Equivalents at the end of the year	**5,585.47**	**1,920.97**
	3,664.50	**1,423.82**
Cash and cash equivalents include:		
Cash on hand	0.44	0.69
With banks:		
Current Accounts	3,004.62	1,499.78
Fixed Deposit	962.45	343.00
Margin Money Deposit against Bank Guarantee	1,617.96	77.50
	5,585.47	**1,920.97**

Notes:

1 The above statement should be read with the Significant Accounting Policies and Notes to Consolidated Statement of Assets and Liabilities, Profit and Loss Account and Cashflows as appearing in Annexure V.

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.

3 Negative Figures have been shown in brackets.

ANNEXURE IV A: FIXED ASSETS AS AT 31ST MARCH, 2009

(Rs. in Millions)

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
	As At 1st April, 2008	Additions during the Year	Deductions / Adjustments during the Year	As at March 31, 2009	As At 1st April, 2008	For the Period	Deductions / Adjustments during the Year	As at March 31, 2009	As at March 31, 2009
Leasehold Land	64.79	2,668.85	-	2,733.64	0.65	26.97	-	27.62	2,706.02
Building	8.92	28.75	-	37.67	0.02	28.91	-	28.93	8.74
Plant and Machinery	39.11	513.59	-	552.70	0.40	17.33	-	17.73	534.97
Office Equipments	16.74	19.02	0.08	35.68	2.04	2.11	0.01	4.14	31.54
Computers	29.60	10.53	0.12	40.01	2.82	5.71	0.01	8.52	31.49
Furniture and Fixtures	7.57	12.65	0.36	19.86	5.69	4.84	0.23	10.30	9.56
Electrical Installation	-	0.02	-	0.02	-	0.00	-	0.00	0.02
Vehicles	16.78	14.87	-	31.65	0.92	2.23	-	3.15	28.50
Computer Software	-	20.50	-	20.50	-	3.16	-	3.16	17.34
TOTAL	**183.51**	**3,288.78**	**0.56**	**3,471.73**	**12.54**	**91.26**	**0.25**	**103.55**	**3,368.18**

ANNEXURE IV B: FIXED ASSETS AS AT 31ST MARCH 2008

(Rs. in Millions)

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK
	As At 1st April, 2007	Additions during the Year	Deductions / Adjustments during the Year	As at March 31, 2008	As At 1st April, 2007	For the Year	On Deductions / Adjustments during the Year	As at March 31, 2008	As at March 31, 2008
Leasehold Land	-	64.79	-	64.79	-	0.65	-	0.65	64.14
Building	-	8.92	-	8.92	-	0.02	-	0.02	8.90
Plant and Machinery	-	39.11	-	39.11	-	0.40	-	0.40	38.71
Office Equipments	1.12	15.62	-	16.74	0.20	1.84	-	2.04	14.70
Computers	4.48	25.12	-	29.60	0.37	2.45	-	2.82	26.78
Furniture and Fixtures	1.28	6.29	-	7.57	0.66	5.03	-	5.69	1.88
Electrical Installation	-	-	-	-	-	-	-	-	-
Vehicles	5.06	11.72	-	16.78	0.26	0.66	-	0.92	15.86
Computer Software	-	-	-	-	-	-	-	-	-
TOTAL	**11.94**	**171.57**	**-**	**183.51**	**1.49**	**11.05**	**-**	**12.54**	**170.97**

ANNEXURE IV B : CAPITAL WORK IN PROGRESS

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008
Leasehold Land and Site Development	129.85	2,714.97
Building and Civil Works	3,035.26	1,647.93
Plant and Machinery (Including in Transit Rs.1985.86 Millions) (As at 31st March, 2008 - Rs.492.98 Millions)	30,211.38	8,953.63
Electrical Installation	2,244.67	238.77
Railway Sidings	50.93	1.65
Desalination Plant	303.72	28.73
Transmission Line (Including in Transit-NIL) (As at 31st March 2008 - Rs.31.18 Millions)	3,922.72	1,335.28
Coal mine	86.73	79.90
SAP-Software and Implementation	21.78	11.43
Advance for Capital Expenditures		
Advance to Contractors / Suppliers	17,596.95	7,262.15
(Includes Rs. 712.33 Millions (As at March 31, 2008 - Rs. 183.09 Millions) 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. 712.33 Millions (As at March 31, 2008 - Rs. 183.09 Millions)		
(Includes Rs. 200.00 Millions (As at 31st March 2008 - Rs Nil) due from the Company under same management as defined in section 370(1-B) - Adani Infrastructure and Developers Private Limited.) (Maximum amount due during the year Rs. 200.00 Millions. (As at 31st March 2008 - Rs. Nil))		
Total	**57,603.99**	**22,274.44**

ANNEXURE IV C : PROJECT DEVELOPMENT EXPENDITURE

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008
Salary and Allowances	617.73	153.60
Contribution to Provident fund and Other Funds	29.82	7.73
Employee Welfare Expenses	145.16	49.73
Administration and Office Expenses	227.43	88.86
Communication Expenses	17.16	6.30
Interest and Finance Charges	6,034.33	1,216.56
Miscellaneous Expenses	23.70	7.83
Professional Fees	585.77	385.23
Stationery and Courier Expenses	9.36	4.18
Statutory Expenses	29.75	27.09
Travelling Expenses	169.20	62.17
Sub Lease Rent for land	3.71	0.76
Vehicle running expenses	72.29	32.69
Project Insurance	105.80	53.02
Depreciation	103.94	12.68
Provision for Taxes (Including Fringe Benefit Tax)	72.74	53.66
Total (A)	**8,247.89**	**2,162.09**
Less : Other Income		
Gain on Sale of Securities / Treasury Bills	28.11	28.11
Interest (Net of Tax Deducted at source Rs 36.23 Millions) (As at 31st. March 2008-Rs.23.34 Millions)	202.63	116.62
Dividend Income	34.39	4.18
Other Income	27.17	12.26
Total (B)	**292.30**	**161.17**
Total (A-B)	**7,955.59**	**2,000.92**

ANNEXURE IV D : DETAILS OF INVESTMENTS

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008
1. LONG TERM INVESTMENTS		
TRADE UNQUOTED	-	-
Sub total	-	-
NON TRADE UNQUOTED		
National Saving Certificates (Lying with Government Authorities)	0.01	0.01
Sub total	**0.01**	**0.01**
2. CURRENT INVESTMENTS (QUOTED)		
Other Investments - Mutual Funds		
DWS Liquid Plus Fund	-	230.85
DWS Insta Cash Fund	-	0.25
DWS Money Plus Fund	-	301.29
Sub total	-	**532.39**
GRAND TOTAL	**0.01**	**532.40**

ANNEXURE IV E : DETAILS OF CURRENT ASSETS, LOANS AND ADVANCES

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008
Cash and Bank Balances		
Cash and Cheques on Hand	0.44	0.69
Balances with Banks:		
- In Current Accounts	3,004.62	1,499.78
- In Margin Money Accounts	1,617.96	77.50
- In Deposit Accounts	962.45	343.00
	5,585.47	**1,920.97**
Loans and Advances		
(Unsecured, Considered good)		
Advances Recoverable in Cash or in Kind or for Value to be received *	2,425.79	38.81
Advances to Adani Enterprises Ltd (Against Coal Supply Agreement) **	1,500.00	1,500.00
Interest receivable	48.42	11.91
Security Deposits	146.96	172.29
Deposit with Sales Tax Authorities	0.03	0.03
Prepaid Expenses	37.67	39.41
Advance Tax including Tax Deducted at Source (Net of Provision)	4.61	-
	4,163.48	**1,762.45**
Total	**9,748.95**	**3,683.42**

Notes:

***Selective Financial Information on Loans and Advances as at March 31, 2009 is as follows:**

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008
Advances Recoverable in Cash or in Kind or for Value to be received		
- Considered Good		
- From Promoter Group Companies	-	-
- From Associate Companies	-	-
- From Others	2,425.79	38.81
- Considered Doubtful	-	-
Less : Provision for doubtful loans and advances	-	-
Total	**2,425.79**	**38.81**

** Companies under the same management.
Maximum amount outstanding during the year is as under:
Adani Enterprises Ltd. - Rs. 1,500.00 Millions (As at 31st March, 2009 - Rs. 1,500.00 Millions)

ANNEXURE IV F : DETAILS OF LOANS

SECURED LOANS

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008
Term Loans from Banks		
Term Loans	18,995.02	5,559.58
Bills discounted under Letters of Credit (To be converted into Term Loans)	21,901.85	4,552.16
TOTAL	**40,896.87**	**10,111.74**

UNSECURED LOANS

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008
Term Loans from Banks (Repayable within one year)	9,000.00	**-**
TOTAL	**9,000.00**	**-**

The above borrowings are secured by:

1. Secured Loans aggregating to Rs. 24780.09 Millions (As at 31st March, 2008 - Rs. 8961.74 Millions) are secured by :
   (a) First mortgage and charge on all immovable and movable assets, both present and future of Phase I & Phase II, on pari passu basis; and
   (b) Corporate Guarantee provided by Mundra Port and Special Economic Zone Limited for Rs. 1310.00 Millions.
2. Secured Loans aggregating to Rs.15429.68 Millions (As at 31st March, 2008 - Rs. 1,150.00 Millions) are secured by first mortgage and charge on all immovable and movable assets, both present and future of Phase III.
3. Secured Loans aggregating to Rs.687.10 Millions (As at 31st March, 2008 - NIL) (Subordinate Debt) are secured by second mortgagee and charge on all immovable and movable assets, both present and future of Phase III.
4. The above Secured Loans are further secured by pledge of 531,436,831 Equity Shares of the Company through execution of Pledge Agreement with Adani Enterprise Limited as :

a) First charge for Secured Loans from banks aggregating to Rs. 40,209.76 Millions (As at 31st March, 2008 - Rs.10,111.74 Millions); and

b) Second charge for Secured Loans from banks aggregating to Rs. 687.10 Millions (As at 31st March, 2008 - NIL).

5. Out of above Loans, payable within 12 months is Nil. (As at 31st March 2008 - Nil)

The figures disclosed above are based on the consolidated restated financial statements of the Company.

ANNEXURE - IV G : CURRENT LIABILITIES AND PROVISIONS

(Rs. in Millions)

Particulars	As at March 31, 2009	As at March 31, 2008
Current Liabilities		
Sundry Creditors	5,141.98	4,142.31
Bills Payable under Letter of Credit	-	15.97
Interest Accrued but not Due on Loans	254.75	80.04
Other Liabilities	211.55	116.10
	5,608.28	**4,354.42**
Provisions		
Provision for Taxation	-	2.58
Provision for Employee Benefits	11.29	3.65
	11.29	**6.23**
Total	**5,619.57**	**4,360.65**

ANNEXURE IV H : SHARE CAPITAL AND RESERVES AND SURPLUS

(Rs. in Millions)

Particulars		As at March 31, 2009	As at March 31, 2008
Schedule 'A' : Share Capital			
Authorized Share Capital			
No. of Equity Shares of Rs. 10/- Each (Nos)		2,500,000,000	2,500,000,000
Amount		25,000.00	25,000.00
Cumulative Compulsorily Convertible Participatory Preference Shares of Rs. 10/- Each			
No. of Preference Shares of Rs. 10/- Each (Nos)		500,000,000	500,000,000
Preference Share Capital		5,000.00	5,000.00
		30,000.00	30,000.00
Issued, Subscribed and Paid-up Share Capital			
Equity Share Capital			
No. of Equity Shares of Rs. 10/- Each fully paid up (Nos)		1,841,976,236	552,083,333
Amount		18,419.76	5,520.83
Preference Share Capital			
No. of 0.01% Cumulative Compulsorily Convertible Participatory Preference Shares of Rs. 10/- Each fully paid up (Nos)		-	150,000,000
Amount		-	1,500.00
Total	**A**	**18,419.76**	**7,020.83**
Schedule 'B' : Reserves and Surplus			
Share Premium		4,516.64#	6,979.17
Total	**B**	**4,516.64**	**6,979.17**
Total	**A + B**	**22,936.40**	**14,000.00**

Utilized for issue of bonus shares

Of the above equity shares as at 31st March 2009 :

1. 1,531,440,000 (As at 31st March, 2008 - 500,000,000) Shares are held by Adani Enterprises Ltd., the Holding Company and its nominees.
2. 32,059,002 (As at 31st March, 2008 - Nil) Shares of Rs. 10/- each were allotted at a premium of Rs.36.78 each on conversion of 0.01% Cumulative Compulsorily Convertible Participatory Preference Shares.
3. 787,313,868 (As at 31st March 2008 - Nil) Shares were allotted as fully paid up bonus shares by capitalization of Share Premium Account.

ANNEXURE IV I : DETAILS OF OTHER INCOME

(Rs. in Millions)

Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008
Other Income	-	-
TOTAL	**-**	**-**

ANNEXURE IV J : ADMINISTRATIVE AND GENERAL EXPENSES

(Rs. in Millions)

Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008
Professional Fees	-	11.13
Statutory Expenses	21.21	26.71
Auditor's Remuneration	0.98	0.94
Director Sitting Fees	0.18	0.07
Project Inauguration Expenses	5.39	32.94
Total :	**27.76**	**71.79**

ANNEXURE V

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO CONSOLIDATED STATEMENTS OF ASSETS AND LIABILITIES, PROFIT AND LOSS ACCOUNT AND CASHFLOWS, AS RESTATED:

(A) Significant Accounting Policies

1) Basis of preparation of consolidated financial statements

The consolidated financial statements are prepared by consolidating the accounts of Adani Power Limited with those of its subsidiaries in accordance with generally accepted accounting principles and in consonance with Accounting Standard 21 – 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India. The financial statements have been prepared under the historical cost convention on accrual basis.

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 recognized 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) Intangible Assets

Computer Software cost is capitalised and recognised as Intangible Assets in terms of Accounting Standard -26 "Intangible Assets" based on materiality, accounting prudence and significant economic benefits expected to flow therefrom for a period longer than one year.

7) 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) Intangible assets are amortized over a period of 5 years.

v) Leasehold land will be amortised over a period of lease.

8) Leases

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

9) 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.

10) 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.

11) 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.

12) 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 balance sheet date are restated at the rates prevailing on that date. In case of monetary items which are covered by forward exchange contracts, the difference between the rate prevailing on the balance sheet date and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized 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 in respect of the project cost is recognized as "Capital Work in Progress" or "Project Development Expenditure" as the case may be.

13) 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 Project Development 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.

14) 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.

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

Share Issue Expenses incurred in connection with the proposed IPO of the Company is shown under Miscellaneous Expenditure (to the extent not written off or adjusted). Such expenditure would be adjusted against the Share Premium Account as and when shares will be issued after completion of the IPO. Preliminary expenses are charged to the Profit and Loss Account for the period in which the expenses are incurred.

16) Provisions, contingent liabilities and contingent assets

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

(B) Material Adjustments

1. Prior Period Expenses

In the Financial Statements for the years ended March 31, 2009 and 2008 the Company has classified certain items as prior period items in “Project Development Expenditure”. Accordingly, for the purpose of the Restated Summary Statement, the said items have been appropriately adjusted in the respective years to which they pertain.

2. Administrative and General Expenses booked to Profit and Loss Account

For the limited purpose of including in the Red Herring Prospectus (RHP), in the restated consolidated financial information for the year ended on March 31, 2009 and 2008, Profit and Loss Account for the respective years have been prepared and preliminary expenses and certain other expenses (as shown in the Profit and Loss Account), have been charged to the Profit and Loss Account as against the same shown in the audited financial statements under (i) Miscellaneous Expenditure (to the extent not written off or adjusted) and (ii) Project Development Expenditure.

3. Material Regroupings

Appropriate adjustments have been made in the Restated financial information, wherever required, by a reclassification of the corresponding items of assets, liabilities and cash flows, in order to bring them in line with the groupings as per the audited financials of the Company for the period ended March 31, 2009.

(C) Notes on Accounts

1. Details of Subsidiaries:-

The Consolidated financial statements comprise the financial statements of the parent company, Adani Power Limited (APL) and the following subsidiaries (together referred to as Group):

Name of the subsidiary	Country of Incorporation	Effective Ownership in subsidiaries as at	
		31.03.2009	31.03.2008
Adani Power Maharashtra Ltd. (formerly known as Adani Power Maharashtra Pvt. Ltd.)	India	76.64%	100%
Adani Power Dahej Ltd. (formerly known as Dahej Power Pvt. Ltd.)	India	100%	100%
Adani Power Rajasthan Ltd. (formerly known as Adani Power Rajasthan Pvt. Ltd.)	India	100%	100%
Adani Power (Overseas) Limited (w. e. f. – 13th October 2008)	United Arab Emirates	100%	-
Mundra Power SEZ Ltd (w.e.f - 27th October 2008)	India	100%	-

2. Contingent liabilities not provided for in respect of:

(Rs. in Millions)

Particulars	As at 31st March, 2009	As at 31st March, 2008
Estimated amount of contracts remaining to be executed on capital account and not provided for	211,512.22	162,228.52
Guarantees issued by the Company's bankers on behalf of the Company	4,138.00	3,140.00
Letter of Credit facilities provided by banks	6,179.52	4,944.20
Bonds submitted to Development Commissioner on behalf of Government of India	22,867.18	22,250.00

3. The Project Development Expenditure includes Director's Remuneration:-

(Rs. in Millions)

Particulars	For the year ended 2008-2009	For the year ended 2007-2008
Managerial Remuneration to the Director	4.56	3.43
The Above is Inclusive of:		
(a) Salary and Allowances	3.58	2.75
(b) Estimated Value of Benefits in cash or in kind provided to Director	0.62	0.44
(c) Contribution to Provident & other Funds	0.27	0.19
(d) Contribution to Gratuity Fund	0.09	0.05

4. The Auditor's remuneration includes:-

(Rs. in Millions)

	For the year ended 2008-2009	For the year ended 2007-2008
Audit Fees	0.96	0.40
Certification Work required to be done by the Statutory Auditors	1.28	-
Certification Work	0.25	0.11
Total	**2.49**	**0.51**

5. Operating Leases:-

(Rs. in Millions)

Future Minimum Lease Payments	As at March 31, 2009	As at March 31, 2008
Not later than one Year	68.46	16.37
Later than one year and not later than five years	40.44	8.69
Later than five years	27.72	5.05

6. 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.

7. The Group's activities during the year evolve 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).

8. The Group 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):

(Rs. in Millions)

	Particulars	For the year ended 2008-2009	For the year ended 2007-2008
I.	**Reconciliation of Opening and Closing Balances of defined benefit obligation**		
	Liability at the beginning of the Year	2.36	0.51
	Current Service Cost	4.44	0.84
	Interest Cost	0.53	0.11
	Expected Return on Planned Assets	-	-
	Benefits paid	(0.07)	-
	Net Actuarial losses (gain) recognised in Year	2.42	0.90
	Liability at the end of the Year	9.68	2.36
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	2.06	0.31
	Expected return on plan assets	0.76	0.16
	Contributions	7.56	1.75
	Benefits paid	(0.07)	-
	Actuarial gain/(loss) on plan assets	(0.48)	(0.16)
	Plan assets at the end of the Year at Fair Value	9.83	2.06
III.	**Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets**		
	Obligations at the end of the Year	9.68	2.36
	Plan assets at the end of the Year, at Fair Value	9.83	2.06
	(Asset) / Liability recognized in balance sheet	(0.15)	0.30
IV.	**Gratuity Cost for the Year**		
	Current service cost	4.44	0.84
	Interest cost	0.53	0.11
	Expected return on plan assets	(0.76)	(0.16)
	Actuarial Gain or Loss	2.90	1.06
	Net Gratuity cost	7.11	1.85
V.	**Actuarial Assumptions**		
	Discount Rate (per annum)	7.75%	7.75%
	Expected rate of return on plan assets	8.00%	8.00%
	Annual Increase in Salary Cost	6.00%	6.00%

The company has defined benefit plans for gratuity to eligible employees, contribution for which are made to Life Insurance Corporation of India who invests the funds as per Insurance Regulatory and Development Authority Guidelines.

Past four years data for defined benefit obligation and fair value of plan

(Rs. in Millions)

	2005-06	2006-07	2007-08	2008-09
Present value of defined benefit obligations at the end of the year [independent actuary]	NA	NA	2.36	9.68
Fair value of plan assets at the end of the year	NA	NA	2.06	9.83
Net assets / (liability) at the end of year	NA	NA	(0.30)	0.15

The liability for leave encashment and compensated absences, as at the period ended 31st March 2009, is Rs. 12.05 Millions. (As at 31st March, 2008 – Rs. 3.29 Millions)

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

(b) List of Related Parties and Relationship

(I) Related parties:

(i) Holding Company : Adani Enterprises Limited

(ii) Fellow Subsidiaries : Adani Global FZE

Adani Energy Ltd.

Adani Mining Private Limited

PT Adani Global

Adani Infrastructure and Developers Pvt. Ltd.

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

Aloka Real Estate Pvt. Ltd.

Adani Welspun Exploration Limited

(iii) Other parties Mundra Port and Special Economic Zone Ltd.

Which are significantly

Adani Infrastructure Services Pvt. Ltd.

influenced by the company

Adani Wilmar Ltd.

(either individually or

Adani Properties Pvt. Ltd.

with others):

Ezy Global

Karnavati Aviation Pvt. Ltd.

(II) Key Management Personnel : Shri Gautam S. Adani (Chairman)

Shri Rajesh S. Adani (Managing Director)

Shri R. K. Gupta (Whole Time Director)

(c) Balances and aggregate of transactions with the parties have been given below:

(Rs. in Millions)

Description	Name of Related Party	Nature of Relationship	Value of Transactions		Balance as at	
			Year ended 31st March, 2009	Year ended 31st March, 2008	31st March, 2009	31st March, 2008
Advance for Purchase of Steel	Adani Global FZE	Fellow Subsidiary	-	38.60	-	-
Advance for Constructing Employee Township	Adani Mundra SEZ Infrastructure Pvt. Ltd.	Fellow Subsidiary	530.00	132.20	712.33 Dr.	183.09 Dr.
Sharing of Common Expenses	Adani Enterprises Ltd.	Holding Company	62.71	13.50	-	2.01 Cr.
Purchase of Bitumen			0.00	8.99	-	0.00 Dr.
Interest on Loan			0.22	-	-	-
Coal Purchase			1.03	-	-	-
Purchase of HSD			29.59	-	6.75 Cr	-
Director Appointment Fees			0.00	-	-	-
Purchase of Granite			3.05	-	1.74 Cr	-
Advance as per the terms of Coal Supply Agreement entered into			-	1,500.00	1,500.00 Dr	1,500.00 Dr.
Loan Taken			110.00	-	-	-
Share Application Money			360.00	2,553.70	0.60 Cr.	360.60 Cr.
Rent	Adani Properties Pvt. Ltd.	Other parties which are significantly influenced by the company (either individually or with others)	0.61	0.70	-	-
	Adani Wilmar Limited		0.98	0.81	-	0.11 Cr.
	Mundra Port and Special Economic Zone Limited		1.29	-	-	-
Electricity Charges	Adani Wilmar Ltd.	Other parties which are significantly influenced by the company (either individually or with others)	0.53	0.31	-	0.08 Cr.
Lease Rent, Infrastructure Usage Charges & Land Charges	Mundra Port and Special Economic Zone Ltd.	Other parties which are significantly influenced by the company (either individually or with others)	887.65	4,703.42	663.38 Cr.	1,575.70 Cr.
Storage Charges, Terminal Handling Charges, Wharf age, Crane Hiring, Water Front Royalty, Etc..			53.57	3.97	14.04 Cr.	3.97 Cr.
Loans to Companies	Adani Energy Limited	Fellow Subsidiary	-	200.00	-	-
	Aloka Real Estate Pvt. Ltd.	Fellow Subsidiary	-	600.00	-	-
Interest on Loan from Companies	Adani Energy Limited	Fellow Subsidiary	-	3.29	-	-
	Aloka Real Estate Pvt. Ltd.	Fellow Subsidiary	-	4.41	-	-
Deposit for Rent	Adani Properties Pvt. Ltd.	Other parties which are significantly influenced by the company (either individually or with others)	10.00	-	10.00 Dr.	-
Fuel Expenses	Adani Energy Limited	Fellow Subsidiary	0.04	0.07	-	0.01 Cr.

Description	Name of Related Party	Nature of Relationship	Value of Transactions		Balance as at	
			Year ended 31st March, 2009	Year ended 31st March, 2008	31st March, 2009	31st March, 2008
Reimbursement of Expenses	PT Adani Global	Fellow Subsidiary	-	0.51	-	-
	Adani Energy Ltd	Fellow Subsidiary	0.26	-	-	-
	Adani Infrastructure Services Pvt. Ltd.	Other parties which are significantly influenced by the company (either individually or with others)	0.19	-	-	-
	Karnavati Aviation Private Limited	Other parties which are significantly influenced by the company (either individually or with others)	26.13	-	-	-
	Adani Mining Private Limited	Fellow Subsidiary	6.30	1.32	-	1.32 Cr.
	Adani Welspun Exploration Limited	Fellow Subsidiary	0.80	-	-	-
Furniture Purchase	Ezy Global	Other parties which are significantly influenced by the company (either individually or with others)	-	0.41	-	-
Salary & Allowances	Sri R. K. Gupta	Key Management Personnel	4.56	3.43	-	-
Advance	Adani Infrastructure and Developers Private Limited	Fellow Subsidiary	200.00	-	200.00 Cr.	-

10. Foreign Currency Transactions:-

(Rs. in Millions)

Particulars	For the Year ended 2008-2009	For the Year ended 2007-2008
(a) C.I.F. Value of Imports		
Capital Goods	21,943.25	7,260.29
(b) Expenditure in Foreign Currency		
Payment for Erection Works	717.66	47.55
Professional and Consultation Charges	184.61	6.08
Usance Interest and Other Charges	314.21	65.44
Travelling Expenses	15.53	10.10
Project Office Expenses	52.38	26.37
Other Payments	9.63	3.20

11. 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, 2009:

(Rs. in Millions)

Particulars	As at 31st March, 2009	As at 31st March, 2008
(a) Capital Imports	2,581.98	1,868.36
(b) Advance to Import Creditors	11,581.78	5,286.90
(c) Bills payable	-	15.95
(d) Loan under letter of credit	21,901.85	4,552.16
(e) Usance Interest Accrued but not Due	208.92	75.75

12. Figures below Rs. 5,000/- are rounded off and represented by “0.00” in the Financial Statements and Nil balances are represented by “ – ”.

13. Previous years figures have been regrouped and rearranged wherever necessary to confirm to this period’s classification.

ANNEXURE VI : STATEMENT OF ACCOUNTING RATIOS, AS RESTATED

Particulars	As at March 31, 2009	As at March 31, 2008
Face Value per Equity Share as restated (Rs.)	10.00	10.00
Earnings / (Loss) Per Share		
- Basic Earnings / (Loss) Per Share	(0.01)	(0.07)
- Diluted Earnings / (Loss) Per Share	(0.01)	(0.07)
Return on Net Worth %	(0.11)	(0.50)
Net Asset Value per Equity Share (Rs.)	12.35	22.51
Total Debt / Equity Ratio	2.18	0.72
Interest Coverage Ratio	NA	NA
Debt Service Coverage Ratio	NA	NA
Weighted average number of equity shares outstanding during the year*	948,137,418	256,872,079
Add : Effect of number of equity shares on issue of Bonus Shares	787,313,868	787,313,868
Total Weighted average number of equity shares outstanding during the year*	1,735,451,286	1,044,185,947
Add : Effect of number of equity shares on conversion of Fully paid up Cumulative Compulsory Participatory Preference Shares	-	32,059,002
Total Potential Weighted average number of equity shares outstanding during the year *	1,735,451,286	1,076,244,949
Total number of equity shares outstanding at the end of the year*	1,841,976,236	552,083,333

* Face value of Rs 10 each.

Notes:

1. **The ratios have been computed as below:**

Basic Earnings per Share (Rs.) = $\dfrac{\text{Net profit/(loss) as restated, attributable to equity shareholders}}{\text{Weighted average number of equity shares outstanding during the Year}}$

Diluted Earnings per Share (Rs.) = $\dfrac{\text{Net profit/(loss) as restated before extraordinary items, attributable to equity shareholders}}{\text{Potential Weighted average number of equity shares outstanding during the year}}$

Return on Net Worth % = $\dfrac{\text{Net profit/(loss) after tax, as restated}}{\text{Net worth as restated at the end of the year}}$

Net Asset Value per Equity Share (Rs.) = $\dfrac{\text{Net Worth less preference share capital less miscellaneous expenditue less Application Money}}{\text{Number of equity shares outstanding at the end of the year}}$

Total Debt / Equity Ratio = $\dfrac{\text{Long term Debt + Short Term Debt}}{\text{Equity Share Capital + Preference Share Capital + Reserves and Surplus}}$

2. Net worth means Equity Share Capital + Preference Share Capital + Other Reserves and Surplus.
3. The company has not started its commercial operation, and therefore Interest Coverage Ratio and Debt Service Coverage Ratio are not computed.
4. The figures disclosed above are based on the consolidated restated financial statements of the Company.

ANNEXURE VII : DETAILS OF RATES OF DIVIDEND

(Rs. in Millions)

Particulars		Face Value (Rs./Per Share)	For the Year ended March 31, 2009	For the Year ended March 31, 2008
Class of Shares				
Equity Share Capital		10.00	18,419.76	5,520.83
0.01% Cumulative Compulsorily Convertible Participatory Preference Shares		10.00	-	1,500.00
Dividend			NIL	NIL
Dividend Tax			NIL	NIL

ANNEXURE VIII : STATEMENT OF TAX SHELTERS

(Rs. in Millions)

Particulars	For the Year ended March 31, 2009	For the Year ended March 31, 2008
Income Tax Rates applicable	33.99%	33.99%
Net Profit/ (Loss) before tax as restated	**(27.76)**	**(71.79)**
Tax at Notional Rates	-	-
Adjustments :		
Income from other Sources considered separately		
- Short Term Capital Gain Taxable at Current Rates	-	28.11
- Interest earned on Surplus Fund during Construction Period	86.01	79.15
Net Adjustments	86.01	107.26
Tax Saving / (Liabilities) thereon	(29.23)	(36.46)
Tax Payable for the year / period	**(29.23)**	**(36.46)**

The figures for the year ended March 31,2009 are based on the provisional computation of total income prepared by the company and are subject to any changes that may be considered at the time of final filing the return of income for the year ending March 31, 2009.

ANNEXURE IX : CAPITALIZATION STATEMENT AS AT MARCH 31, 2009

(Rs. in Millions)

Particulars	Pre-Issue	Post Issue
Long Term Debt	40,896.87	-
Short Term Debt	9,000.00	-
Total Debt	**49,896.87**	**-**
Shareholders' Funds		
- Equity Share Capital	18,419.76	see note (5) below
- Preference Share Capital	-	-
Reserves as restated		
- Securities Premium Account	4,516.64	see note (5) below
- Profit and Loss Account	-	-
- Other Reserve and Surplus	-	-
Total Shareholders' Funds	**22,936.40**	**-**
Long Term Debt / Equity	1.78	see note (5) below
Total Debt / Shareholders' funds	2.18	see note (5) below

Notes:

1. Short term debts represents debts which are due within twelve months from March 31, 2009 and includes current portion of Long term debt.
2. Long term debt represents debt other than short term debt, as defined above.
3. The figures disclosed above are based on the restated summary consolidated statement of assets and liabilities of the company as at June 30, 2008.
4. Long Term debt / Equity = $\frac{\text{Long Term Debt}}{\text{Shareholders' Funds}}$
5. The corresponding post issue figures are not determinable at this stage pending the completion of the Book Building Process and hence have not been furnished.

FINANCIAL STATEMENTS OF ADANI POWER MAHARASHTRA LIMITED

Auditors' Report
To the Members of
Adani Power Maharashtra Limited

1. We have audited the attached Balance Sheet of **Adani Power Maharashtra Limited** as at 31st March, 2009; the Statement of Expenses and also the Cash Flow Statement for the year ended 31st March, 2009, 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.

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 (the "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 those books;

   c. The Balance Sheet, the Statement of Expenses and the Cash Flow Statement dealt with by this report are in agreement with the books of account;

   d. In our opinion, the Balance Sheet, the Statement of Expenses and the 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 representations received from the directors as on 31st March, 2009 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 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 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, 2009;

      (ii) in the case of the Statement of Expenses, of the expenses for the year ended on 31st March, 2009; and

      (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on 31st March, 2009.

For **C. C. Chokshi & Co.**
Chartered Accountants

(Gaurav J. Shah)
Partner

Membership No. 35701
Place: Ahmedabad
Date: 18th May, 2009

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), (x), (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. According to the information and explanations given to us, the Company has not granted or taken any loans, secured or unsecured to / from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, clauses (b), (c), (d), (e), (f) and (g) of the paragraph 4(iii) of the said order relating to rate of interest and other terms and conditions of the loans, regularity of receipt / repayment of principal and interest and steps for recovery of overdue amount in excess of rupees one lakh are not applicable.
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. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in such internal controls.
5. According to the information and explanations given to us, there were no contracts or arrangements referred to in section 301 of the Companies Act, 1956 which were required to be entered in the register maintained under that section.
6. The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA and any other relevant provisions of the Companies Act, 1956 and the Rules framed there under.
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, wealth tax, sales tax, service tax, customs 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, 2009 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. According to the information and explanations given to us, the Company has not borrowed any loan from financial institution or bank or has not issued debentures.
10. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
11. 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.
12. The Company has not raised any term loan during the year under review.
13. 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.

14. According to the information and explanations given to us, the Company has not made preferential allotment of Equity Shares to parties covered in the Register maintained under Section 301 of the Companies Act, 1956.
15. The Company has not issued any debentures during the year.
16. The Company has not raised money by public issue during the year.
17. 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 **C. C. Chokshi & Co.**
Chartered Accountants

(Gaurav J. Shah)
Partner

Membership No. 35701
Place: Ahmedabad
Date: 18th May, 2009

BALANCE SHEET AS AT MARCH 31, 2009

(Amount in Rupees)

	Schedule	As at March 31, 2009	As at March 31, 2008
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	**1**	3,018,000,000	100,000
Share Application Money		-	323,272,594
TOTAL		**3,018,000,000**	**323,372,594**
APPLICATION OF FUNDS			
FIXED ASSETS			
Gross Block	**2**	116,595,802	97,541,687
Less: Accumulated Depreciation		5,270,143	1,345,724
Net Block		111,325,659	96,195,963
Capital Work in Progress	**3**	1,543,924,088	32,037,664
Project Development Expenditure	**4**	710,369,840	174,863,689
Construction Materials at Site	**5**	134,926,179	9,856,522
		2,500,545,766	312,953,838
CURRENT ASSETS, LOANS AND ADVANCES			
Cash and Bank Balances	**6**	639,563,221	2,652,333
Loans and Advances	**7**	19,678,530	12,309,583
		659,241,751	14,961,916
LESS : CURRENT LIABILITIES AND PROVISIONS	**8**	165,537,290	25,044,610
NET CURRENT ASSETS		493,704,461	(10,082,694)
MISCELLANEOUS EXPENDITURE	**9**	-	20,501,450
(To the extent not written off)			
BALANCE OF STATEMENT OF EXPENSES		23,749,773	-
TOTAL		**3,018,000,000**	**323,372,594**
Significant Accounting Policies and Notes to Accounts	**10**		
The accompanying schedules 1 to 10 form an integral part of these accounts			

STATEMENT OF EXPENSES FOR THE PERIOD ENDED MARCH 31, 2009

(Amount in Rupees)

	Schedule	For the Year ended March 31, 2009	For the period ended March 31, 2008
EXPENDITURES			
Audit Fees		221,373	-
Preliminary Expenses		23,528,400	-
(See Note (B)3 of Schedule 10)			
Total expenses carried to the Balance Sheet		23,749,773	-
Basic and Diluted EPS		(1.06)	-
(See Note (B)6 of Schedule 10)			
Significant Account Policies notes to Accounts	**10**		
The accompanying schedules 1 to 10 form an integral part of these accounts			

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2009

(Amount in Rupees)

	For the year ended March 31, 2009	For the period from April 11, 2007 to March 31, 2008
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Balance as per Statement of Expenses	(23,749,773)	-
Adjustment for:		
Preliminary Expenditure written off	20,501,450	-
NET CASH USED IN OPERATING ACTIVITIES (A)	**(3,248,323)**	**-**
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of fixed assets	(19,054,115)	(97,541,687)
Capital Work in Progress	(2,032,558,977)	(202,677,125)
Taxes Paid	(2,855,103)	-
NET CASH USED IN INVESTING ACTIVITIES (B)	**(2,054,468,195)**	**(300,218,812)**
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of Equity Shares	2,694,627,406	100,000
Increase in Share Application Money	-	323,272,594
Miscellaneous Expenditure	-	(20,501,450)
NET CASH GENERATED FROM FINANCING ACTIVITIES (C)	**2,694,627,406**	**302,871,144**
NET INCREASE IN CASH AND CASH EQUIVALENTS (A)+(B)+(C)	**636,910,888**	**2,652,333**
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	2,652,333	-
CASH AND CASH EQUIVALENTS AT END OF YEAR	639,563,221	2,652,333
	636,910,888	**2,652,333**
Notes to Cash flow Statement :		
Cash and cash equivalents include:		
Cash on hand	58,238	104,768
With Scheduled banks:		
Current Accounts	414,850,333	2,547,565
Margin Money Deposit against Bank Guarantee	224,654,650	-
	639,563,221	**2,652,333**
	-	

Previous figures have been restated wherever necessary, to conform to this year'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.

SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE -1

(Amount in Rupees)

	As at March 31, 2009	For the period from April 11, 2007 to March 31, 2008
AUTHORISED		
2,000,000,000 Equity Shares of Rs. 10/- Each	20,000,000,000	20,000,000,000
750,000,000 (As at 31st March, 2008 - Nil) Compulsorily Convertible Preference Shares of Rs. 10/- Each	7,500,000,000	-
	27,500,000,000	20,000,000,000
ISSUED, SUBSCRIBED AND PAID UP		
301,800,000 (As at 31st March, 2008 - 10,000) Equity Shares of Rs. 10/- Each Fully Paid up	3,018,000,000	100,000
	3,018,000,000	**100,000**
Note:		
Of the above equity shares 231,300,000 (As at March 31, 2008 - 10,000) Shares are held by Adani Power Ltd., the Holding Company and its nominees.		

SCHEDULE - 2

(Amount in Rupees)

FIXED ASSETS

Particulars	Gross Block (at cost)				Depreciation and Amortisation				Net Block	
	As at April 1, 2008	Additions for the Year	Deductions for the Year	As at March 31, 2009	As at April 1, 2008	For the Year	Deductions for the Year	As at March 31, 2009	As at March 31, 2009	As at March 31, 2008
Lease hold Land	64,789,130	1,530,000	-	66,319,130	654,434	663,451	-	1,317,885	65,001,245	64,134,696
Building	8,921,530	-	-	8,921,530	21,393	145,421	-	166,814	8,754,716	8,900,137
Plant & Machinery	18,634,650	10,236,305	-	28,870,955	135,980	1,186,103	-	1,322,083	27,548,872	18,498,670
Computer	1,326,262	3,163,116	-	4,489,378	17,833	580,336	-	598,169	3,891,209	1,308,429
Office Equipments	1,504,257	1,897,131	-	3,401,388	93,513	219,922	-	313,435	3,087,953	1,410,744
Furniture and Fixtures	661,892	2,227,563	-	2,889,455	389,322	967,513	-	1,356,835	1,532,620	272,570
Vehicles	1,703,966	-	-	1,703,966	33,249	161,673	-	194,922	1,509,044	1,670,717
Total Fixed Assets	**97,541,687**	**19,054,115**	**-**	**116,595,802**	**1,345,724**	**3,924,419**	**-**	**5,270,143**	**111,325,659**	**96,195,963**
Previous Year	-	97,541,687	-	97,541,687	-	1,345,724	-	1,345,724	96,195,963	

SCHEDULE - 3

(Amount in Rupees)

	As at March 31, 2009	For the period from April 11, 2007 to March 31, 2008
CAPITAL WORK IN PROGRESS		
Land and Site Development	75,233,194	-
Building and Civil Works	126,233,822	2,137,956
Electrical Installation	87,126,542	-
Plant & Machinery	14,038,951	-
Coal Mine	-	817,635
	302,632,509	**2,955,591**
ADVANCES FOR CAPITAL EXPENDITURE		
Advance to Contractors / Suppliers	1,241,291,579	29,082,073
(Includes Rs. 200,000,000 (As at 31st March 2008 - Rs Nil) due from the Company under same management as defined in section 370(1-B) - Adani Infrastructure and Developers Private Limited.) (Maximum amount due during the year Rs. 200,000,000. (As at 31st March 2008 - Rs. Nil))		
	1,543,924,088	**32,037,664**

SCHEDULE - 4

(Amount in Rupees)

	As at March 31, 2009	For the period from April 11, 2007 to March 31, 2008
PROJECT DEVELOPMENT EXPENDITURE		
Salary and Allowances	45,143,565	2,186,115
Contribution to Provident and other Funds	3,841,562	242,161
Employee Welfare Expenses	10,205,573	2,578,385
Administration and Office Expenses	42,337,015	10,523,438
Finance Charges	494,547,798	111,021,295
Professional Fees	47,108,688	8,172,029
Project Inauguration Expenses	38,337,447	32,943,801
Stationery and Courier Expenses	827,371	174,080
Travelling Expenses	15,921,912	4,374,691
Vehicle Running Expenses	8,057,281	648,478
Audit Fees	56,180	56,180
Miscellaneous Expenses	1,613,993	-
Depreciation	5,270,142	1,345,724
Provision for Taxes		
- Current Tax	139,814	-
- Fringe Benefit Tax	1,973,489	657,312
	715,381,830	**174,923,689**
OTHER INCOME		
Interest income	4,251,990	-
Sale of Tender Document	760,000	60,000
	5,011,990	**60,000**
	710,369,840	**174,863,689**

SCHEDULE – 5

(Amount in Rupees)

	As at March 31, 2009	For the period from April 11, 2007 to March 31, 2008
CONSTRUCTION MATERIAL AT SITE		
Steel, Cement and Other Material at Site	134,926,179	9,856,522
	134,926,179	**9,856,522**

SCHEDULE - 6

(Amount in Rupees)

	As at March 31, 2009	For the period from April 11, 2007 to March 31, 2008
CASH AND BANK BALANCES		
Cash on Hand	58,238	104,768
BALANCES WITH SCHEDULED BANKS IN		
Current Account	414,850,333	2,547,565
Fixed Deposits with Bank	224,654,650	-
	639,563,221	**2,652,333**

SCHEDULE – 7

(Amount in Rupees)

	As at March 31, 2009	For the period from April 11, 2007 to March 31, 2008
LOANS AND ADVANCES		
Unsecured, Considered Good		
Interest Receivable	1,292,868	-
Security deposits	6,852,800	28,800
Advance recoverable in cash or kind or for value to be received	10,083,900	12,255,783
Advance Tax (including TDS Receivable)	1,423,962	-
Balance with sales tax authorities	25,000	25,000
	19,678,530	**12,309,583**

SCHEDULE – 8

(Amount in Rupees)

	As at March 31, 2009	For the period from April 11, 2007 to March 31, 2008
CURRENT LIABILITIES		
Sundry Creditors	156,382,729	24,901,929
Others	7,062,229	
	163,444,958	**24,901,929**
PROVISIONS		
Provision for employee benefits	2,092,332	91,805
Provision for FBT (Net off Advance Tax)	-	50,876
	2,092,332	**142,681**
	165,537,290	**25,044,610**

SCHEDULE – 9

(Amount in Rupees)

	As at March 31, 2009	For the period from April 11, 2007 to March 31, 2008
MISCELLANEOUS EXPENDITURE		
(To the extent not written off or adjusted)		
Preliminary Expenses	-	20,501,450
TOTAL	**-**	**20,501,450**

SCHEDULE – 10

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 recognized 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) 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.

5) Depreciation

1. 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.
2. Depreciation on assets acquired / disposed off during the year is provided on pro-rata basis with reference to the date of addition/ disposal.
3. Assets costing less than Rs.5,000/- are written off in the year of purchase.
4. Cost of Leasehold land will be amortized over a period of lease.

6) Leases

The Company's significant leasing arrangements are in respect of operating leases for office premises and residential facilities for employees and guest houses. The leasing arrangement range between 11 months to 9 years and are redeemable by mutual consent on agreed terms. The aggregate lease rentals payable are charged as rent expenses under "Project Development Expenditure".

7) 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 Statement of Expenses in the period in which an asset is identified as impaired.

8) Foreign exchange transactions

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

2. Monetary items denominated in foreign currencies at the balance sheet date are restated at the rates prevailing on that date. In case of monetary items which are covered by forward exchange contracts, the difference between the rate prevailing on the balance sheet date and rate on the date of the contract is recognized as exchange difference and the premium paid on forward contracts is recognized over the life of the contract.

3. Non monetary foreign currency items are carried at cost.

4. Any income or expense on account of exchange difference either on settlement or on translation in respect of the project cost is recognized as "Capital Work in Progress" or "Project Development Expenditure" as the case may be.

9) Employee Benefits

1. Gratuity:

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.

2. Provident Fund:

Retirement Benefits in the form of Provident Fund and Family Pension Fund, which are defined benefit contribution schemes, are charged to the Project Development Expenditure for the period, in which the contributions to the respective funds accrue till the commencement of commercial production.

3. Leave Encashment:

Provision for Leave Encashment is determined and accrued on the basis of actuarial valuation.

10) 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.

11) Miscellaneous Expenditure (to the extent not written off)

Preliminary expenses are charged to the Statement of Expenses for the period in which the expenses are incurred.

(B). Notes on Accounts

1) Contingent Liabilities not provided for in respect of:

(Amount in Rupees)

Particulars	As at March 31, 2009	As at March 31, 2008
Estimated amount of Contracts remaining to be executed on capital account and not provided for	86,250,829,780	40,279,589,857

2) The Company is setting up its power project and upto 31st March, 2008 did not prepare Statement of Expenses and disclosed project related income and expenditure under the head "Project Development Expenditure". However, from 1st April, 2008, the Company has prepared Statement of Expenses wherein preliminary and common expenses have been accounted for. Under the circumstances, previous period figures have not been disclosed in the Statement of Expenses.

3) Hitherto, the Company followed accounting policy of amortizing preliminary expenditure over a period of five years. However, consequent to the withdrawal of the Guidance Note on "Treatment of Expenditure during Construction Period" by the Institute of Chartered Accountants of India, the Company has charged the preliminary expenses to the Statement of Expenses for the year ended 31st March, 2009. Accordingly, balance of Preliminary Expenses of Rs. 20,501,450 as at 31st March, 2008 under "Miscellaneous Expenditure" has been charged to the Statement of Expenses for the period and as a result of this change the expense is higher by Rs. 23,528,400.

4) 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.

5) The Statement of Expenses includes Auditors Remuneration:

(Amount in Rupees)

	For the year ended March 31, 2009	For the period from April 11, 2007 to March 31, 2008
Audit Fees	221,373	56,180
Certification Work	22,472	-
Total	**243,845**	**56,180**

6) Earnings Per Share (EPS):

(Amount in Rupees)

Basic and Diluted EPS		For the Year ended March 31, 2009
Profit/ (Loss) attributable to equity shareholders	Rs.	(23,749,773)
Weighted average number of equity shares outstanding during the period	Nos.	22,442,500
Nominal Value of equity share	Rs.	10
Basic and Diluted EPS	Rs.	(1.06)

7) Operating Leases:

Total of future minimum lease payments under non-cancellable operating leases:

(Amount in Rupees)

Future Minimum Lease Payments	As at March 31, 2009	As at March 31, 2008
Not later than one year	2,863,270	2,993,640
Later than one year and not later than five years	5,754,720	8,611,525
Later than five years	3,873,870	5,047,770

8) The Company's activities during the period revolve around setting up of its power project. Considering the nature of Company's business and operations, 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):

(Amount in Rupees)

	Particulars	For the year ended March 31, 2009	For the period from April 11, 2007 to March 31, 2008
I.	**Reconciliation of Opening and Closing Balances of defined benefit obligation**		
	Liability at the beginning of the Year/Period	-	-
	Current Service Cost	291,035	-
	Interest Cost	20,346	-
	Expected Return on Planned Assets		-
	Benefit Paid	(73,415)	
	Net Actuarial losses (gain) recognised in Period	711,907	-
	Liability at the end of the Year/Period	949,873	-
II.	**Reconciliation of Opening and Closing Balances of the Fair value of Plan assets**		
	Plan assets at the beginning of the Year/ Period, at Fair value	-	-
	Expected return on plan assets	-	-
	Contributions	73,415	-
	Benefit Paid	(73,415)	
	Actuarial gain/(loss) on plan assets	-	-
	Plan assets at the end of the Year/Period, at Fair Value	-	-
III.	**Reconciliation of the Present value of defined benefit obligation and Fair value of plan assets**		
	Obligations at the end of the Year/Period	949,873	-
	Plan assets at the end of the Year/Period, at Fair value	-	-
	Liability recognized in balance sheet as on 31st December, 2008	(949,873)	-
IV.	**Gratuity Cost for the Year**		
	Current service cost	291,035	-
	Interest cost	20,346	-
	Expected return on plan assets		-
	Actuarial Gain or Loss	711,907	-
	Net Gratuity cost	1,023,288	-
V.	**Actuarial Assumptions**		
	Discount Rate (per annum)	7.75%	7.75%
	Expected rate of return on plan assets	-	-
	Annual Increase in Salary Cost	6.00%	6.00%

The actuarial Liability for leave encashment and compensated absences as at the period ended 31st March 2009 is Rs. 1,142,459/-

(As at 31st March, 2008 – Rs.91,805).

10) Related party disclosures as required by Accounting Standard – 18 issued by the Institute of Chartered Accountants of India

(C) List of Related Parties and Relationship

Holding Company	Adani Power Limited
Fellow Subsidiary	Adani Power Dahej Limited
	Adani Power (Overseas) Limited
	Mundra Power SEZ Limited
	Adani Power Rajasthan Limited
Other parties which are significantly influenced by Company (either individually or with others)	Adani Mining Private Limited
	Karnavati Aviation Private Limited
	Adani Infrastructure and Developers Private Limited

(D) Key Management Personnel

1. Shri Rajesh S. Adani	Chairman
2. Shri R. K. Madan	Director
3. Shri Subrato Trivedi	Director
4. Shri Gautam S. Adani	Director (Date of cessation 06.08.2008)

Transactions with Related Parties

(Amount in Rupees)

Description	Name of Related Party	Nature of Relationship	Value of Transactions		Balance as at	
			Year ended March 31, 2009	For the period from April 11, 2007 to March 31, 2008	March 31, 2009	March 31, 2008
Sale of Assets	Adani Power Limited	Holding Company	368,863,743	-	-	-
Survey Charges	Adani Mining Private Limited	Other parties which are significantly influenced by Company (either individually or with others)	4,498,297	767,635	-	817,635 Cr.
Professional Fees			50,000	50,000	-	-
Advance	Adani Infrastructure and Developers Private Limited		200,000,000	-	200,000,000 Cr.	-
Travel Expense	Karnavati Aviation Private Limited		2,581,096	-	-	-

11) Foreign Currency Transactions:-

(Amount in Rupees)

Particulars	Year ended March 31, 2009	Period from April 11, 2007 to March 31, 2008
(a) C.I.F. Value of Imports		
Capital Goods	390,793,684	-
(b) Expenditure in Foreign Currency		
Travelling Expenses	1,179,280	-

12) The name of the company has been changed from Adani Power Maharashtra Private Limited to Adani Power Maharashtra Limited w. e. f. 16.05.2008.

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

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

You should read the following discussion and analysis of our financial condition and results of operations together with our restated unconsolidated and consolidated financial statements, including the notes thereto, and other financial data appearing elsewhere in this Red Herring Prospectus. You should also read the sections titled "Risk Factors" and "Forward-Looking Statements" beginning on pages xiii and xii, respectively, of this Red Herring Prospectus which discuss a number of factors and contingencies that could impact our financial condition and results of operations.

The following discussion is based on our restated unconsolidated and consolidated financial statements, as of and for the fiscal years March 31, 2009, 2008, 2007, 2006, and 2005. Our audited and restated unconsolidated and consolidated financial statements are prepared in accordance with Indian GAAP, the accounting standards prescribed by the ICAI and the relevant provisions of the Companies Act. Our fiscal year ends on March 31 of each year. Unless otherwise stated, "fiscal year" or "fiscal" refers to the twelve month period ending March 31 of that year.

Overview

We are a power project development company, which is developing, and will operate and maintain, power projects in India. We have four thermal power projects under various stages of development, with a combined installed capacity of 6,600 MW. In addition, we are also planning to develop two power projects with a combined installed capacity of 3,300 MW. We intend to sell the power generated from these projects under a combination of long-term power purchase agreements to industrial and state-owned consumers and on merchant basis.

We are part of the Adani Group, a leading business group in India. Adani Enterprise Limited ("AEL"), our Promoter, is the flagship company of the Adani Group, with total revenues of Rs. 196,097.10 million for the fiscal year 2008. We believe AEL was one of the largest traders of coal in India for the three years period ended March 31, 2008, with coal mining rights both in the international and domestic markets, and according to Central Electricity Regulatory Commission, for the three years period ended March 31, 2008, AEL was one of the largest power traders, by volume, in India. With the commissioning of our power projects, the Adani Group will be vertically integrated in power sector value chain through presence in related activities such as coal mining, coal trading, shipping, power generation, power transmission and power trading. Another Adani Group company, Mundra Port and Special Economic Zone Limited ("MPSEZL"), owns and operates one of the largest private sector commercial ports in India and a Special Economic Zone ("SEZ") at Mundra, leading to strong synergies with our projects being set up in close vicinity. In addition, the Adani Group also has operations in other industries, including commodities trading, real estate development, agro processing and logistics. We expect that we will benefit from Adani Group's strategy of vertical integration, which gives us greater control over various activities of power generation and trading.

Our Power Projects

We currently have four thermal power projects under various stages of development:

- Mundra Phase I and II Power Project will have four sub-critical generation units of 330 MW each, with combined capacity of 1,320 MW. The BTG package for Mundra Phase I and II Power Project was awarded to Sichuan Machinery and Equipment Import and Export Company Limited and Kowa Company Limited, respectively. We currently expect that the first 330 MW unit of Mundra Phase I and II Power Project will be commissioned by July 2009, and that the power project will be fully commissioned by February 2010.
- Mundra Phase III Power Project will have two super-critical generation units of 660 MW each, with combined capacity of 1,320 MW. The EPC contract for Mundra Phase III Power Project was awarded to SEPCO-III Electric Power Construction Corporation and Shandong Tiejun Electric Power Engineering Company Limited. We currently expect that the first 660 MW unit of Mundra Phase III Power Project will be commissioned by January 2011, and that the power project will be fully commissioned by June 2011.
- Mundra Phase IV Power Project will have three super-critical generation units of 660 MW each, with combined capacity of 1,980 MW. The EPC contract for Mundra Phase IV Power Project was awarded to SEPCO-III Electric Power Construction Corporation and Shandong Tiejun Electric Power Engineering Company Limited. We currently expect that the first 660 MW unit of Mundra Phase IV Power Project will be commissioned by August 2011, and that the power project will be fully commissioned by April 2012.

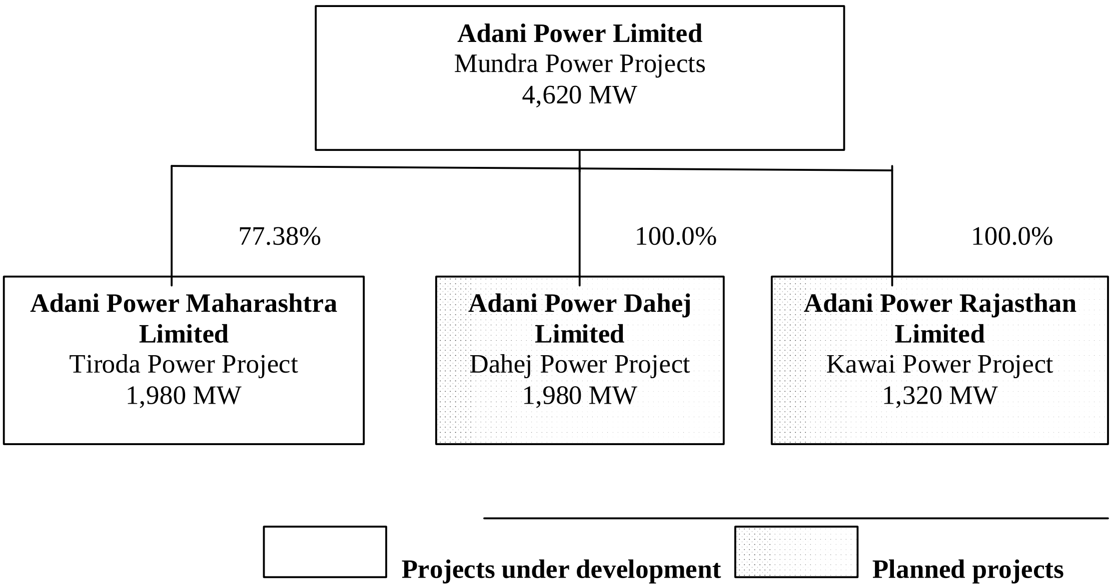
- Tiroda Power Project will have three super-critical generation units of 660 MW each, with combined capacity of 1,980 MW. The BTG package for Tiroda was awarded to Sichuan Machinery and Equipment Import and Export Company Limited. We currently expect that the first 660 MW unit of Tiroda Power Project will be commissioned by July 2011, and that the power project will be fully commissioned by April 2012.

We are also planning to develop two thermal power projects at Dahej and Kawai with a combined installed capacity of 3,300 MW.

Power projects set up under the SEZ policy and the Mega Power Project policy are eligible for certain tax and other benefits. For further details, see "Statement of Tax Benefits" on page 44 of this Red Herring Prospectus. We received approval for developing our Mundra Power Project as a sector-specific SEZ. MPSEZL is developing two multi product SEZs, which have been combined with our sector-specific SEZ ("Combined SEZ"), pursuant to an application filed by MPSEZL and us. We have applied to the Government of India to act as a co-developer for the Combined SEZ at Mundra with MPSEZL as the developer. The Ministry of Commerce and Industry, Government of India ("Ministry of Commerce") has approved our proposal and the Combined SEZ has been notified pursuant to a gazette notification. As a co-developer, we will avail of certain exemptions from income tax, excise duty, central sales tax, service tax, dividend distribution tax and customs duty on import of goods and services for setting up the power plant. We have applied for an approval to develop the power project located at Tiroda under the Mega Power Project policy of the Government of India.

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

The following chart outlines the corporate organizational structure of our power projects under development or planning:



Consolidation

Our financial statements as of and for the fiscal year 2009 consolidate the financial results of our wholly owned subsidiaries, Adani Power Dahej Limited, Adani Power Rajasthan Limited, Adani Power (Overseas) Limited and Mundra Power SEZ Limited, and our subsidiary, Adani Power Maharashtra Limited. Our financial statements as of and for the fiscal year 2008 consolidate the financial results of our wholly owned subsidiaries, Adani Power Maharashtra Limited, Adani Power Dahej Limited, and Adani Power Rajasthan Limited. In prior fiscal periods, we did not have any subsidiaries, hence our financial statements as of and for the fiscal years 2007, 2006, and 2005 are unconsolidated financial statements.

Our historical financial statements as well as this discussion are of limited value to a prospective investor in evaluating our prospects or deciding whether to purchase our Equity Shares, because we currently have no power projects in operation and hence no income from operations. This Red Herring Prospectus must be considered in light of the risks and uncertainties inherent in new business ventures. Additionally, you should not evaluate our prospects and viability based on the performance of our Promoters, including AEL.

Significant Factors Affecting our Results of Operations

As a power project development company, our financial condition and results of operations are affected by numerous factors, the following of which are of particular importance:

- ***Development status of our power projects.*** Our four power projects are in various stages of development, with two projects expected to be fully commissioned in 2010 and 2011, and the other two power projects expected to be fully commissioned in 2012. We expect to derive our revenues primarily from the sale of electricity to state-owned and industrial consumers subsequent to the commissioning of our power projects. The commissioning dates for our power projects are estimates and are subject to delay as a result of, among other things, delay or inability to obtain financing, contractor performance shortfalls, unforeseen engineering problems, force majeure events, unanticipated cost increases and delays in obtaining property rights and government approvals, any of which could also give rise to cost overruns or the termination of a project's development. The failure to complete development as planned, or in accordance with agreed specifications, could result in higher costs, penalties or liquidated damages, lower returns on capital or reduced future earnings, which could be partially offset by recoveries from EPC contractors.

- ***Off-take arrangements and the terms of PPAs***. We are currently planning to sell electricity pursuant to a mix of off-take arrangements, including long-term power purchase agreements and merchant sales. Merchant sales include sale of power under short-term PPAs and on spot basis. We intend to utilize our marketing and trading capacities by selling power to both state-run utility companies and industrial consumers pursuant to secured long-term off-take arrangements. We also intend to sell power on merchant basis. We believe that the combination of long-term and merchant arrangements will provide optimal returns. We have entered into long-term PPAs for a total of 4,744 MW of power. Our long-term PPAs provide and are expected to provide for among other things, pre-determined tariff, amount of power we are obligated to sell and amount of power our consumers are obligated to purchase. We have also entered into an agreement with AEL for selling up to 221 MW of surplus power produced from Mundra Phase III Power Project on merchant basis. Tariff, in many cases, may also be regulated and with limited price escalation provisions, which could adversely affect us if our expenditures increase, notwithstanding our long-term fixed price coal supply contracts. See "Our Business – Our Power Projects" and "Description of Certain Key Contracts" for a description of our off-take arrangements on pages 69 and 87 of this Red Herring Prospectus, respectively.

- ***Availability of cost effective funding.*** We have relied on capital contributions from our shareholders as well as incurrence of indebtedness to fund our business and we expect to continue to have limited or no operating cash flows in the fiscal year 2010. As of May 31, 2009, we have total principal amount of indebtedness of Rs. 52,517.53 million under our financing arrangements. For further details see "Our Business – Our Power Projects" and "Financial Indebtedness" on pages 69 and 323 of this Red Herring Prospectus, respectively. Our plans for the development and construction of our power projects will require substantial capital expenditures, which we expect to fund through the Net Proceeds of the Issue (in case of Mundra Phase IV Power Project and Tiroda Power Project), additional debt and equity financing and, as our projects are completed, increasingly from operating cash flows. We currently estimate that in order to complete four power projects that we are developing, we will be required to incur total capital expenditures of approximately Rs. 283,690.00 million. In addition, we will incur an additional capital expenditure of approximately Rs. 147,700.00 million, if we develop our planned power projects at Dahej and Kawai. Our debt service costs as well as our overall cost of funding depends on many external factors, including developments in the regional credit markets and, in particular, interest rate movements and the existence of adequate liquidity in the debt markets. We believe that going forward the availability of cost effective funding will be crucial and the non-availability of such funding at favourable terms could affect our business, financial condition and results of operations.

- ***Availability, quality and price of fuel supply.*** The ability to source quality fuel at desirable prices, in light of electricity tariffs, is one of the key components in the success of our business. For our Mundra power projects, we have entered into coal supply agreements to source coal from our Promoter, AEL, pursuant to long-term coal supply agreements, and for our Tiroda Power Project, we intend to source coal from two coal mines in the State of Maharashtra allocated to us. We received a letter from Mahanadi Coalfields on June 25, 2009, wherein Mahanadi Coalfields provisionally agreed to supply approximately 6.4 MTPA of Grade 'F' coal for our Mundra Phase IV Power Project. The coal quantity agreed to be supplied by Mahanadi Coalfields is conditional upon us achieving certain milestones over the next 24 months and then signing of a fuel supply agreement. APML received letters from South Eastern Coalfields and Western Coalfields on June 6, 2009 and June 1, 2009, wherein South Eastern Coalfields and Western Coalfields provisionally agreed to supply approximately 2.5 MTPA of Grade 'F' coal and 2.2 MTPA of Grade 'E' coal, respectively for our Tiroda Power Project. The coal quantity agreed to be supplied by South Eastern Coalfields and Western Coalfields is conditional upon us achieving certain milestones over the next 24 months and then signing of fuel supply agreements. See "Business – Our Power Projects" and "Description of Certain Key Contracts" for a description of our fuel supply arrangements on pages 69 and 87 of this Red Herring Prospectus, respectively. There can be no assurance that we will be able to obtain coal supplies in sufficient quantities and on commercially acceptable terms, or at all. Additionally, in case AEL is unable to fulfill its obligations under the terms of the coal supply agreements, our ability to renegotiate the terms of such agreements or seek remedy may be limited as AEL will continue to be our largest shareholder after the Issue.

- ***Availability and cost of land.*** The success of our business is dependent on, among other things, the availability and cost of procuring land for our power projects. For our Mundra power projects, we have leased land from our affiliate, MPSEZL, on a long-term lease and entered into a memorandum of understanding with MPSEZL for leasing an additional area of 159.0 hectares. For our Tiroda Power Project, we have leased a parcel of land from MIDC and have applied to the State Government of Maharashtra and MIDC for allotment of additional land. Our financial condition depends, in part, on obtaining affordable land in close proximity to fuel sources and proper power evacuation facilities where we can construct and operate our power projects. Any government regulations that restrict the availability of land or increased competition for land may therefore adversely affect our operations.
- ***Availability of water.*** Water is critical to the operations of our power projects. We have procured licenses to desalinate and use seawater for our Mundra power projects. We intend to use river water for our Tiroda Power Project pursuant to water supply agreements. The amount of water that our power projects are entitled to consume will be subject to the availability of water, particularly for our Tiroda Power Project which is expected to use water from Wainganga, an intermittent river. In the event of water shortages, our power projects may be required to reduce their water consumption, which would reduce their power generation capability.
- ***Engineering, procurement and construction costs.*** Our existing construction contracts for Mundra power projects and Tiroda Power Project are fixed price contracts. We believe that any significant increase in power generation projects under development in India will increase demand for third-party contractors and construction materials, which may affect the terms of our future construction contracts. The supply and price of construction materials will also depend on additional factors not under our control, including general economic conditions, competition, production levels, transportation costs and import duties.
- ***Availability of infrastructure for evacuation.*** Evacuation or "wheeling" power from our power plants to our consumers poses significant challenges due to transmission constraints. Evacuating power to a purchaser is either our responsibility or the responsibility of the purchaser, depending upon the identity of the purchaser, the location of the power project and other factors. We are currently constructing transmission lines connecting our power projects at Mundra and Tiroda to state and central government sub-stations for evacuation of power. If such transmission lines are not made available by the time our power plants are ready to commence operation or we incur significant transmission costs, our financial position and results of operations could be adversely affected.
- ***Dependence on the regulatory framework.*** The growth of the power industry in India as well as our business is dependent on stable government policies and prudent regulations. Power generation has historically been the domain of the central and state governments, and has been constrained by various factors such as shortages of public funding, political considerations and issues of transparency and accountability. Changes in government policies have facilitated the entry of private capital into the Indian power industry and have led to rapid growth in the sector. For example, the Government of India has expressed a "Power for All by 2012" objective, and has enacted legislation in 1991, and again in 2003, designed to increase private sector participation in the Indian power sector. Further, the government's focus has also led to an increase in captive power generation capacity in India. For further details, see the section "Industry Overview" beginning on page 53 of this Red Herring Prospectus.

- ***Compliance with environmental laws and regulations.*** Our power projects are subject to central and state environmental laws and regulations, which govern the discharge, emission, storage, handling and disposal of a variety of substances that may be used in or result from our operations. In case of any change in environmental or pollution laws and regulations, we may be required to incur significant amounts on, among other things, environmental monitoring, pollution control equipment and emissions management. In addition, failure to comply with environmental laws may result in the assessment of penalties and fines against us by regulatory authorities.
- ***Tax benefits.*** We received approval for developing our Mundra Power Project as a sector-specific SEZ. MPSEZL is developing two multi product SEZs, which have been combined with our sector-specific SEZ, pursuant to an application filed by MPSEZL and us. We have applied to the Government of India to act as a co-developer for the Combined SEZ at Mundra with MPSEZL as the developer. The Ministry of Commerce has approved our proposal and the Combined SEZ has been notified pursuant to a gazette notification. As a co-developer, we will avail of certain exemptions from income tax, excise duty, central sales tax, service tax, dividend distribution tax and customs duty on import of goods and services for setting up the power plant. We have applied for an approval to develop the power project located at Tiroda under the Mega Power Project policy of the Government of India. As a result, our Tiroda Power Project will be entitled to certain tax benefits under the Mega Power Project policy, including exemption from customs and excise duty on purchase of equipment and material.

Our Significant Accounting Policies

Our financial statements are prepared under the historical cost convention on accrual and on going concern basis, in compliance with the accounting standards issued by the Institute of Chartered Accountants of India, in accordance with the generally accepted accounting principles in India, and provisions of the Companies Act. 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.

Key accounting policies that are relevant and specific to our business and operations are described below:

- ***Investment.*** 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.
- ***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.
- ***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. These expenditures will be allocated to the respective fixed assets on completion of construction or erection of the capital project or fixed assets.
- ***Intangible Assets.*** Computer software cost is capitalised and recognised as intangible assets in terms of Accounting Standard No. 26 “Intangible Assets” based on materiality, accounting prudence and significant economic benefits expected to flow there from for a period longer than one year.
- ***Depreciation.*** Depreciation on fixed assets is provided on the straight line method at rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Depreciation on assets acquired or disposed off during the year is provided on pro-rata basis with reference to the date of addition or disposal. Assets costing less than Rs. 5,000.00 are written off in the year of purchase. Intangible assets are amortised over a period of 5 years. Leasehold land is amortised over the term of the lease.
- ***Leases.*** Our significant leasing arrangements are in respect of operating leases for land, office premises, residential facilities for employees and guest houses. The leasing arrangements range from 11 months to 14 years and are renewable by mutual consent. The aggregate lease rentals payable are charged as rent expenses under project development expenditure.
- ***Borrowing costs.*** Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use.

- ***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 statement 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.
- ***Foreign exchange transactions.*** Foreign currency transactions are recorded at the rate of exchange prevailing on the date of transaction. Monetary items denominated in foreign currencies on the balance sheet are restated at the rate of exchange prevailing at the balance sheet date. Non-monetary foreign currency items carried at cost basis. Any income or expense on account of difference in the exchange rate is recognised as capital work in progress or project development expenditure, as the case may be.
- ***Employee benefits.*** The liability for the gratuity benefits payable in the future is computed on the basis of an independent actuarial valuation carried out using projected unit credit method considering discounted rate relevant to government securities at the balance sheet date. Provision for accruing liability for leave encashment is made on the basis of actuarial valuation. Contributions to the provident fund and family pension fund are charged to the project development expenditure account for the period, in which the contributions to the respective funds accrue.
- ***Provisions, contingent liabilities and contingent assets.*** Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognized but are disclosed in the notes. Contingent assets are neither recognized nor disclosed in the financial statements.
- ***Miscellaneous expenditure (to the extent not written off or adjusted).*** Share issue expenses incurred in connection with the proposed IPO is shown under miscellaneous expenditure (to the extent not written off or adjusted). Such expenses would be adjusted against the share premium account as and when shares will be issued after completion of the IPO. Preliminary expenses are charged to statement of expenses for the period in which expenses are incurred.
- ***Recent Accounting Pronouncements***. We have entered into a foreign currency loan agreement of USD 250 million with Standard Chartered Bank for a portion of the financing for the Mundra Phase III Power Project. The project is expected to be fully commissioned in fiscal year 2012. According to AS-11, as amended, up to March 31, 2011, the impact of exchange rate fluctuation either on settlement or on translation relating to acquisition of the depreciable assets can be added to or deducted from the cost of the assets and depreciated over the balance life of the assets. Hence, there will be no impact on our profit and loss statement up to the fiscal year 2011. After April 1, 2011 the impact of exchange difference will be recognized in our profit and loss statement for the period in which the foreign exchange difference takes place.

Our Results of Operations (Consolidated)

The following table sets forth selected financial data from our restated consolidated profit and loss statement.

(In Rs. million)

Particulars	For the Fiscal Year 2009	For the Fiscal Year 2008
Income		
Income from Operations	-	-
Other Income	-	-
Total Income	-	-
Expenditures		
Administrative and General Expenses	27.76	71.79
Total Expenditure	**27.76**	**71.79**
Net Profit / (Loss) after Tax	**(27.76)**	**(71.79)**
Adjustments (Net of Tax)	-	-
Minority Interest	2.02	
Net Profit / (Loss), as Restated	**(25.74)**	**(71.79)**

- ***Income***. We are currently developing four thermal projects. We expect to derive our income primarily from the sale of electricity to state-run utility companies and industrial consumers. Given that our revenue structure under each long-term PPA that we enter into is set over the life of the contract, and though it fluctuates subject to the built-in adjustments mechanisms contained in each such contract, being committed under such contracts will prevent us from renegotiating such agreements or from entering into agreements with other parties, should market prices increase in the future. Currently none of our power projects are under commercial operation. As a result, we do not have any income from operations.

- ***Operating Expenditures.*** Once a power project commences commercial operation, we expect that our expenditures for that project will consist primarily of the fixed costs associated with operating the power project (principally interest, depreciation, and operation and maintenance costs), and variable costs associated with fuel.

  In our restated financial statements, certain preliminary and miscellaneous expenses, which cannot be specifically assigned to a particular project, are included under Administrative and General Expenses. However, expenditure related to and incurred during the development of a power project is included under "Capital Work in Progress" or "Project Development Expenditure" on our balance sheet, and which will be allocated to the respective project upon completion of its construction.

Fiscal Year 2009 compared to Fiscal Year 2008

Total income. Our income from operations and total income were nil for the fiscal years 2009 and 2008.

Total expenditure. Our total expenditure was decreased to Rs. 27.76 million for the fiscal year 2009 from Rs. 71.79 million for the fiscal year 2008, primarily due to decreases of statutory expenses of Rs. 5.50 million paid as stamp duty on issuance of equity and preference shares, Rs. 11.13 million of professional fees paid for legal due diligence conducted by 3i Power Investments A1 Limited ("3i"), one of our shareholders, and preliminary expenses incurred on inauguration of the Tiroda Power Project of Rs. 27.55 million, which was not related to the project development and so reflected in the profit and loss statement.

Net profit / (loss), as restated. Our net loss, as restated decreased to Rs. 25.74 million for the fiscal year 2009 from Rs. 71.79 million for the fiscal year 2008.

Our Results of Operations (Unconsolidated)

The following table sets forth selected financial data from our restated unconsolidated profit and loss statement.

(In Rs. million)

Particulars	For the Fiscal Year 2009	For the Fiscal Year 2008	For the Fiscal Year 2007	For the Fiscal Year 2006	For the Fiscal Year 2005
Income					
Income from Operations	-	-	-	-	-
Other Income	-	-	-	-	-
Total Income	-	-	-	-	-
Expenditures					
Administrative and General expenses	18.73	14.72	22.83	0.01	0.01
Total Expenditures	18.73	**14.72**	**22.83**	**0.01**	**0.01**
Net Profit / (Loss) after Tax	(18.73)	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**
Net Profit / (Loss), as Restated	(18.73)	**(14.72)**	**(22.83)**	**(0.01)**	**(0.01)**

Fiscal Year 2009 compared to Fiscal Year 2008

Total income. Our income from operations and total income were nil for the fiscal years 2009 and 2008.

Total expenditure. Our total expenditure increased to Rs. 18.73 million for fiscal year 2009 from Rs. 14.72 million for fiscal 2008 primarily due to statutory expenses of Rs. 14.82 million paid as stamp duty on issuance of equity shares and decrease in professional fees of Rs 11.12 million.

Net profit / (loss), as restated. Our net loss, as restated increased to Rs. 18.73 million for fiscal year 2009 from Rs. 14.72 million for the fiscal 2008.

Fiscal Year 2008 Compared to Fiscal Year 2007

Total income. Our income from operations and total income were nil for the fiscal years 2008 and 2007.

Total expenditure. Our total expenditure decreased to Rs. 14.72 million for the fiscal year 2008 from Rs. 22.83 million for the fiscal year 2007, primarily due to a decrease in statutory expenses by Rs. 19.49 million and increase of professional fees by Rs. 11.12 million.

Net profit / (loss), as restated. Our net loss, as restated decreased to Rs. 14.72 million for the fiscal year 2008 from Rs 22.83 million for the fiscal year 2007.

Fiscal Year 2007 Compared to Fiscal Year 2006

Total income. Our income from operations and total income were nil for the fiscal years 2007 and 2006.

Total expenditure. Our total expenditure increased to Rs. 22.83 million for the fiscal year 2007 from Rs. 0.01 million for the fiscal year 2006, primarily due to an increase in statutory expenses by Rs. 22.51 million paid as stamp duty on issuance of equity shares.

Net profit / (loss), as restated. Our net loss, as restated increased to Rs. 22.83 million for the fiscal year 2007 from Rs 0.01 million for the fiscal year 2006.

Fiscal Year 2006 Compared to Fiscal Year 2005

Total income. Our income from operations and total income were nil for the fiscal years 2006 and 2005.

Total expenditure. Our total expenditure was Rs. 0.01 million for the fiscal years 2006 and 2005.

Net profit / (loss), as restated. Our net loss, as restated was Rs. 0.01 million for the fiscal years 2006 and 2005.

Financial Condition, Liquidity and Capital Resources

The business of power generation is capital expenditure intensive. Our plans for the development and construction of our power projects will require substantial capital expenditures, which we expect to fund through the Net Proceeds of the Issue, additional debt and equity financing and, as our projects are completed, increasingly from operating cash flows. We believe that going forward the availability of sources of cost effective funding will be crucial and the non-availability of such funding at favourable terms could affect our business, financial condition and results of operations.

We have had no operating cash flows since our inception. Going forward, for the fiscal year 2010, we expect to continue to experience limited cash flows from operating activities as only one of our power projects, Mundra Phase I and II Power Project, is expected to commission in fiscal year 2010. There can be no assurance that we will generate net profit or positive cash flows in the future.

Cash Flows

The table below summarizes our cash flows on a consolidated basis for the periods indicated:

(In Rs. Million)

Particulars	For the Fiscal Year 2009	For the Fiscal Year 2008
	(consolidated)	
Net Cash-Flow From / (Used In) Operating Activities	(27.76)	(71.79)
Net Cash-Flow From / (Used In) Investing Activities	(45,227.53)	(19,378.00)
Net Cash-Flow From / (Used In) Financing Activities	48,919.79	20,873.61
Net Increase / (Decrease) in Cash and Cash Equivalents (as of the end of the period)	3,664.50	1,423.82

Cash in the form of bank deposits, current account balances and cash on hand represents our cash and cash equivalents.

Operating Activities. Net cash used in our operating activities for the fiscal year 2009 was Rs. 27.76 million and consisted of statutory expenses of Rs. 21.21 million paid as stamp duty on issuance of equity shares and Rs. 5.39 million of preliminary expenses incurred on inauguration of the Tiroda Power Project, which were not related to the project development and so reflected on the profit and loss statement.

Net cash used in our operating activities for the fiscal year 2008 was Rs. 71.79 million and consisted of statutory expenses of Rs. 26.71 million paid as stamp duty on issuance of equity and preference shares, Rs. 11.13 million of professional fees paid for legal due diligence conducted by 3i and Rs. 32.94 million of preliminary expenses incurred on inauguration of Tiroda Power Project, which were not related to the project development and so reflected on the profit and loss statement.

Investing Activities. Net cash used in investing activities was Rs. 45,227.53 million for the fiscal year 2009, primarily as a result of additions to capital work in progress of Rs. 42,457.40 million on account of the Mundra power projects and Tiroda Power Project. Such capital work in progress was primarily on account of purchases of plant and machinery, including boilers, turbines and generators as well as other parts and fixtures, lease of land and site development, purchases of cement and steel, and development of transmission lines, for Mundra power projects and Tiroda Power Project.

Net cash used in investing activities was Rs. 19,378.00 million for the fiscal year 2008, primarily as a result of additions to capital work in progress of Rs. 17,150.46 million on account of the Mundra Phase I and II Power Project. Such capital work in progress was primarily on account of lease of land and site development and purchases of plant and machinery, such as boilers, turbines and generators as well as other parts and fixtures, of the Mundra Phase I and II Power Project. In addition, we provided short-term loans to various entities aggregating Rs. 3,520.00 million as well as paid an advance of Rs. 1,500.00 million to AEL in connection with the purchase of coal from AEL's mining operations in Indonesia. The short-term loans have been repaid in full.

Financing Activities. Net cash generated from financing activities was Rs. 48,919.79 million for the fiscal year 2009, primarily as a result of proceeds from borrowings of Rs. 39,785.13 million, proceeds from issuance of equity shares of Rs. 4,294.97 million and Rs. 4,936.40 million received from Ventura Power in connection with the subscription of equity interest pursuant to the investment agreement dated November 24, 2008.

Net cash generated from financing activities was Rs. 20,873.61 million for the fiscal year 2008, primarily as a result of proceeds from issuance of equity shares of Rs. 9,893.60 million, proceeds from long term borrowings of Rs. 8,670.27 million and proceeds from issuance of preference shares of Rs. 1,500.00 million. The equity shares were subscribed by our Promoter, AEL, and 3i. The preference shares were subscribed by 3i only. See "Capital Structure" on page 25 of this Red Herring Prospectus. The long term borrowings were primarily used for the development of the Mundra Phase I and II Power Project.

Fixed Assets

As of March 31, 2009, we had Rs. 69,213.19 million of fixed assets, comprising of Rs. 57,603.99 million of capital work in progress and capital advances, Rs. 7,955.59 million of expenditure incurred during the construction of power projects, Rs. 285.43 million of purchase costs of construction material and Rs. 3,368.18 million of net block. Capital work in progress was primarily on account of purchases of plant and machinery, such as boilers, turbines and generators as well as other parts and fixtures, lease of land and site development, purchases of cement and steel, and development of transmission lines, for the Mundra power projects. Capital advances primarily consisted of advances to contractors for the development of the Mundra power projects and Tiroda Power Project. Expenditure incurred during the construction of power projects primarily consisted of interest and finance charges and professional fees.

Capital Expenditures

Our principal capital expenditure requirements involve the development and construction of our power projects. The table below sets forth the amounts spent by our Company or the respective subsidiaries on each of the power projects under development and the estimated completion cost of such project.

(Rs. in Million)

Power Projects	Amounts deployed as of May 31, 2009*	Estimated Completion Cost
Mundra Phase I and II Power Project	35,814.90	43,500.00
Mundra Phase III Power Project	29,296.93	57,960.00
Mundra Phase IV Power Project	10,253.05	89,600.00
Tiroda	3,531.35	92,630.00
Total	**78,896.23**	**283,690.00**

**Including funded through current liabilities.*

We currently estimate that in order to complete our two planned power projects at Dahej and Kawai, we will be required to incur capital expenditures of approximately Rs. 88,810.00 million and Rs. 58,890.00 million, respectively.

Indebtedness

Our total outstanding indebtedness as of May 31, 2009 is Rs. 52,517.53 million, which includes secured term loans in the principal amount of Rs. 19,958.59 million, unpaid interest of Rs. 16.30 million, unsecured loans of Rs. 9,000 million, and Rs. 23,542.64 of bills drawn under letters of credit. We have no other type of indebtedness. For further details, see the section "Financial Indebtedness" beginning on page 323 of this Red Herring Prospectus.

Contractual Obligations and Commercial Commitments

The following table summarises our contractual obligations and commercial commitments as of March 31, 2008 and the effect such obligations and commitments are expected to have on our liquidity and cash flows in future periods.

(Rs. in Million)

Particulars	As at March 31, 2009	Less than 1 year	1 – 3 years	3 – 5 years	More than 5 years
Indebtedness	49,896.87	9,000.00	4,427.75	7,691.34	28,777.78
Lease obligations	136.63	68.46	20.28	20.16	27.72
EPC and BTG obligations(1)	204,781.23	12,318.75	56,642.07	135,820.41	-
Other purchase and other obligations(2)	12,910.52	12,910.52	-	-	-
Total	**267,725.24**	**34,297.73**	**61,090.10**	**143,531.91**	**28,805.50**

(1) Future cash flow on EPC and BTG obligations are estimated and generally consistent with the provisions of the relevant contract.

(2) Our "other purchase and other obligations" include our capital expenditure obligations and other obligations and commitments other than in connection with the provision of EPC or BTG supplies and services for our power projects. We define a purchase obligation as an arrangement to purchase goods or services that is enforceable at law and legally binding on us.

Contingent Liabilities

The following table provides our contingent liabilities as of the dates indicated:

(Rs. in Million)

Particular	As of March 31, 2009	As of March 31, 2008
Estimated amount of contracts remaining to be executed in connection with the Mundra power projects and not provided for	211,512.22	162,228.52
Guarantees issued by banks	4,138.00	3,140.00
Letter of credit facilities	6,179.52	4,944.20
Bonds provided to the Government of India in connection with the SEZ developer status	22,867.18	22,250.00
Total	**244,696.92**	**192,562.72**

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements, derivative instruments or other relationships with unconsolidated entities that would have been established for the purpose of facilitating off-balance sheet arrangements.

Transactions with Related Parties

We have entered into certain transactions with our promoters and promoter group companies, primarily:

- The infrastructure use agreement dated December 28, 2006 with our promoter group company, MPSEZL, which grants us the right to use infrastructure facilities in the Mundra SEZ and the payment of lease rent, infrastructure usage, and land charges of Rs. 1,955.29 million to MPSEZL under such agreement.

- The agreement with our Promoter Group company, Adani Mundra SEZ Infrastructure Private Limited for the construction of an employee township in Mundra and the payment of Rs. 713.09 million to Adani Mundra SEZ Infrastructure Private Limited under such agreement.
- The agreement with our promoter group company, Adani Infrastructure and Developers Private Limited for the construction of an employee township in Tiroda and the payment of an advance of Rs. 200.00 million to Adani Infrastructure and Developers Private Limited under such agreement.
- The coal supply agreements with our holding company, AEL and the payment of Rs. 1,500.00 million to AEL under such agreements.

Quantitative and Qualitative Disclosure about Market Risk

Market risk is the risk of loss related to adverse changes in market prices, including interest rate risk, foreign exchange risk, inflation and commodity risk. We are exposed to different degrees of these risks in the normal course of our business.

Interest Rate Risk

We currently have floating rate indebtedness and also maintain deposits of cash and cash equivalents with banks and other financial institutions and thus are exposed to market risk as a result of changes in interest rates. Moreover, the interest rates on certain of our indebtedness are subject to periodic resets. See “Financial Indebtedness” beginning on page 323 of this Red Herring Prospectus. As of May 31, 2009, Rs. 44,339.07 million of our indebtedness consisted of floating rate indebtedness. Upward fluctuations in interest rates increase the cost of both existing and new debts. It is likely that in the current fiscal year and in future periods our borrowings will rise substantially given our growth plans. We do not currently use any derivative instruments to modify the nature of our exposure to floating rate indebtedness or our deposits so as to manage interest rate risk.

Foreign Exchange Risk

While substantially all of our revenues will be denominated in rupees, we have incurred and expect to incur expenditure and indebtedness denominated in currencies other than rupees for the development of our power projects. As of March 31, 2009 we had Rs. 21,901.85 million of foreign currency borrowings outstanding under letters of credit relating to import of goods. These exposures are to United States dollars. Any depreciation of the rupee against the currency in which we have an exposure will increase the rupee costs to us of servicing and repaying our expenditure and indebtedness. We do not currently use any derivative instruments to modify the nature of our exposure to foreign currency fluctuations so as to manage foreign exchange risk.

Inflation

In recent years, India has not experienced significant inflation and accordingly inflation has not had any material impact on our business and results of operations. According to the CIA World Factbook, inflation in India was approximately 3.8%, 4.2%, 4.2% and 5.3% in fiscal years 2004, 2005, 2006, and 2007 (estimated), respectively. Although the Government of India has initiated several economic measures to curb the rise in inflation rates, it is unclear at this stage whether these measures will have the desired effect.

Price of Fuel

As our power projects enter commercial operation, we will be dependent upon our suppliers for coal. See “Management Discussion and Analysis of Financial Condition and Results of Operations—Significant Factors Affecting our Results of Operations” beginning on page 313 of this Red Herring Prospectus. For certain of our power projects, we have entered into fixed price but limited term coal supply agreements. For our Tiroda Power Project, we intend to source coal from a mine allocated to us. See also “Our Business” beginning on page 64 of this Red Herring Prospectus.

Other Qualitative Factors

Significant Developments occurring after March 31, 2009

Except as stated elsewhere in this Red Herring Prospectus, to our knowledge no circumstances have arisen since the date of the last financial statements as disclosed in this Red Herring Prospectus which materially and adversely affect or are likely to affect, our operations or profitability, or the value of our assets or our ability to pay our material liabilities within the next 12 months.

Unusual or Infrequent Events or Transactions

Except as described in this Red Herring Prospectus, there have been no events or transactions to our knowledge which may be described as "unusual" or infrequent".

Known Trends or Uncertainties

Other than as described in the sections titled "Risk Factors", and this section and elsewhere in this Red Herring Prospectus, to the best of our knowledge there are no known trends or uncertainties that have had, or are expected to have, a material adverse impact on our revenues or income from continuing operations.

New Product or Business Segment

Other than as described in the section "Our Business" beginning on page 64 of this Red Herring Prospectus, to our knowledge, there are no new products or business segments.

Seasonality of Business

Our revenues and results may be affected by seasonal factors. For example, inclement weather, including during monsoon season, may delay or disrupt development of our power projects undergoing construction at such times. Further, some of our prospective power consumers may have businesses which may be seasonal in nature and a downturn in demand for power by such consumers could reduce our revenue during such periods.

Dependence on a Single or Few Suppliers/Customers

As described in the sections "Risk Factors" and "Our Business" beginning on page xiii and 64, respectively, of this Red Herring Prospectus we will depend on few customers for selling electricity produced at our power projects.

Competitive Conditions

For further details, please refer to the discussions of our competition in the sections "Risk Factors" and "Our Business" beginning on page xiii and 64, respectively, of this Red Herring Prospectus.

FINANCIAL INDEBTEDNESS

The details of indebtedness of the Company on a standalone basis, as at May 31, 2009, are as provided below:

Secured Loans

Sr. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Principal Amount Outstanding as at May 31, 2009 (In Rs. Million)	Interest (1) (2)(3)(4) (In % p.a.)	Tenure (years)	Repayment	Security
1.	ICICI Bank Limited, Allahabad Bank, Punjab National Bank, Bank of India, Syndicate Bank, Small Industries Development Bank of India ("SIDBI"), Andhra Bank, Bank of Maharashtra, State Bank of Hyderabad, Oriental Bank of Commerce, Canara Bank and UCO Bank	Common Agreement for Rupee facility dated September 20, 2006 and Novation Notice dated August 6, 2008[5] in relation to Mundra Phase I Power Project	Aggregate = 16,940	Aggregate = 7,974.45		14.5	Repayment is in 44 equal quarterly instalments after initial moratorium of 6 months from COD of the Mundra Phase I Power Project or 45 months from the date of financial closure, whichever is earlier.	For details of security see Note 1 below.
			ICICI Bank Limited = 3,000.00	1,047.34	IBAR plus term premium minus 4.25%.			
			Allahabad Bank = 2,000.00	917.83	BPLR minus 1.25%.			
			Punjab National Bank = 2,000.00	774.93	BPLR plus term premium of 0.5% minus 1.50%.			
			Bank of India = 2,000.00	1,574.18	BPLR minus 1.75%.			
			Syndicate Bank = 1,000.00	709.20	BPLR minus 1.75% for Rs. 940 million and PLR minus 2.00% for remaining Rs. 60 million.			
			SIDBI = 940.00	378.16	BPLR minus 2%.			
			Andhra Bank = 1,000.00	475.61	BPLR minus 1.25% subject to a minimum of 11.50%.			
			Bank of Maharashtra = 1,000.00	619.98	BPLR minus 1.75%.			
			State Bank of Hyderabad = 1,000.00	388.21	BPLR minus 2.00%.			
			Oriental Bank of Commerce = 1,000.00	388.46	BPLR minus 2.00%.			
			Canara Bank = 1,000.00	349.73	BPLR minus 2.00%.			
			UCO Bank = 1,000.00	350.82	BPLR minus 2.00%.			

Sr. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Principal Amount Outstanding as at May 31, 2009 (In Rs. Million)	Interest (1) (2)(3)(4) (In % p.a.)	Tenure (years)	Repayment	Security
2.	ICICI Bank Limited, Central Bank of India, Punjab National Bank, India Infrastructure Finance Company Limited ("IIFCL"), Allahabad Bank, SIDBI, State Bank of Hyderabad, Rural Electrification Corporation Limited ("REC")	Common Agreement for Rupee facility dated July 25, 2007 in relation to Mundra Phase II Power Project	Aggregate = 15,500	Aggregate = 4,382.26		13.75	Repayment is in 44 equal quarterly instalments after initial moratorium of 6 months from COD of the Mundra Phase II Power Project or 39 months from the date of financial closure, whichever is earlier.	For details of security see Note 2 below.
			ICICI Bank Limited = 2,000	378.46	IBAR plus term premium minus 4.75%.			
			Central Bank of India = 2,000	678.46	11.50% (fixed)			
			Punjab National Bank = 2,000	507.70	BPLR plus term premium of 0.50% minus 1.50%.			
			IIFCL = 2,000	504.96	IBAR plus term premium minus 4.50%			
			Allahabad Bank = 1,000	663.44	BPLR minus 1.50%.			
			SIDBI = 750	190.26	BPLR minus 1.00% plus term premium.			
			State Bank of Hyderabad = 1,000	253.71	BPLR minus 1.50%.			
			REC = 4,750	1,205.27	As per REC's interest rate or the interest rate charged by ICICI Bank, whichever is higher.			
3.	ICICI Bank Limited	Subordinate Rupee Loan Agreement dated June 26, 2007 in relation to Mundra Phase I Power Project	4,650.00	Nil	(1) For the first 18 months from the initial drawdown date (the "IDD"): IBAR minus 1.23% p.a. (2) For the period from the 18th month from the IDD till the 24th month from the IDD, the aggregate of : (a) applicable rate of interest as calculated in (1) above, (b) additional rate of interest of 2.48% p.a. (3) For the period from the 24th month from the IDD onwards: IBAR plus 1.25% p.a.	14.75 years from the COD of Mundra Phase I Power Project.	Repayment is in 20 equal quarterly instalments beginning from the immediate date falling 120 months from Project COD.	For details of security see Note 3 below.

Sr. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Principal Amount Outstanding as at May 31, 2009 (In Rs. Million)	Interest [(1) (2)(3)(4)] (In % p.a.)		Tenure (years)	Repayment	Security
4.	State Bank of India, State Bank of Patiala, State Bank of Mysore, State Bank of Saurashtra, State Bank of Travancore, Axis Bank Limited, Bank of India, Corporation Bank, India Infrastructure Finance Company Limited, Indian Overseas Bank, Tamilnad Mercantile Bank Limited, Punjab National Bank and Power Finance Corporation Limited	Common Agreement dated March 27, 2008 in relation to Mundra Phase III Power Project and the Modification Cum Accession Agreement dated May 18, 2009.	Aggregate = 33,470.00	Aggregate = 6,915.03	***Lending rate during construction period till the First Interest Reset Date****	***Lending Rate from the First Interest Reset Date****	14.25 years from the date of the agreement	(i) Repayment is in 40 equal quarterly instalments beginning from the immediate date falling 6 months from COD of Mundra Phase III Power Project or the expiry of 51 months from the date of the agreement. (As applicable for the loan amount from other Senior Lenders except Power Finance Corporation Limited) (ii) Repayment is in 48 equal quarterly instalments beginning from the immediate date falling 6 months from COD of Mundra Phase III Power Project (As applicable for the loan amount from Power Finance Corporation Limited)	For details of security see Note 4 below.
			State Bank of India = 7,170.00	1,239.72	SBAR minus 1.25%	SBAR minus 1.50%			
			Axis Bank Limited = 850.00	152.57	BPLR minus 3.75%	BPLR minus 4%			
			Bank of India = 2,500.00	432.34	BPLR minus 1.75%	BPLR minus 2.00%			
			Corporation Bank = 850.00	146.80	SBAR minus 1.25%	SBAR minus 1.50%			
			Indian Overseas Bank = 1,900.00	408.28	BPLR minus 2.25%	BPLR minus 2.50%			
			IIFCL = 4,300.00	2,787.14	SBAR minus 1.25%	SBAR minus 1.50%			
			Power Finance Corporation Limited = 10,000.00	0.00	The applicable rate of Power Finance Corporation Limited for projects under construction, by private sector borrowers under Grade IV (as per PFC's policies, from time to time) as prevailing on the date of each disbursement.	The applicable rate of Power Finance Corporation Limited for projects under operation, by private sector borrowers under Grade IV (as per PFC's policies, from time to time).			

Sr. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Principal Amount Outstanding as at May 31, 2009 (In Rs. Million)	Interest [(1) (2)(3)(4)] (In % p.a.)		Tenure (years)	Repayment	Security
			Punjab National Bank = 1,650.00	285.78	BPLR plus term premium of 0.50% minus 2.00%	BPLR plus term premium of 0.50% minus 2.25%			
			State Bank of Mysore = 750.00	481.70	BPLR minus 1.75%	BPLR minus 2.00%			
			State Bank of Patiala = 850.00	147.00	BPLR minus 2.0%	BPLR minus 2.50%			
			State Bank of Saurashtra = 850.00	147.00	SBAR minus 1.75%	SBAR minus 2.00%			
			State Bank of Travancore = 1,000.00	172.90	BPLR minus 2%	BPLR minus 2.25%			
			Tamilnad Mercantile Bank Limited = 800.00	513.80	SBAR minus 1.25%	SBAR minus 1.50%			
5.	State Bank of India, State Bank of Patiala and State Bank of Mysore	Subordinate Rupee Facility Agreement dated March 27, 2008 in relation to Mundra Phase III Power Project	Aggregate = 1,070.00	Aggregate = 687.10	-		14.25 years from the date of the agreement	Repayment is in 36 equal quarterly Instalments beginning from the immediate date falling 18 months after the COD of Mundra Phase III Power Project or the expiry of 63 months from the date of the agreement.	For details of security see Note 5 below.
			State Bank of India = 650.00	417.40	SBAR plus 0.75%**				
			State Bank of Patiala = 320.00	205.50	BPLR**				
			State Bank of Mysore = 100.00	64.20	SBAR plus 0.75%**				

Sr. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Principal Amount Outstanding as at May 31, 2009 (In Rs. Million)	Interest [(1) (2)(3)(4)] (In % p.a.)	Tenure (years)	Repayment	Security
6.	Standard Chartered Bank as incorporated in England.	Dollar Loan Agreement dated March 28, 2008 in relation to Mundra Phase III Power Project and our letter dated May 18, 2009 for reduction of the facility from US$ 500 to US$ 250	US$ 250 million	Nil	The rate of interest on each Advance for each Interest Period is the percentage rate per annum which is the aggregate of the applicable: (i) Applicable Margin, which means: (a) for the period commencing on the Signing Date and ending on the First Step-Up Date, 1.85% (one point eight five per cent.) per annum; (b) for the period commencing on the day immediately following the First Step-Up Date and ending on the Second Step-Up Date, 2.00% (two per cent.) per annum; (c) for the period commencing on the day immediately following the Second Step-Up Date and ending on the Termination Date, 2.25% (two point two five per cent.) per annum. (ii) LIBOR; and (iii) Mandatory cost, if any.	12 years	Repayment is to be made in 17 instalments, commencing from March 31, 2012 and the last date being March 31, 2020.	For details of security see Note 6 below.
7.	IDBI Bank Limited	Facility Agreement dated April 22, 2009 for working capital facilities	7,400	Nil	BPLR minus 125 bps	One year	Repayable on demand. Due date of repayment of the loan is March 3, 2010.	For details of security see Note 7 below.

Sr. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Principal Amount Outstanding as at May 31, 2009 (In Rs. Million)	Interest [1] [2][3][4] (In % p.a.)		Tenure (years)	Repayment	Security
8.	State Bank of India, UCO Bank, Life Insurance Corporation of India, Punjab National Bank, Allahabad Bank, Bank of India, Canara Bank, Union Bank of India, Corporation Bank	Common Agreement dated June 24, 2009 in relation to Mundra Phase IV Power Project	Aggregate = 67,200	Aggregate = 0.00	*Lending rate during construction period till the First Interest Reset Date**	*Lending Rate from the First Interest Reset Date**	10.5 years from the COD of Mundra Phase IV Power Project	Repayment in 40 equal quarterly instalments beginning from the immediate date falling 6 months from COD of Mundra Phase IV Power Project.	For details of security see Note 8 below.
			State Bank of India = 39,700	0.00	Floating Interest rate at 0% below/above SBAR	Floating Interest rate at 0% below/above SBAR			
			UCO Bank = 7,000	0.00	Floating Interest rate at 0% below/above SBAR	Floating Interest rate at 0% below/above SBAR			
			Life Insurance Corporation of India = 5,000	0.00	Floating Interest rate at 0% below/above SBAR	Floating Interest rate at 0% below/above SBAR			
			Allahabad Bank = 3,000	0.00	Floating Interest rate at 0% below/above SBAR	SBAR minus 0.25%			
			Bank of India = 3,000	0.00	PLR minus 0.50%	PLR minus 0.75%			
			Canara Bank = 2,000	0.00	PLR plus 0.25%	PLR			
			Union Bank of India = 2,000	0.00	Floating interest rate at PLR plus 0.25%	Floating interest rate at PLR plus 0.25%			

Sr. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Principal Amount Outstanding as at May 31, 2009 (In Rs. Million)	Interest [1][2][3][4] (In % p.a.)		Tenure (years)	Repayment	Security
			Corporation Bank = 1,000	0.00	Floating Interest rate at 0% below/above SBAR	Floating Interest rate at 0% below/above SBAR			
			Punjab National Bank = 4,500	0.00	PLR plus 0.50% plus Term Premium of 0.50%	PLR plus 0.50% plus Term Premium of 0.50%			
9.	State Bank of India, Punjab National Bank, UCO Bank and Bank of India	Subordinate Rupee Facility Agreement dated June 24, 2009 in relation to Mundra Phase IV Power Project	Aggregate = 4,480	Aggregate = 0.00	*Lending rate during construction period till the First Interest Reset Date***	*Lending Rate from the First Interest Reset Date***	10.5 years from the COD of Mundra Phase IV Power Project	Repayment is in 36 equal quarterly Instalments beginning from the immediate date falling 18 months after the COD of Mundra Phase IV Power Project	For details of security see Note 9 below
			State Bank of India = 1,980	0.00	SBAR plus 1%	SBAR plus 1%			
			Bank of India = 1,000	0.00	PLR plus 0.75%	PLR plus 0.75%			
			UCO Bank = 1,000	0.00	Floating interest rate at SBAR plus 1%	Floating interest rate at SBAR plus 1%			
			Punjab National Bank = 500	0.00	PLR plus 1% plus Term Premium of 1.50%	PLR plus 1% plus Term Premium of 1.50%			

**Notwithstanding the lending rate specified by each senior rupee lender, the highest of the lending rates specified by the senior rupee lenders from time to time shall be applicable to all the senior rupee lenders.*

***Notwithstanding the lending rate specified by each subordinate lender, the highest of the lending rates specified by the subordinate lenders from time to time shall be applicable to all the subordinate lenders.*

(1) The Company shall be liable to pay penal interest in case of default at the rate of BPLR plus 2.0% for Common Agreement for Rupee facility dated September 20, 2006 in relation to Mundra Phase I Power Project, Lending rate plus 2% for Common Agreement for Rupee facility dated July 25, 2007 in relation to Mundra Phase II Power Project, 1% p.a. for Common Agreement dated March 27, 2008 in relation to Mundra Phase III Power Project, Lending Rate plus 1% p.a. for Subordinate Rupee Facility Agreement dated March 27, 2008 and BPLR plus 2% for Facility Agreement dated April 22, 2009 for working capital facilities.

(2)The lenders may reset the rate of interest every three years for Common Agreement for Rupee facility dated September 20, 2006 and Novation Notice dated August 6, 2008 in relation to Mundra Phase I Power Project and Common Agreement for Rupee facility dated July 25, 2007 in relation to Mundra Phase II Power Project.

(3)The lenders shall be entitled to reset interest in accordance with the terms of the Common Agreement dated March 27, 2008 in relation to Mundra Phase III Power Project.

(4) The lenders shall be entitled to reset interest in accordance with the terms of the Subordinate Rupee Facility Agreement dated March 27, 2008 in relation to Mundra Phase III Power Project.

(5) Bank of Baroda had initially committed to loan an amount of Rs. 940 million. However, subsequently Rs. 780 million out of Bank of Baroda's share was reallocated amongst Allahabad Bank, Punjab National Bank, Bank of India, Syndicate Bank, Andhra Bank, Bank of Maharashtra, State Bank of Hyderabad, Oriental Bank of Commerce, Canara Bank and UCO Bank and the share of such banks was consequently increased through novation notice dated August 6, 2008 . The entire facility granted by Bank of Baroda was cancelled on reallocation.

Note 1:

(i) A first ranking *pari passu* English mortgage and charge/security interest in respect of all the Company's immovable properties both present and future; all the Company's movable properties and assets, both present and future; all tangible and intangible assets including but not limited to the goodwill, undertaking and uncalled capital of the Company; all revenues and receivable of the Company from the Mundra Phase I Power Project or otherwise; all of the Company's rights, titles and interest in respect of the assets and its rights under each of the project documents; all the Company's accounts and all the insurance contracts.

(ii) A first ranking pledge in respect of 30% of the total, issued and paid up shares of the Company from time to time.

(iii) Non-disposal and safety net arrangement agreement in favour of the security trustee in respect of 21% of the issued and outstanding equity shares of the Company from time to time.

(iv) Charge on and assignment of each letter of credit/ escrow/ guarantee or performance bond or any other security that may be posted by any party to a project document for the Company's benefit; and a

(v) Corporate guarantee from MPSEZ. The liability of MPSEZ as guarantor shall not exceed Rs. 750 million.

Note 2:

(i) A first ranking *pari passu* English mortgage and charge/security interest in respect of all the Company's immovable properties both present and future; (ii) all the Company's movable properties and assets, both present and future; all tangible and intangible assets including but not limited to the goodwill, undertaking and uncalled capital of the Company; all revenues and receivables of the Company from the Mundra Phase II Power Project or otherwise; all of the Company's rights, titles and interest in respect of the assets and its rights under each of the project documents; all the Company's accounts and all the insurance contracts.

(ii) A first ranking pledge in respect of 30% of the total, issued and paid up shares of the Company from time to time.

(iii) Non-disposal and safety net arrangement agreement in favour of the security trustee in respect of 21% of the issued and outstanding equity shares of the Company from time to time.

(iv) A first charge on charge on and assignment of each letter of credit/ escrow/ guarantee or performance bond or any other security that may be posted by any party to a project document for the Company's benefit.

Note 3:

A second ranking English mortgage and charge/security interest in respect of:

(i) all the Company's immovable properties both present and future;

(ii) all the Company's movable properties and assets, both present and future;

(iii) all tangible and intangible assets including but not limited to the goodwill, undertaking and uncalled capital of the Company;

(iv) all revenues and receivables of the Company from the Mundra Phase I and II Power Projects or otherwise;

(v) all of the Company's rights, titles and interest in respect of the assets and its rights under each of the project documents;

(vi) all the Company's accounts;

(vii) all the insurance contracts.

Note 4:

A first ranking pari passu mortgage and charge/security interest in respect of:

(i) a mortgage and charge on all the Company's immovable properties, both present and future, with respect to Mundra Phase III Power Project;

(ii) a charge by way of hypothecation of all the Company's movable properties and assets, both present and future, with respect to Mundra Phase III Power Project;

(iii) a charge on book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, all intangible and tangible assets including but not limited to the goodwill, undertaking and uncalled capital of the Company, both present and future, with respect to Mundra Phase III Power Project;

(iv) a charge/ assignment on/of all of the Company's rights, title and interest in respect of the assets and its rights under each of the project documents duly acknowledged and consented to, where required, by the relevant counterparties, all the Company's rights under each letter of credit/guarantee or performance bond that may be posted by any party to a project document for the Company's benefit and all the Company's rights under the Clearances for Mundra Phase III Power Project;

(v) a charge/ assignment on/of all the Company's bank accounts in relation to Mundra Phase III Power Project and each of the other accounts required to be created by the Company under any Transaction document, including in each case, all monies lying credited/ deposited into such accounts;

(vi) a charge/ assignment on/of all the Insurance Contracts naming the Security Trustee as an additional insured/sole loss payee, with respect to Mundra Phase III Power Project and insurance proceeds;

(vii) a pledge in respect of 30% of the total number of equity shares in the Company allotted for meeting the equity requirement for funding the cost of the Mundra Phase III Project;

(viii) Non-disposal and safety net arrangement agreement in favour of the security trustee in respect of 21% of the issued and outstanding equity shares of the Company from time to time;

(ix) a charge on and assignment of each letter of credit/ escrow/ guarantee or performance bond or any other security that may be provided by any party in relation to Mundra Phase III Power Projects' project document for the Company's benefit; and

(x) Security over all the common assets pertaining to the Mundra Phase I and Phase II Power Projects and Mundra Phase III Power Project in favour of the banks and financial institutions providing senior financial assistances to all these projects.

Reciprocal Security

(i) 3rd ranking *pari passu* inter se between the Phase III Senior Lenders security created over all the assets secured / to be secured in favour of the respective Security Trustees for the benefit of the senior rupee lenders, the working capital lenders and subordinate rupee lenders to the Mundra Phase I and Phase II Power Projects.

Note 5:

The facility shall be secured by the security in favour of the senior lenders in terms of the Common Agreement dated March 27, 2008. It shall rank *pari passu* inter se between the subordinate rupee lenders and subsequent to the security to be created in favour of the Phase III Security Trustee for the benefit of the Phase III senior lenders and the providers of working capital facilities.

(i) a mortgage and charge on all the Company's immovable properties, both present and future, with respect to Mundra Phase III Power Project;

(ii) a charge by way of hypothecation of all the Company's movable properties and assets, both present and future, with respect to Mundra Phase III Power Project;

(iii) a charge on book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, all intangible and tangible assets including but not limited to the goodwill, undertaking and uncalled capital of the Company, both present and future, with respect to Mundra Phase III Power Project;

(iv) a charge/ assignment on/of all of the Company's rights, title and interest in respect of the assets and its rights under each of the project documents duly acknowledged and consented to, where required, by the relevant counterparties, all the Company's rights under each letter of credit/guarantee or performance bond that may be posted by any party to a project document for the Company's benefit and all the Company's rights under the Clearances for Mundra Phase III Power Project;

(v) a charge/ assignment on/of all the Company's bank accounts in relation to Mundra Phase III Power Project and each of the other accounts required to be created by the Company under any Transaction document, including in each case, all monies lying credited/ deposited into such accounts;

(vi) a charge/ assignment on/of all the Insurance Contracts naming the Security Trustee as an additional insured/sole loss payee, with respect to Mundra Phase III Power Project;

(vii) a pledge in respect of 30% of the total, issued and paid up shares of the Company which have been brought in by the Sponsor in the Company with respect to security for the Mundra Phase I and Phase II Power Projects and Mundra Phase III Power Project;

(viii) a charge on and assignment of each letter of credit/ escrow/ guarantee or performance bond or any other security that may be provided by any party in relation to Mundra Phase III Power Project document for the Company's benefit; and

(ix) security over all the common assets pertaining to the Mundra Phase I and Phase II Power Projects and Mundra Phase III Power Project in favour of the banks and financial institutions providing subordinated financial assistances to all the these projects.

Reciprocal Security

(i) 4th ranking *pari passu* inter se between the Phase III Subordinate Lenders security created over all the assets secured / to be secured in favour of the respective Security Trustees for the benefit of the senior rupee lenders, the working capital lenders and subordinate rupee lenders to the Mundra Phase I and Phase II Power Projects.

Note 6:

In terms of the sanction letter dated December 14, 2007 for the Dollar Loan Agreement, the security will include all of the Borrowers rights, title and interests to, but not limited to, the following:

(i) a first ranking (pari- passu with Rupee facility providers for Mundra Phase III Power Project) charge over Mundra Phase III Power Project assets (excluding common assets) both present and future;

(ii) a charge over Phase 1 and 2 assets (excluding common assets) behind Phase 1 and 2 senior and subordinate lenders;

(iii) a pari- passu charge over all the common assets (across Phase 1, 2 and 3) between all lenders with consent for enforcement being subject to an agreement by a super- majority of lenders;

(iv) a right to access any residual cash (prior to distributions) from the trust and the retention account in relation to Phase 1 and 2;

(v) borrower's right to the project Site in relation to the Mundra Phase III Power Project;

(vi) a first charge/ assignment of Borrower's rights/ title and interests in the project agreements and any other contracts/ licenses necessary for the commencement and operations of the Mundra Phase III Power Project;

(vii) a first charge/ assignment of contractor guarantees, performance bonds and any other letter of credit that may be provided to the borrower by any party in respect of the Mundra Phase III Power Project;

(viii) a first matter/ assignment on the irrevocable, no lien Proceeds Account, and the Cash Sweep Account, the proceeds of which would be utilized in a manner and priority to be decided by the MLA in respect of the Mundra Phase III Power Project;

(ix) a first charge/ assignment on the irrevocable, no lien Collateral Account in respect of the Mundra Phase III Power Project;

(x) pledge over 30% of the fully paid up share capital of the borrower with respect to Mundra Phase I and Phase II Power Projects and Mundra Phase III Power Project on a pari passu basis among senior lenders of these projects;

(xi) floating charge on the current assets attributable to the Mundra Phase III Power Project; and

(xii) assignment of all insurance policies in relation to the Mundra Phase III Power Project.

Note 7:

(i) First charge by way of hypothecation and/or pledge of the Company's current assets namely, stocks of raw material, semi finished and finished goods, stores and spares not relating to plant and machinery (consumables and spares), bills receivable and book debts and all movable current assets excluding machineries of the Company pertaining to Phase I and Phase II of its Mundra Power Projects, both present and future excluding such movables as may be permitted by the bank from time to time; and

(ii) First mortgage and charge in favour of IDBI Bank on the immovable and movable properties (other than current assets), both present and future pertaining to Phase I and Phase II Power Projects at Mundra.

Note 8:

A first ranking pari passu mortgage and charge/security interest in respect of:

(i) a mortgage and charge on all the Company's immovable properties, both present and future, with respect to Mundra Phase IV Power Project;

(ii) a charge by way of hypothecation of all the Company's movable properties and assets, both present and future, with respect to Mundra Phase IV Power Project;

(iii) a charge on book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, all intangible and tangible assets including but not limited to the goodwill, undertaking and uncalled capital of the Company, both present and future, with respect to Mundra Phase IV Power Project;

(iv) a charge/ assignment on/of all of the Company's rights, title and interest in respect of the assets and its rights under each of the project documents duly acknowledged and consented to, where required, by the relevant counterparties, all the Company's rights under each letter of credit/guarantee or performance bond that may be posted by any party to a project document for the Company's benefit and all the Company's rights under the Clearances for Mundra Phase IV Power Project;

(v) a charge/ assignment on/of all the Company's bank accounts in relation to Mundra Phase IV Power Project and each of the other accounts required to be created by the Company under any Transaction document, including in each case, all monies lying credited/ deposited into such accounts;

(vi) a charge/ assignment on/of all the Insurance Contracts naming the Security Trustee as an additional insured/sole loss payee, with respect to Mundra Phase IV Power Project;

(vii) a pledge in respect of 30% of the total number of equity shares allotted for meeting the equity requirement for funding the Mundra Phase IV Project;

(viii) A mortgage by Mundra Port Special Economic Zone Limited or the Company on the land forming part of the site of Mundra Phase IV Power Project;

(ix) a charge on and assignment of each letter of credit/ escrow/ guarantee or performance bond or any other security that may be provided by any party in relation to Mundra Phase IV Power Projects' project document for the Company's benefit; and

(x) Security over all the common assets pertaining to the Mundra Phase I, Phase II and Phase III Power Projects and Mundra Phase IV Power Project in favour of the banks and financial institutions providing senior financial assistances to all these projects.

Note 9:

A first ranking pari passu mortgage and charge/security interest in respect of:

(i) a mortgage and charge on all the Company's immovable properties, both present and future, with respect to Mundra Phase IV Power Project;

(ii) a charge by way of hypothecation of all the Company's movable properties and assets, both present and future, with respect to Mundra Phase IV Power Project;

(iii) a charge on book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising, all intangible and tangible assets including but not limited to the goodwill, undertaking and uncalled capital of the Company, both present and future, with respect to Mundra Phase IV Power Project.

(iv) a charge/ assignment on/of all of the Company's rights, title and interest in respect of the assets and its rights under each of the project documents duly acknowledged and consented to, where required, by the relevant counterparties, all the Company's rights under each letter of credit/guarantee or performance bond that may be posted by any party to a project document for the Company's benefit and all the Company's rights under the Clearances for Mundra Phase IV Power Project;

(v) a charge/ assignment on/of all the Company's bank accounts in relation to Mundra Phase IV Power Project and each of the other accounts required to be created by the Company under any Transaction document, including in each case, all monies lying credited/ deposited into such accounts;

(vi) a charge/ assignment on/of all the Insurance Contracts naming the Security Trustee as an additional insured/sole loss payee, with respect to Mundra Phase IV Power Project;

(vii) a pledge in respect of 30% of the total number of equity shares allotted for meeting the equity requirement for funding the Mundra Phase IV Project;

(viii) A mortgage by Mundra Port Special Economic Zone Limited or the Company on the land forming part of the site of Mundra Phase IV Power Project;

(ix) a charge on and assignment of each letter of credit/ escrow/ guarantee or performance bond or any other security that may be provided by any party in relation to Mundra Phase IV Power Projects' project document for the Company's benefit; and

(x) Security over all the common assets pertaining to the Mundra Phase I, Phase II and Phase III Power Projects and Mundra Phase IV Power Project in favour of the banks and financial institutions providing senior financial assistances to all these projects.

Unsecured Loans

Details of the short term loans

Sr. No.	Description of the Facility / Name of the Lender	Nature of Borrowing	Amount Sanctioned (In Rs. million)	Date of Sanction Letters	Principal Amount Outstanding as at May 31, 2009 (In Rs. Million)	Rate of Interest	Tenure	Repayment
1.	UCO Bank	Short term loan in relation to Mundra Phase IV Power Project	1,500.00	January 15, 2009	1,500.00	12.50%	180 days	Bullet payment after 180 days from the date of disbursement.
2.	UCO Bank	Short term loan in relation to Mundra Phase IV Power Project	1,000.00	May 28, 2009	1,000.00	11.50%	180 days	Bullet payment after 180 days from the date of disbursement.
3.	Punjab National Bank	Short term loan in relation to Mundra Phase IV Power Project	1,000.00	January 9, 2009	1,000.00	13.50%	Six months	Bullet payment after six months from the date of disbursement.
4.	Canara Bank	Short term loan in relation to Mundra Phase IV Power Project	1,000.00	November 7, 2008, April 20, 2009 and June 11, 2009	1,000.00	11.50%	Six months	Bullet payment after six months from the date of disbursement.
5.	Bank of India	Short term loan in relation to Mundra Phase IV Power Project	2,000.00	March 12, 2009	2,000.00	11.50%	Six months	Bullet payment after six months from the date of disbursement, it can be rolled over to another six months.
6.	Allahabad Bank	Short term loan in relation to Mundra Phase IV Power Project	1,000.00	March 28, 2009	1,000.00	11.80%	12 months	Bullet payment after 12 months from the date of disbursement.
	Total		**7,500.00**	-	**7,500.00**	-	-	-

Note- *In addition to the above, we have availed a short-term loan after May 31, 2009 for an amount of Rs. 1,000 million from Punjab National Bank.*

Details of the long term loan

Sr. No.	Description of the Facility / Name of the Lender	Nature of Borrowing	Amount Sanctioned (In Rs. million)	Date of Sanction Letter	Principal Amount Outstanding as at May 31, 2009 (In Rs. Million)	Rate of Interest	Tenure	Repayment
1.	Yes Bank Limited	Long term loan in relation to Mundra Phase IV Power Project.	1,500.00	July 18, 2008	1,516.24	BPLR minus 4%	174 months including 54 months of moratorium from the date of the first drawdown.	Repayable in 40 equal quarterly instalments beginning from 57th month of date of first disbursement.
	Total		**1,500.00**	-	**1,516.24**	-	-	-

Corporate Actions

Certain corporate actions for which the Company requires the prior written consent of the lenders include:

(a) make any drastic change in the management or change the composition of its Board of Directors;

(b) transfer the share of the promoter Directors;

(c) contract, create, incur, assume or suffer to exist any indebtedness, except for permitted indebtedness;

(d) carry on any business or activity other than in connection with the completion or operation of the project;

(e) set up or have any subsidiaries;

(f) issue any guarantee except as required under the transaction documents;

(g) revalue its assets and properties during the currency of the facilities;

(h) undertake any new project or expansion;

(i) wind up, liquidate or dissolve its affairs;

(j) enter into any transaction of merger, consolidation, amalgamation or reorganisation;

(k) convey, sell, lease, let or otherwise dispose of (or agree to do any of the foregoing at any future time) all or any part of its property or assets (excluding sales of electricity capacity in accordance with the PPA), except for any permitted disposal;

(l) alter Memorandum of Association and / or Articles of Association;

(m) change its fiscal year;

(n) change its accounting policies presently being followed;

(o) change the nature or scope of Mundra Phase I and Phase II Power Projects and Mundra Phase III Power Project;

(p) agree to, create, incur, assume or suffer to exist any Security Interest upon or with respect to any property, revenues, or assets (real, personal or mixed, tangible or intangible) of the Company, whether now owned or hereafter acquired; and

(q) alter its capital structure.

Further, under the terms of the loan agreements of the Company, the Company is required to maintain certain limits on financial ratios like debt equity ratio, debt service coverage ratio and asset coverage ratio.

The details of indebtedness of the subsidiaries of the Company, as at May 31, 2009, are as follows:

Adani Power Maharashtra Limited ("APML")

Sr. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Principal Amount Outstanding as at May 31, 2009 (In Rs. million)	Interest	(In % p.a.)	Tenure	Repayment	Security
1.	Bank of Baroda, Corporation Bank, Indian Overseas Bank, Life Insurance Corporation of India, Power Finance Corporation Limited, Punjab National Bank, Rural Electrification Corporation Limited, State Bank of Bikaner and Jaipur, State Bank of India, State Bank of Mysore, State Bank of Indore, State Bank of Patiala, Syndicate Bank, UCO Bank and Union Bank of India	Common Loan Agreement dated January 30, 2009 in relation to Tiroda Power Project - Phase I	Aggregate = 49,200	Nil	***Lending rate upto the First Interest Reset Date****	***Lending Rate from the First and Subsequent Interest Reset Date****	14 years and 3 months (Total door to-door tenure including construction period, moratorium period and the repayment period)	40 consecutive quarterly equal instalments for each lender commencing from July 1, 2012.	For details of security see Note 1 below.
			Bank of Baroda = 3,000	Nil	BPLR minus 1.25%	BPLR minus 1.50%			
			Corporation Bank = 1,000	Nil	BPLR minus 1.25%	BPLR minus 1.50%			
			Indian Overseas Bank = 2,000	Nil	BPLR minus 1.50% subject to a minimum of 12%	BPLR minus 1.75% subject to a minimum of 11.75%			
			Life Insurance Corporation of India = 2,250	Nil	SBAR minus 1.25%	SBAR minus 1.50%			
			Power Finance Corporation Limited = 10,000	Nil	Upto the first interest payment date next following COD: Rate of interest charged to Grade IV Borrowers as per Power Finance Corporation's policy applicable from time to time prevalent on the date of each disbursement.	From the first interest payment date next following COD: Rate of Interest charged to Grade IV Borrowers as per Power Finance Corporation's policy applicable from time to time.			

Sr. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Principal Amount Outstanding as at May 31, 2009 (In Rs. million)	Interest	(In % p.a.)	Tenure	Repaymen t	Security
			Punjab National Bank = 4,500	Nil	BPLR plus term premium of 0.50% minus 1.25% subject to a minimum of 11.75%	BPLR plus term premium of 0.50% minus 1.50% subject to a minimum of 11.50%			
			Rural Electrification Corporation Limited = 10,000	Nil	Upto the first interest payment date next following COD: Rate of interest charged to Grade IV Borrowers as per Rural Electrification Corporation Limited's policy applicable from time to time prevalent on the date of each disbursement.	From the first interest payment date next following COD: Rate of interest charged to Grade IV Borrowers as per Rural Electrificatio n Corporation's policy applicable from time to time.			
			State Bank of Bikaner and Jaipur = 1,000	Nil	SBAR minus interest spread of 1.25%. Until the Borrower obtains credit rating as envisaged in the agreement, the aforesaid interest spread will be minus 0.75%.	SBAR minus 1.50%.			
			State Bank of India = 8,500	Nil	SBAR minus 1.25%	SBAR minus 1.50%			
			State Bank of Mysore = 1,000	Nil	BPLR minus 1%	BPLR minus 1.25%			
			State Bank of Indore = 500	Nil	BPLR minus 2%	BPLR minus 2.25%			
			State Bank of Patiala = 1,000	Nil	BPLR minus 1.5%	BPLR minus 1.75%			

Sr. No.	Name of the Lenders	Nature of Borrowing	Amount Sanctioned (In Rs. Million)	Principal Amount Outstanding as at May 31, 2009 (In Rs. million)	Interest	(In % p.a.)	Tenure	Repayment	Security
			Syndicate Bank = 1,000	Nil	BPLR minus 0.50%	BPLR minus 0.75%			
			UCO Bank = 1,950	Nil	BPLR minus 1.00%	BPLR minus 1.25%			
			Union Bank of India = 1,500	Nil	BPLR minus 1.25%	BPLR minus 1.50%			
2.	IDBI Bank Limited, Punjab National Bank, State Bank of India, State Bank of Patiala	Subordinate Loan Agreement dated January 30, 2009 in relation to Tiroda Power Project - Phase I	Aggregate = 3,280	Nil	***Lending rate upto the First Interest Reset Date*****	***Lending Rate from the First and Subsequent Interest Reset Date*****	15 years	41 consecutive quarterly instalments commencing from the Business Day falling after the expiry of the Moratorium Period	For details of security see note 2 below.
			IDBI Bank Limited = 280	Nil	BPLR plus 0.25%.	BPLR plus 0.25%.			
			Punjab National Bank = 500	Nil	BPLR plus term premium of 0.50% plus 0.50%	BPLR plus term premium of 0.50% plus 0.50%			
			State Bank of India = 1500	Nil	SBAR plus 0.75%	SBAR plus 0.75%			
			State Bank of Patiala = 1000	Nil	BPLR plus 1.25%	BPLR plus 1.25%			

**Notwithstanding the lending rate specified by each senior rupee lender, the highest of the lending rates specified by the senior rupee lenders from time to time shall be applicable to all the senior rupee lenders.*

***Notwithstanding the lending rate specified by each subordinate lender, the highest of the lending rates specified by the subordinate lenders from time to time shall be applicable to all the subordinate lenders.*

Note 1:

The loan is secured by:

(a) first mortgage and charge on all the APML immovable properties including leasehold land, both present and future;

(b) a first charge by way of hypothecation of all the APML's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future in relation to the project and/or acquired from the funds forming part of the financing plan;

(c) a first charge on APML's receivables in relation to the project;

(d) a first charge over all accounts of the APML, including without limitation, the trust and retention account and the retention accounts (or any account in substitution thereof) that may be opened and in all funds from time to time deposited therein and in all authorised investments or other securities representing all amounts credited thereto in relation to the project;

(e) a first charge on all intangibles of the APML including but not limited to goodwill, rights, undertakings and uncalled capital, present and future in relation to the project;

(f) a first charge by way of assignment or creation of security interest in:

    (i) all the right, title, interest, benefits, claims and demands whatsoever of the APML in the project documents, in relation to the project;

    (ii) the right, title and interest of the APML in, to and under all the government approvals in relation to the project;

    (iii) all the right, title, interest, benefits, claims and demands whatsoever of the APML in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the project documents in relation to the project;

    (iv) all the right, title, interest, benefits, claims and demands whatsoever of the APML under all insurance contracts in relation to the project;

(g) pledge of equity shares aggregating to 30% of paid up and voting equity share capital of the APML towards the project equity capital till the final settlement date; and

(h) if at any time during the subsistence of the agreement, the lenders feel that the security created is inadequate, the lenders can advise APML and APML shall provide and furnish to the satisfaction of the lenders, such additional security.

Note 2:

The loan is secured by:

(i) a second mortgage and charge on all the APML's immovable properties including leasehold land, both present and future;

(ii) a second charge by way of hypothecation of all the APML's tangible moveable assets, including moveable plant and machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other movable assets, both present and future in relation to the project and/or acquired from the funds forming part of the financing plan;

(iii) a second charge on APML's receivables in relation to the project;

(iv) a second charge over all accounts of the APML, including without limitation, the trust and retention account and the retention accounts (or any account in substitution thereof) that may be opened and in all funds from time to time deposited therein and in all authorised investments or other securities representing all amounts credited thereto in relation to the project;

(v) a second charge on all intangibles of the APML including but not limited to goodwill, rights, undertakings and uncalled capital, present and future in relation to the project;

(vi) a second charge by way of assignment or creation of security interest in:

    (a) all the right, title, interest, benefits, claims and demands whatsoever of the APML in the project documents, duly acknowledged and consented to by the counter parties to the project documents as provided under such project documents, in relation to the project all as amended, varied or supplemented from time to time;

(b) the right, title and interest of the APML in, to and under all the government approvals in relation to the project;

(c) all the right, title, interest, benefits, claims and demands whatsoever of the APML in any letter of credit, guarantee including contractor guarantees and liquidated damages and performance bond provided by any party to the project documents in relation to the project;

(d) all the right, title, interest, benefits, claims and demands whatsoever of the APML under all insurance contracts in relation to the project; and

(vii) a second charge on pledge of equity shares aggregating to 30% of paid up and voting equity share capital of the APML towards the project equity capital till the final settlement date.

Undertakings of APL and AEL

(i) APL shall and AEL shall cause APL to make the equity contributions towards the project equity capital from time to time as long as the APL holds not less than 51% of the equity capital of the APML;

(ii) APL shall and the AEL shall cause APL to bring additional funds to the APML without any recourse to the project assets in a manner and to the satisfaction of the lenders to meet the shortfalls if any in meeting the means of finance for implementation of the project arising out of cost over run;

(iii) In case the actual aggregate cost of construction and completion of the project exceeds the project cost on account of non-receipt of the approval of “mega power status” from the government by the APML (to the satisfaction of the lenders) , the AEL has to provide additional funds to the APL for meeting the excess of the actual aggregate cost of construction and completion of the project over the project cost and without recourse to any additional borrowing by the APL and without recourse to any of the secured properties;

(iv) In case of any loss arising out of any authorised investment made by the APML as provided under the trust and retention account, the APL has to provide additional funds to the APML to make up for such loss without any recourse to any of the secured properties, to the satisfaction of the lenders;

(v) The AEL will provide funds to the APL to ensure that the APL has sufficient funds for meeting its aforementioned obligations/undertakings. The obligation of the AEL shall be deemed to be joint and several with that of the APL’s shareholding with respect to the undertakings;

(vi) If at any time the APML is not in a position to meet the requirements under the terms of the power purchase agreement with MSEDCL to supply net power of 1320 MW and/or under the terms of other power purchase agreements, the AEL has to procure and supply such power as would meet the shortfall in supply by the APML;

(vii) In the event there is any default on the part of the APML under any of the EPC contracts for any reason whatsoever, the AEL shall be responsible to ensure that such default on the part of the APML is rectified, or otherwise mitigated such that the EPC contractors do not terminate the EPC contracts and if any of the EPC contractors levy any liquidated damages or recovers any other damages from the APML, the AEL shall be liable to pay the same to such EPC contractor without any recourse to the APML and/or any of the secured properties;

(viii) APL undertakes that it shall hold at least 51% of the paid up and voting equity share capital of the APML at all times upto final settlement date;

(ix) APL undertakes to pledge at least 30% of the paid up and voting equity share capital of the APML towards the project equity capital for the benefit of the lenders;

(x) APL undertakes to retain management and control over the APML up to the final settlement date;

(xi) AEL undertakes to pledge hold at least 51% of the paid up and voting equity share capital of the APL at all times upto final settlement date;

(xii) AEL undertakes to retain management and control over the APL up to the final settlement date;

(xiii) In the event of any delay in mine development from the milestones as specified in the project implementation schedule, the APL and the AEL has to arrange for the requisite short term tapering linkage so as to ensure that the APML's operation of the power station is not impeded and is able to generate power;

(xiv) In the event, the APL and/or AEL contributes and/or arrange funds to the APML by way of unsecured loan or other form of debt pursuant to the undertakings mentioned in the agreement, the repayment/redemption of such debt shall be made only after the secured obligations (obligations under the common loan agreement and the subordinate loan agreement) are fully discharged to the satisfaction of the lenders;

(xv) Until the equity contribution towards project equity capital are made in full, neither the AEL nor the APL shall without the prior approval of the lenders, declare their own dividend, interim or otherwise in excess of 60% of the paid up share capital;

(xvi) Until the contributions to the project equity capital are made in full, the AEL or the APL shall not make any commitment for providing funds for any other project, whether by way of subscription to the equity capital or otherwise except after ensuring priority of investment in the APML to meet their obligations as per the undertakings; and

(xvii) AEL and APL have to provide all requisite information so as to enable the lenders to have various aspects of the technical configuration of the power station and the EPC contracts and other project documents.

Corporate Actions

Certain corporate actions for which the APML requires the prior written consent of the lenders:

(i) Alteration of its capital structure;

(ii) Merger, consolidation, re-organisation or amalgamation or for sale, lease transfer or dispose of any assets;

(iii) Investment in any entity including AEL and/or APL by way of deposits, loans, bonds, share capital or in any other form;

(iv) Capital expenditure or make any investments or take assets on lease other than:

 (a) Capital expenditure required for enhancing the generating capacity by 660 MW.

 (b) In authorised investments as per Trust and Retention Agreement dated January 30, 2009.

 (c) Capital expenditure/investment required for the project to the extent provided for in the approved budget up to Rs.200 Crores; so long as there is no adverse deviation in the financial ratios.

(v) Making any restricted payments;

(vi) Undertake any new project or diversify, modernise or expand the project under this agreement;

(vii) Revaluation of assets at any time during the currency of the loan; and

(viii) Repayment of any contribution made by the shareholders of APML in respect of outstanding equity shares or instruments compulsorily convertible into equity shares of APML.

The arrangement of equity contribution from a person other than the AEL, the AEL's affiliates (any entity directly or indirectly controlling, controlled by or under common control with the AEL and the expression "control" shall mean holding of at least 51% of the paid up and voting equity share capital) and Millennium Developers Private Limited.

OUTSTANDING LITIGATION AND MATERIAL DEVELOPMENTS

Except as stated below there are no outstanding litigation, suits, criminal or civil prosecutions, proceedings or tax liabilities against our Company, our subsidiaries, our Directors, our Promoter and our Promoter Group and there are no defaults, non payment of statutory dues, over-dues to banks/financial institutions, defaults against banks/financial institutions, defaults in dues payable to holders of any debenture, bonds and fixed deposits and arrears of preference shares issue by the Company and its Subsidiary, defaults in creation of full security as per terms of issue/other liabilities, proceedings initiated for economic/civil/any other offences (including past cases where penalties may or may not have been awarded and irrespective of whether they are specified under paragraph (I) of Part 1 of Schedule XIII of the Companies Act) other than unclaimed liabilities of the Company and its subsidiary and no disciplinary action has been taken by SEBI or any stock exchanges against the Company, its Subsidiary, its Promoters, Promoter Group and Directors.

Litigation against the Company

1. Patel Bharatkumar Prahladbhai, Ganpatbhai B. Patel and others (the "Plaintiffs") have filed a suit (no. 25/08) along with an interim application against the Company and others ("Defendants") on February 11, 2008 in the court of Principal Senior Civil Judge, Mehsana. The Plaintiffs are owners of land bearing mock no. 112, 113, 114, 114 (1), 117, 156, 157, 158, 159, 160A and 161A and their names are shown in 7/12, index and revenue records. The Plaintiffs have sought permanent injunction, inter alia, to restrain the Defendants from laying the foundation for transmission towers on the land owned by the Plaintiffs. Further, the Plaintiffs have sought that the foundation already laid in plot no. 113 be removed by the Defendants at their cost and the land be restored to its original state. The interim injunction application filed by the Plaintiffs was rejected by the court through its order dated September 19, 2008. The suit is currently pending.

2. Mohanbhai Rabari (the "Plaintiff") has filed a suit (no. 40/08) along with an interim application against the Company and others ("Defendants"), on February 27, 2008, in the court of Principal Senior Civil Judge, Mehsana. The Plaintiffs have sought permanent injunction, inter alia, to restrain the Defendants from laying the foundation for transmission towers on the land owned by the Plaintiffs. The interim injunction application filed by the Plaintiffs was rejected by the court through its order dated April 4, 2008. The suit is currently pending.

3. Sureshkumar L. Karotra and seven other persons (the "Plaintiffs") have filed 8 suits (no. 31 to 38 of 2008) against the Company and others before the Principal Civil Judge, Radhanpur, for restraining the Company from passing the overhead electricity transmission line and constructing the transmission towers on their lands. The Plaintiffs are owners of land bearing survey no.838/1, 1248/2, 1368, 813, 973, 1364 and 1273 of Mouje: Piprala, Tal. Santalpur. The court granted interim relief to the Plaintiffs till October 18, 2008, which was not further extended. The matters are currently pending.

4. Aayar Khodabhai Bhimabhai (the "Plaintiff") has filed a suit (no. 67 of 2008) against the Company and others before the Principal Civil Judge, Radhanpur for restraining the Company from passing the overhead electricity transmission line and constructing the transmission towers on his land. The Plaintiff is the owner of land bearing survey no. 596 of Mouje: Maddhutra, Tal. Santalpur. The court granted interim relief to the Plaintiff till October 18, 2008, which was not further extended. The matter is currently pending.

5. Rajgor Premshanker Asharam and two other persons (the "Plaintiffs") have filed three suits (Nos. 88, 90 and 91 of 2008) against the Company and others before the Principal Civil Judge, Radhanpur for restraining the Company from passing the overhead electricity transmission line and constructing the transmission towers on the land owned by the Plaintiffs. The Plaintiffs are the owners of land bearing survey Nos.234, 269 and 184 of Mouje: Maddhutra, Tal. Santalpur. The matters are currently pending.

6. Kiransingh Takhtsingh Chauhan and Ramanbhai Ranchhodbhai (the "Plaintiffs") have filed a suit (no. 7 of 2009) against the Company before the Dehgaam Court for restraining the Company from passing the overhead electricity transmission line and constructing the transmission towers on their lands. The Plaintiffs are the owners of land bearing survey no. 265-B of Mouje: Vatva. The matter is currently pending.

7. Ranchhodbhai Bhikhabhai Patel (the "Plaintiff") has filed a suit (no.14 of 2009) against the Company before the Dehgamm Court for restraining the Company from passing the overhead electricity transmission line and constructing the transmission towers on his land. The Plaintiff is the owner of land bearing B/S. no.66 of Mouje: Pallaiya, Tal. Dehgamm, Gandhinagar. The matter is currently pending.

8. Harshadbhai Chinubhai Patel (the "Plaintiff") has filed a suit (no.15 of 2009) against the Company before the Dehgaam Court for restraining the Company from passing the overhead electricity transmission line and constructing the transmission towers on his land. The Plaintiff is the owner of land bearing B/S. no.74 of Mouje: Pallaiya, Tal. Dehgamm, Gandhinagar. The matter is currently pending.

9. Rukeshkumar Tribhovandas Barot ("Plaintiff") has filed a suit (no.19 of 2009) against the Company before the Dehgaam Court for restraining the Company from passing the overhead electricity transmission line and constructing the transmission towers on his land. The Plaintiff is the owner of land bearing B/S. no.191 of Mouje: Pallaiya, Tal. Dehgamm, Gandhinagar. The matter is currently pending.

10. Rajendrakumar Jaydevbhai Barot (the "Plaintiff") has filed a suit (no.20 of 2009) against the Company before the Dehgaam Court for restraining the Company from passing the overhead electricity transmission line and constructing the transmission towers on his land. The Plaintiff is the owner of land bearing B/S. no.172 of Mouje: Pallaiya, Tal. Dehgamm, Gandhinagar. The matter is currently pending.

11. Parsottambhai Vitthalbhai Patel (the "Plaintiff") has filed a suit (no.21 of 2009) against the Company before the Dehgaam Court for restraining the Company from passing the overhead electricity transmission line and constructing the transmission towers on his land. The Plaintiff is the owner of land bearing B/S. no.171 of Mouje: Pallaiya, Tal. Dehgamm, Gandhinagar. The matter is currently pending.

12. Jayantilal Kalidas Thacker and another (the "Appellants") filed letters patent appeal (no.1028 of 2009) before Gujarat High Court against the Ministry of Power, Government of India, the Company and others. The Appellants have challenged the order dated April 1, 2009 passed by single judge of the Gujarat High Court in special civil application no. 3089 of 2009 (the "SCA"), whereby the Gujarat High Court had dismissed the SCA. The said SCA was filed for restraining the Company from laying the high tension electric lines through the land bearing survey no.25 in village Moti Khakhar, taluka Mundra, district Kutch, Gujarat. The appeal is currently pending.

13. Mayank Chandrakant Sanghvi (the "Appellant") filed a letters patent appeal (no.1029 of 2009) before the Gujarat High Court against the Ministry of Power, Government of India, the Company and others. The Appellants have challenged the order dated March 26, 2009 passed by the Gujarat High Court in special civil application no. 2286 of 2009 (the "SCA"), whereby the Gujarat High Court had dismissed the SCA. The said SCA was filed for restraining the Company from laying the high tension electric lines through the land bearing survey no. 26 in village Moti Khakhar, taluka Mundra, district Kutch, Gujarat, owned and occupied by the Appellants. The appeal is currently pending.

14. A writ petition (no. 282 of 2009) has been filed by Eco-Pro Organization (the "Petitioner") against the Union of India and others before the Bombay High Court, Nagpur Bench. The petitioner has, *inter alia*, opposed the mining activity proposed to undertaken by the Company at Lohara Coal Block, district Chandrapur, Maharashtra which has been allotted to the Company as a captive coal mine for its proposed thermal power project at Tiroda, district Gondia, Maharashtra. The Company has filed a civil application for being impleaded as a respondent in the said writ petition. The court through order dated April 3, 2009 allowed civil application and directed the petitioner to implead the Company as a respondent within a period of one week by amending the writ petition. The matter is currently pending.

Litigation by the Company

1. The Company has filed a special civil application (no. 9806 of 2008) (the "SCA") before High Court of Gujarat against the Union of India and others, challenging the circular no. 6/2/2008 dated June 30, 2008 (the "Impugned Circular") issued by the Director, Department of Commerce (SEZ Section), Ministry of Commerce and Industry, Government of India. The Company has, through the SCA, prayed that:

   (a) the Impugned Circular be declared ultra vires the provisions of the SEZ Act, 2005, the SEZ Rules, 2006, Section 12 of the Customs Act, and Articles 14, 19(1)(g), 265 and 301 of the Constitution of India;

   (b) a writ of mandamus or any other appropriate writ be issued quashing letter dated July 8, 2008 addressed by respondent directing the petitioner to pay applicable export duty along with interest;

   (c) a writ of mandamus or any other appropriate writ be issued directing the respondents from levying and/or collecting export duty on iron and steel products procured by the petitioner and its contractor from Domestic Tariff Area ("DTA") suppliers for authorized operations within the Adani Power SEZ; and

(d) a writ of prohibition or any other appropriate writ be issued prohibiting the respondents from implementing the Impugned Circular and further, restraining the respondents from levying and/or collecting export duty under notification no. 66/2008, as amended, in respect of DTA supplies to the SEZ.

The Company further sought interim relief of stay of operation of the Impugned Circular, prohibiting the respondents from giving effect to and/or implementing the Impugned Circular, restraining the respondents from levying and/or collecting export duty levied under notification no. 66/2008, as amended, and directing the respondents to cancel and return PD bonds and three bank guarantees for an aggregate sum of Rs. 352.5 million. The High Court of Gujarat through order dated August 4, 2008 granted ad interim relief in favour of the Company. The interim relief was further extended through order dated August 12, 2008 till August 28, 2008. The SCA is currently pending.

Litigation involving Directors

A. Gautam S. Adani

1. The Additional Director General, Directorate of Revenue Intelligence, Mumbai had issued a show cause notice (F.No.DRI/AZU/INT-4/99-PT.IV) dated November 9, 2001 to AEL and Mr. Gautam Adani, Chairman, AEL among others. Mr. Gautam S. Adani had been asked to show-cause as to why penalty should not be imposed against him under Sections 112 (a) and 112 (b) of the Customs Act, 1962 for aiding AEL in misuse the advance license granted to a third party for the import of metallurgical coke and evasion of customs duty in relation thereof. The Commissioner of Customs, Kandla confirmed the demand of customs duty and imposed a penalty of Rs. 1.2 million on Mr. Gautam S. Adani. CESTAT vide its order dated February 12, 2007 set aside the order passed by the Commissioner of Customs, Kandla. The department filed an appeal before Supreme Court of India against the order of CESTAT. The Supreme Court has issued notice in the matter. The matter is currently pending.

2. Container Corporation of India (“Concor”) has filed a civil suit against Mr. A K Kohli, Mr. Gautam S. Adani and Adani Logistics Limited before the Delhi High Court (the “High Court”) seeking to restrain the said defendants from proceeding with a cold chain project. Concor has alleged that the said project is exactly similar to the project proposed by it, which was later abandoned. The High Court has passed an interim order on August 9, 2005 restraining Mr. A.K. Kohli from implementing or being involved in any project on the basis of know how relating to Concor’s project or proposal. Mr. Kohli has filed an application to set aside the said interim order. The matter was listed for May 14, 2007 for framing of issues and arguments, where the personal presence of both Mr. Kohli and Mr. Gautam Adani was sought by the High Court. However, Mr. Gautam S. Adani failed to present himself before the High Court and a fine of Rs. 25,000 was imposed on him. The High Court through its order dated November 23, 2007 framed the issues and directed the parties to file their additional documents within three weeks. It further directed the plaintiffs to file affidavits for examination in chief within six weeks. Joint Registrar was appointed as the local commissioner to record evidence. On completion of evidence of the plaintiff, defendants are permitted to file their affidavits for examination in chief. The High Court has also directed the Joint Registrar for admission/denial of additional documents and directions regarding trial. The appeal is currently pending.

3. The Commissioner of Customs, Ahmedabad has issued a show cause notice (F.No: VIII/48-03/Cus/SIIB/09) dated February 27, 2009 to Gujarat Adani Aviation Private Limited (“GAAPL”), Mr. Gautam S. Adani and others, in connection with import of an aircraft, viz. Hawker 850 XP. Mr. Gautam S. Adani, Chairman and Managing Director of MPSEZL and others have been asked to show cause why penalty should not be imposed on them under Section 112 (a) read with Section 140 of the Customs Act, 1962 for their acts of omission and commission for making false declaration / mis-statement before the custom authorities and misusing the aircraft in contravention of the provisions of the notification no.21/2002-Cus dated March 1, 2002. The show cause notice directed that reply be filed within 30 days of the receipt of the show cause notice. Mr. Gautam S. Adani has filed the reply to the show cause notice on April 21, 2009. The matter is currently pending.

B. Rajesh S. Adani

1. The Additional Director General, Directorate of Revenue Intelligence, Mumbai had issued show-cause notice (F.no.DRI/AZU/INV-14/98-PT.VIII) dated October 24, 2002 to Mr. Rajesh Adani, Partner, Advance Exports under Section 124 of the Customs Act, 1962 (“Customs Act”) asking him to show-cause as to why penalty should not be imposed against him under the Customs Act for his role, along with others, in the fraudulent export of CD ROMs by Advance Exports. It was alleged that Advance Exports had obtained the DEPB license by mis-declaration and suppression of facts and by gross overvaluation of CD ROMs, exported them and subsequently sold it to Adani Exports Limited who utilised it for duty free

import of RBD Palmolein (Edible Grade) in bulk. The Commissioner of Customs, Kandla confirmed demand and imposed a penalty of Rs. 0.5 million. However, CESTAT had stayed the said penalty vide its order dated September 2004. Further, CESTAT vide its order dated August 1, 2007 set aside the order passed by the Commissioner of Customs, Kandla and allowed the appeal. CESTAT has held the penalty imposed on Rajesh S. Adani by the Commissioner of Customs not in accordance with law as the transactions entered into by Advance Exports to obtain DEPB license were not fraudulent, were transactions entered into by independent legal entities and in accordance with the law. The customs department has filed an appeal against the said order before the Supreme Court of India in January 2008. The appeal is pending.

2. The Commissioner of Customs and Central Excise, Goa had issued show-cause notice (F.no.S/99-34/98-AP //S/25-18/2003 AP) dated September 11, 2003 to Mr. Rajesh Adani, AEL, M/s. Pioneer Business Enterprises and others under Section 28 and Section 124 of the Customs Act, 1962 asking them to explain why exemption claimed by Pioneer Business in respect of import of CD ROMs should not be denied as it did not satisfy the condition of interactivity and why customs duty of Rs. 11.54 million should not be demanded. Mr. Rajesh S. Adani and others have also been asked to explain why the CD ROMS should not be confiscated and penalty should not be imposed on them under Section 114 (A) and Section 112 (a) and (b) of the Customs Act, 1962. Commissioner of Customs, Goa has confirmed the penalty of Rs. 14.04 million on AEL and Rajesh S. Adani. However, the CESTAT, vide its order dated February 21, 2006 has stayed operation of the order of the Commissioner of Customs. The matter is currently pending before CESTAT.

3. The Enforcement Directorate, Bangalore had issued a show cause memorandum in relation to violation of provisions of the Foreign Regulation Act to AEL, Mr. Rajesh S. Adani and Mr. Saurin Shah. The same was adjudicated by the Deputy Director, Enforcement Directorate by imposing a penalty. However, the same was set aside by the Appellate Tribunal and the matter has remanded to the Enforcement Directorate, Bangalore. The Deputy Director, Enforcement Directorate, Bangalore re-adjudicated the matter and through order dated March 25, 2008 imposed a penalty of Rs. 1.6 million on AEL and Rs. 0.075 million each on Mr. Rajesh S. Adani and Mr. Saurin Shah. Aggrieved by the said order dated March 25, 2008, AEL filed an appeal before the Special Director (Appeals), Commissioner of Income Tax (Appeals)-V, Chennai. The matter is currently pending.

4. The Enforcement Directorate, Mumbai has issued a show cause memorandum has been issued under the Foreign Exchange Management Act, 1999 (“FEMA”), in relation to foreign exchange violations arising out of mis-declaration and over invoicing of imported goods by M/s. Vaishal Impex. The matter was adjudicated by the Directorate General of Service Tax, Mumbai. Against which the company filed appeal before the Appellate Tribunal for Foreign Exchange, New Delhi, who vide order dated January 4, 2006 asked the company to deposit the penalty amount pending appeal. The company challenged the said order of Appellate Tribunal before the High Court of Gujarat, who by its order dated April 4, 2006 quashed the said order and remanded the matter to adjudicating authority. Further, the department filed a Special Leave Petition (C) (no. 21705 of 2006) before the Supreme Court of India against the said order of the Gujarat High Court. The Supreme Court vide order dated November 12, 2007 remanded the matter to the Appellate Tribunal for Foreign Exchange, New Delhi. The Appellate Tribunal for Foreign Exchange, New Delhi Tribunal vide order dated February 25, 2008 upheld the order passed by the adjudicating authority imposing penalty of Rs.40.00 million on AEL and Rs. 20.00 million on Mr. Rajesh Adani and rejected the appeal. Aggrieved by the order dated February 25, 2008 passed by the Appellate Tribunal for Foreign Exchange, New Delhi, AEL and Mr. Rajesh S. Adani filed review applications no. 19/2008 and no. 20/2008, respectively, before the Appellate Tribunal for Foreign Exchange, New Delhi for review of the said order. The said review applications was dismissed as withdrawn through order dated May 15, 2008. Further, the Company challenged the order no. 499/2005 dated February 25, 2008 through an appeal no. 2400/2008 before the High Court of Gujarat. The Company, further, filed an application no. 5936/2008 for stay of the operation and implementation of order dated February 25, 2008. The High Court through order dated May 12, 2008 stayed the operation of the order dated February 25, 2008. The appeal before the High Court is currently pending.

5. The Commissioner of Customs, Ahmedabad has issued a show cause (F.No: VIII/48-03/Cus/SIIB/09) notice dated February 27, 2009 to Gujarat Adani Aviation Private Limited (GAAPL) and others, in connection with import of an aircraft, viz. Hawker 850 XP. Mr. Rajesh S. Adani, director of MPSEZL and others have been asked to show cause why penalty should not be imposed on them under Section 112 (a) read with Section 140 of the Customs Act, 1962 for their acts of omission and commission for making false declaration / mis-statement before the custom authorities and misusing the aircraft in contravention of the provisions of the notification no.21/2002-Cus dated March 1, 2002. The show cause notice directed that reply be filed within 30 days of the receipt of the show cause notice. Mr. Rajesh S. Adani has filed the reply to the show cause notice on April 21, 2009. The matter is currently pending.

6. SEBI had filed a criminal complaint (CC 686/Misc/2004) against Mr. Rajesh S. Adani and Ms. Shilin R. Adani (in their capacity as trustees of Rajeshbhai S. Adani Family Trust) and others before the Additional Chief Metropolitan Magistrate, Mumbai which has been disposed of. For further details in relation to the said litigation, please see section titled "Outstanding Litigation and Material Developments – Litigation against Adani Enterprises Limited" on page 347 of this Red Herring Prospectus.

C. R. K. Gupta
Nil

D. Ameet H. Desai
Nil

E. B. B. Tandon
Nil

F. S. K. Tuteja
Nil

G Vijay Ranchan
Nil

H. Chinubhai R. Shah
Nil

Litigation involving Subsidiaries

1. Adani Power Dahej Limited
Litigation against Adani Power Dahej Limited: Nil
Litigation by Adani Power Dahej Limited: Nil
Contingent liabilities as on March 31, 2009: Nil

2. Adani Power Maharashtra Limited
Litigation against Adani Power Maharashtra Limited: Nil
Litigation by Adani Power Maharashtra Limited: Nil
Contingent liabilities as on March 31, 2009: Estimated amount of contracts remaining to be executed on capital account and not provided for - Rs 86,250.83 million.

3. Adani Power Rajasthan Limited
Litigation against Adani Power Rajasthan Limited: Nil
Litigation by Adani Power Rajasthan Limited: Nil
Contingent liabilities as on March 31, 2009: Nil

4. Adani Power (Overseas) Limited
Litigation against Adani Power (Overseas) Limited: Nil
Litigation by Adani Power (Overseas) Limited: Nil
Contingent liabilities as on March 31, 2009: Nil

5. Mundra Power SEZ Limited
Litigation against MuPSEZL: Nil
Litigation by MuPSEZL: Nil
Contingent liabilities as on March 31, 2009: Nil

Litigation involving Promoters

1. Adani Enterprises Limited

Litigation against Adani Enterprises Limited

1. The Commissioner of Customs and Central Excise, Hyderabad has issued a show-cause notice under the Customs Act, 1962 ("Customs Act") in relation to mis-declaration and over invoicing of imported goods by M/s. Vaishal Impex. The Commissioner of Customs and Central Excise, Hyderabad adjudicated the show-cause notice against AEL. AEL filed an

appeal before CESTAT, Bangalore. CESTAT vide order no.1972 to 1976/06 dated September 25, 2006 allowed the appeal filed by AEL. The department has filed an appeal (no. D 15121 of 2007) before Supreme Court of India challenging the order dated September 25, 2006 passed by CESTAT, Bangalore. The Supreme Court of India vide order dated August 03, 2007 condoned the delay and admitted the appeal. The matter is currently pending.

2. The Enforcement Directorate, Mumbai has issued a show cause memorandum has been issued under the Foreign Exchange Management Act, 1999 ("FEMA"), in relation to foreign exchange violations arising out of mis-declaration and over invoicing of imported goods by M/s. Vaishal Impex. The matter was adjudicated by the Directorate General of Service Tax, Mumbai. Against which the company filed appeal before the Appellate Tribunal for Foreign Exchange, New Delhi, who vide order dated January 4, 2006 asked the company to deposit the penalty amount pending appeal. The company challenged the said order of Appellate Tribunal before the High Court of Gujarat, who by its order dated April 4, 2006 quashed the said order and remanded the matter to adjudicating authority. Further, the department filed a Special Leave Petition (C) (No. 21705 of 2006) before the Supreme Court of India against the said order of the Gujarat High Court. The Supreme Court vide order dated November 12, 2007 remanded the matter to the Appellate Tribunal for Foreign Exchange, New Delhi. The Appellate Tribunal for Foreign Exchange, New Delhi vide order dated February 25, 2008 upheld the order passed by the adjudicating authority imposing penalty of Rs.40.00 million on AEL and Rs. 20.00 million on Mr. Rajesh Adani and rejected the appeal. Aggrieved by the order dated February 25, 2008 passed by the Appellate Tribunal for Foreign Exchange, New Delhi, AEL and Mr. Rajesh S. Adani filed review applications no. 19/2008 and no. 20/2008, respectively before the Appellate Tribunal for Foreign Exchange, New Delhi for review of the said order. The said review applications was dismissed as withdrawn through order dated May 15, 2008. Further, the Company challenged the order no. 499/2005 dated February 25, 2008 through an appeal no. 2400/2008 before the High Court of Gujarat. The Company, further, filed an application no. 5936/2008 for stay of the operation and implementation of order dated February 25, 2008. The High Court through order dated May 12, 2008 stayed the operation of the order dated February 25, 2008. The appeal before the High Court is currently pending.

3. The Government of India has filed a special leave petition before the Supreme Court of India against a decision of the Gujarat High Court giving partial relief to AEL, which had challenged a notification of the Director General of Foreign Trade restricting the benefits available to 'status holders' under the special strategic package of the export import policy. AEL has also filed a special leave petition before the Supreme Court against the same decision of the Gujarat High Court. The matter is currently pending.

4. The Commissioner of Customs, Mumbai has issued a show cause notice (F. no. DRI/BZU/E/2/98 Pt. III/S/10-7/99 ADJN.ACC) dated April 20, 1999 to AEL and others, for the recovery of Rs. 3.7 million as customs duty for the import of goods, confiscation of the said imported goods and imposition of penalty. CESTAT, Mumbai has passed an order in favour of AEL. The department has subsequently filed an appeal before the Supreme Court of India. The matter is pending.

5. The Commissioner of Customs, Gujarat has issued a show cause notice (no.VIII/10- 14/Commr/98-APP) dated May 19, 1998 to Mahima Trading and Investment Private Limited and Vikshara Trading and Investment Private Limited, their raw material suppliers and exporters including AEL, in relation to export of certain items. As per the show-cause notice, AEL's liability under the show-cause notice has been determined to be Rs. 2.23 million. AEL has replied to the show-cause notice on November 30, 1998 and has denied any liability. The matter is currently pending.

6. The Commissioner of Customs and Central Excise, Goa has issued a show cause notice (F.o.S/99-34/98-AP/S/25-18/2003 AP) dated September 11, 2003 to AEL, Mr. Rajesh S. Adani, M/s. Pioneer Business Enterprises and others, under Section 28 and Section 124 of the Customs Act, 1962. The matter is currently pending before CESTAT. For further details, please see the section titled "Outstanding Litigation and Material Developments – Litigation involving Directors" on page 345 of this Red Herring Prospectus.

7. The Additional Director General, Directorate of Revenue Intelligence, Mumbai has issued a show-cause notice (F.No.DRI/AZU/INT-4/99-PT.IV) dated November 9, 2001 to AEL, Mr. Gautam S. Adani and others. The matter has been decided by CESTAT vide its order dated February 12, 2007, in favour of Mr. Gautam S. Adani and M/s. Adani Exports Limited. Against the said order, the department filed appeal (C.C. No.9348-9349/2007) before Supreme Court of India. The Supreme Court by its order dated October 1, 2007 condoned the delay and issued notice in the matter. For further details, please see "Outstanding Litigation and Material Developments – Litigation involving Directors" on page 345 of this Red Herring Prospectus.

8. The Enforcement Directorate, Bangalore had issued a show cause memorandum (No. T-4/41/BZ/BAN/2001(DD) (US)-FERA/ 2210) dated May 21, 2002 in relation to violation of provisions of the Foreign Exchange Regulation Act, 1973 to AEL, Mr. Rajesh S. Adani and Mr. Saurin Shah. The same was adjudicated by the Deputy Director, Enforcement Directorate by imposing a penalty. However, the same was set aside by the Appellate Tribunal and the matter has remanded to the Enforcement Directorate, Bangalore. The Deputy Director, Enforcement Directorate, Bangalore re-adjudicated the matter and through order dated March 25, 2008 imposed a penalty of Rs. 1.6 million on AEL and Rs. 0.075 million each on Mr. Rajesh S. Adani and Mr. Saurin Shah. Aggrieved by the order dated March 25, 2008 AEL filed an appeal before the Special Director (Appeals), CIT (Appeals) – V, Chennai. The matter is currently pending.

9. There are 11 cases pending against AEL before various forums such as CESTAT, Commissioner of Customs (Appeals), Deputy commissioner of Customs and Assistant Commissioner, in relation to the import and export of different items such as coal, raw silk, H. S. fuel oil, groundnut meal extraction, Indian rapeseed extraction meal, CD ROMS, fabrics and naphtha. The aggregate amount involved in the said cases is Rs. 21.41 million. The cases are currently pending.

10. Adani Enterprises Limited through a letter dated March 25, 2003, paid a penalty of Rs. 0.06 million under the SEBI Regularisation Scheme, 2002, in relation to regularisation of disclosures under Regulation 6 and 8 of the SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 1997, filed between 1998 and 2002.

11. The Special Director, Enforcement Directorate, Mumbai, has issued a Show Cause Notice (F.No.T-4/8/B/ SDE/KNR/2008) dated September 16, 2008 to Adani Exports Limited (now known as Adani Enterprises Limited), Mr. Gautam S. Adani, Mr. Rajesh S. Adani, Mr. Vasant S. Adani, alleging violation of FEMA by opening and investing in a Wholly Owned Subsidiary (“WOS”) without prior permission of the Reserve Bank of India. AEL and other parties have been issued show cause notices adjudicating proceedings under Section 13 of FEMA. AEL has been asked to repatriate the amount of USD 271,293 (equivalent to India Rs.1.35 Crores approx.) under the terms of Section 13(2) of FEMA. AEL and others filed their replies denying the allegations. The Special Director, Enforcement Directorate, Mumbai through order (No. ADJ/06/SDE/ KNR/2009/FEMA) dated May 11, 2009 adjudicated the said SCN, imposing an aggregate penalty of Rs. 41.00 million on the Company and an aggregate penalty of Rs. 10.25 million on Rajesh Adani. The said penalties are payable within 45 days from the date of receipt of order.

12. The Special Director, Enforcement Directorate, Mumbai, had issued an SCN (F.No.T-4/17-B/ SDE/KNR/2009) dated April 24, 2009 to the Company, Rajesh Adani (Managing Director of the Company) and others on the basis of complaint (No. t-3/53-B/2006/ArKS/AKP) dated March 31, 2009 under sub-section 3 of Section 16 of FEMA. The complaint inter alia pertains to the export of cut and polished diamonds by the Company and misuse of Export and Import Policy of the Government of India, in relation to such exports. The SCN states that the Company has contravened the provisions of Sections 3(a) and 4 of FEMA to the extent of USD 228.71 million and that various officials of the Company, including Rajesh Adani have contravened the provisions of Sections 3(a) and 4 of FEMA in terms of Section 42(1) of FEMA. The Company and other parties have been asked to show cause, within 30 days of receipt of the SCN, as to why adjudication proceedings under Section 16 of FEMA should not be held against them for contravention of the aforesaid provisions. The SCN is currently outstanding and the Company has not filed its reply as yet.

13. SEBI had filed a criminal complaint (no. CC 686/Misc/2004) against Adani Exports Limited (presently known as Adani Enterprises Limited), Adani Agro Limited, Adani Impex Limited, Shahi Property Developers Limited, Adani Properties Limited, Advance Exports, Inter Continental (India) (the “Accused Entities”) and Vinodbhai S. Adani Family Trust (represented by its trustees Mr. Vinod S. Adani and Ms. Ranjan V. Adani), Rajeshbhai S. Adani Family Trust (represented by its trustees Mr. Rajesh S. Adani and Ms. Shilin R. Adani), Vasantbhai S. Adani Family Trust (represented by its trustees Mr. Vasant S. Adani and Ms. Pushpa V. Adani) and Mahsukhbhai S. Adani Family Trust (represented by its trustees Mr. Mahsukh S. Adani and Ms. Suvarna M. Adani) (the “Accused Trusts”) (collectively, the “Accused”) in the Court of Additional Chief Metropolitan Magistrate, Mumbai. The criminal complaint was filed for the violation of various provisions of the SCRA and certain SEBI notifications. Pursuant to the criminal complaint the court of Special Judge for SEBI took cognizance of the complaint. The case was, thereafter, transferred to the Court of the Additional Chief Metropolitan Magistrate (the “Court”). Further, the Accused had submitted applications dated January 16, 2008 (the “Consent Applications”) before SEBI, for consent order in terms of the SEBI Circular no. EFD/ED/Cir-I/2007 dated April 20, 2007. Pursuant to the consent application and payment of Rs. 3 million to SEBI by the accused, the Court of Additional Chief Metropolitan Magistrate Court, Mumbai through order dated August 30, 2008 compounded the criminal case.

Litigation by Adani Enterprises Limited

1. AEL has filed a suit against the Oriental Insurance Company before the Civil Judge, Gandhidham seeking to recover Rs. 528 million on account of goods being destroyed in a cyclone. The matter is currently pending.

2. AEL has filed various complaints under Section 138 of the Negotiable Instruments Act, 1938 for the recovery of amounts aggregating Rs. 95.79 million.

3. AEL has filed an application before the High Court of Gujarat against the Government of Gujarat and the Chief Revenue Controlling Authority seeking the quashing of a show-cause notice issued by the Chief Revenue Controlling Authority dated January 5, 2007. The show cause notice is in relation to payment of stamp duty on a debenture trust deed dated July 7, 2000 between AEL and UTI Bank Limited. AEL has submitted that the stamp duty on the debenture trust deed was paid after adjudication by the Collector and Additional Superintendent of Stamps and that the show-cause notice is illegal as it is barred by limitation. The matter is currently pending.

4. AEL has filed an appeal before the Commissioner of Income Tax (Appeals), Ahmedabad against the order dated March 26, 2009 passed by the Assistant Commissioner of Income Tax (International Taxation), Ahmedabad under section 201 (1) and 201 (1A) read with section 195 of the Income Tax Act, 1961. The Assistant Commissioner of Income Tax (International Taxation) through the order dated March 26, 2009, adjudicated the show cause notice issued by the Income Tax Department against AEL in relation to non-deduction of tax at source on the interest paid to the holders of the Foreign Currency Convertible Bonds ("FCCB") issued by the Company and held the Company liable to pay an amount of Rs. 89.55 million consisting of Rs. 85.48 million being the amount of tax to be deducted on the amount of interest on FCCBs and Rs. 4.08 million being the interest on the said amount of tax. It, further, directed that separate proceedings against AEL be initiated under section 271 C for imposition of penalty on AEL for non-deduction of tax at source. The matter is currently pending.

5. AEL has filed a writ petition (no. 4114/2008) before the High Court of Madhya Pradesh, Jabalpur Bench against the State of Madhya Pradesh and the Commissioner of Income Tax, Madhya Pradesh challenging the constitutional validity of the Madhya Pradesh Sthaniya Kshetra Me Mal Ke Pravesh Par Kar Adhiniyam, 1976 ("MPA"). AEL has contended that MPA imposes tax on entry of goods into a local area and hence is direct and immediate impediment on the free movement of goods within the territory of India, thereby violating Article 301 of the Constitution of India. The Company has, *inter alia*, sought refund of the tax collected under MPA and has also sought stay of operation of the provisions of MPA pending disposal of the matter. The matter is currently pending.

6. AEL has filed a writ petition (no. 31297/2008) before the High Court of Karnataka, Circuit Bench at Dharwad, against the Union of India, the State of Karnataka, Karnataka State Coastal Zone Management Authority, Regional Director (Environment) Karwar, Director of Ports and Inland Water Transport, Baithkol, Karnataka State Pollution Control Board and Regional Director – Karnataka State Pollution Control Board. The writ petition has been filed by the Company against the order dated November 3, 2008 passed by Karnataka State Coastal Zone Management Authority, whereby AEL was directed to stop all its activities in Belekeri Port in Karnataka with immediate effect. AEL was carrying on export of iron and manganese ore at the Belekeri Port on a land leased by the Director of Ports and Inland Water Transport. The lease was extended for 30 years for the development of the port infrastructure and AEL had applied for clearance to the Karnataka State Pollution Control Board. AEL had complied with all the formalities and the authorities had extended the deadline for public hearing by four months. AEL has sought quashing of the order dated November 3, 2008 passed by Karnataka State Coastal Zone Management Authority. The matter is currently pending.

Contingent liabilities as on March 31, 2008

Particulars	Amount (In Rs. Million)
In respect of corporate guarantee given	
To companies under the same management	942.9
For obligations to other parties	1,199.1
Demand against the company not admitted as debts regarding sales tax against which appeals are pending	21.6
In respect of bank guarantees given to government agencies	74.8
Bills of Exchange discounted	10,429.0
In respect of partly paid shares	0

2. Gautam S. Adani

For details regarding litigation involving Gautam S. Adani, please see section titled "Outstanding Litigation and Material Developments – Litigation involving Directors" on page 345 of this Red Herring Prospectus.

3. Rajesh S. Adani

For details regarding litigation involving Rajesh S. Adani, please see section titled "Outstanding Litigation and Material Developments – Litigation involving Directors" on page 345 of this Red Herring Prospectus.

Litigation involving the Promoter Group

A. Promoter Group Companies

1. Aaloka Real Estate Private Limited

Litigation against Aaloka Real Estate Private Limited: Nil
Litigation by Aaloka Real Estate Private Limited: Nil
Contingent liabilities as on March 31, 2008: Nil

2. Adani Agri Fresh Limited

Litigation against Adani Agri Fresh Limited

A demand notice (no. AETC/CC-I (S.V.)) dated August 6, 2007 u/s 21 of HP Vat Act, 2005 read with Section 9(2) of CST Act 1956 has been issued against Adani Agri Fresh Limited ("AAFL) by Assistant Excise and Taxation Commissioner, Solan for penalties as under:

(a) Penalty u/s 10(a) of the CST Act of Rs. 40.59 million; and

(b) Penalty u/s 50(2) of the H. P. Vat Act of Rs. 40.60 million.

AAFL had purchased goods at concessional rate of tax without meeting the requirement of Section 8(3)(b) of Central Sales Tax, 1956 and hence the above penalty was imposed. AAFL appealed against the said order on September 5, 2007 before Additional Excise and Taxation Commissioner (South Zone), Simla and Rs. 10 million has been deposited against above demand on March 24, 2008 as per order of Additional Excise and Taxation Commissioner (South Zone), Simla. The matter is currently pending.

Litigation by Adani Agri Fresh Limited: Nil

Contingent liabilities as on March 31, 2008:

Particulars	Amount (In Rs. Million)	Amount for Previous Year (In Rs. Million)
Bank Guarantee	42.84	41.31
Estimated amount of Contracts remaining to be executed (net of advances) on capital Account and not provided for	Nil	239.80
Penalty under Section 10A of Central Sales Tax Act	40.60	-

3. Adani Agri Logistics Limited

Litigation against Adani Agri Logistics Limited: Nil

Litigation by Adani Agri Logistics Limited: Nil

Contingent liabilities as on March 31, 2008:
Guarantee: Rs.295.62 million
Estimated amount of unexecuted capital contracts: Rs. 691.11 million

4. Adani Agro Private Limited

Litigation against Adani Agro Private Limited

1. SEBI has filed a criminal complaint (CC 686/Misc/2004) against Adani Agro Private Limited and others before the Additional Chief Metropolitan Magistrate, Mumbai which has been disposed of. For further details, please see "Outstanding

Litigation and Material Developments – Litigation against Adani Enterprises Limited' on page 347 of this Red Herring Prospectus.

2. SEBI had issued a show cause notice (No. IVD/ID2/PKN/AEL/29865/05) dated January 3, 2005 and order (No. IVD/ID2/PKN/ADP/AEL/94635/2007) dated May 25, 2007 (the "Order") prohibiting the promoters of Adani Exports Limited (presently known as Adani Enterprises Limited) viz., Adani Agro Private Limited, Adani Impex Private Limited, Crown International, Shahi Property Developers Private Limited, Adani Properties Private Limited, Advance Exports and Intercontinental India (the "Prohibited Entities") from accessing securities market for a period of two years, for aiding and abetting Ketan Parekh entities in manipulating the scrip of Adani Exports Limited. The Prohibited Entities filed appeal (No. 82 of 2007) (the "Appeal") before SAT against the Order. Further, the Prohibited Entities submitted applications dated November 28, 2007 (the "Applications") for consent order in terms of the SEBI circular no. EFD/ED/Cir-I/2007 dated April 20, 2007. SEBI vide its letters dated April 17, 2008 (the "Consent Letters") had in principle agreed to settle the cases against Adani Impex Private Limited, Crown International, Shahi Property Developers Private Limited, Adani Properties Private Limited, Advance Exports and Intercontinental India on payment of Rs. 0.7 million each and against Adani Agro Private Limited on payment of Rs. 1.0 million towards settlement charges and Rs. 0.05 million each towards legal expenses. Accordingly, Adani Agro Private Limited, Crown International and Adani Properties Private Limited have deposited the amounts as proposed. SAT has also by its order dated April 24, 2008 approved the consent terms.

Litigation by Adani Agro Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

5. Adani Developers Private Limited

Litigation against Adani Developers Private Limited: Nil

Litigation by Adani Developers Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

6. Adani Energy Limited

Litigation against Adani Energy Limited

1. Adani Energy Limited and ASEAN LNG Trading Company ("ASEAN LNG") had entered into a master LNG sale and purchase agreement on August 2, 2006 for sale and purchase of LNG from time to time. The duration of the aforementioned agreement was three years. Each transaction between the parties was proposed to be described in subsequent confirmation notices. Subsequently on March 12, 2007 parties signed the confirmation notices for sale and purchase of four LNG cargoes to be delivered to Adani Energy Limited. It was further agreed to sign "delivery notices" before the dispatch of the cargoes. Deliver Notice was to contain mutual agreement on re-gasification (delivery) terminal, sulphur content in LNG and stand-by letter of credit (SBLC). As the re-gasification terminal was not available to Adani Energy Limited, the delivery notice was not signed. In absence of any delivery notice containing the above details prior to loading of cargo, the contract was rendered inconclusive and ineffective. ASEAN LNG has initiated Arbitration Proceedings on January 23, 2008 at London Court of International Arbitration, London (LCIA) against Adani Energy Limited claiming losses for an approximate amount of Rs. 4,000 million (USD 100 million) towards Adani Energy Limited's inability to receive the LNG cargoes as envisaged in the Master Agreement. The arbitration hearing at LICA is completed. The arbitration award has been decided against Adani Energy Limited through order dated June 25, 2009 and in terms thereof ASEAN LNG is entitled to take or pay liability payments and interest thereon.

2. Adani Energy Limited has claimed CENVAT Credit of Inputs, Capital Goods and input services, on excise duty on purchase goods and services tax paid on services availed, of which Rs. 31.5 million towards wrong availment on account of non registration of CNG stations. Adani Energy Limited received show-cause notice on December 24, 2007. Adani Energy Limited has filed the reply and the hearing has been held, subsequent whereto Adani Energy Limited received an order dated March 31, 2008 confirming the demand of Rs. 31.5 million, charging interest and levying penalty of Rs. 31.5 million. The company has reversed Rs. 31.5 million "under protest" and filed an appeal as well as a stay application against the said order dated March 31, 2008 before CESTAT, Ahmedabad. The CESTAT vide order dated September 11, 2008 dispensed with the condition of pre-deposit of penalty amount and allowed the stay application. The matter is currently pending with CESTAT for adjudication.

3. A show cause notice (No.STC/4-79/O&A/SCN/Adani/06-07) dated October 10, 2006 was issued by the Additional Commissioner of Customs and Service Tax, Ahmedabad to Adani Energy Limited, wherein it has been alleged that we have wrongly availed / taken service tax credit / CENVAT credit in respect of PNG and CNG sales. The Additional Commissioner vide order dated October 22, 2007 disallowed the CENVAT credit and confirmed the demand of Rs.49,07,865 being CENVAT credit wrongly availed and ordered that service tax amounting to Rs.30,12,133 already paid by Adani Energy Limited on August 21, 2006 be adjusted towards the said demand. It has also been ordered that the said demanded amount be paid with interest. Also, a penalty of Rs.200 for every day for each payment during the period of failure or at the rate of 2% of such taxes per month, whichever is higher, was imposed not exceeding Rs.49,07,865. Further, penalties of Rs.2,000 for contravention of CENVAT Credit Rules and Rs.98,15,730 for suppressing the value of taxable service on which service tax has not been paid and for not disclosing the value of taxable service with interest to evade payment of service tax, have been imposed. Against the said order dated October 22, 2007, Adani Energy Limited filed an appeal before the Commissioner of Customs (Appeals), Ahmedabad, who vide order dated September 23, 2008 rejected the appeal and upheld the order passed by the Additional Commissioner. Adani Energy Limited filed an appeal as well as stay application against the said order dated September 23, 2008 before CESTAT, Ahmedabad. CESTAT has granted a stay through order dated February 2, 2009. The matter is currently pending.

4. A show cause notice (F.No.IV/13-02/C.Ex/PI-III/07-08) dated May 22, 2008 was issued by the Commissioner of Central Excise, Ahmedabad-I, to Adani Energy Limited alleging wrong availment and utilisation of CENVAT credit. Adani Energy Limited has been asked to show cause (i) why the CENVAT credit amounts of Rs.1,63,76,707 and Rs.25,89,903 availed and utilised by them at Jamalpur and Maningar respectively, should not be recovered from them; (ii) why the CNG manufactured and cleared from the various premises without obtaining Central Excise registration, and capital goods and inputs on which CENVAT credit availed in contravention of CENVAT Credit Rules, should not be held liable for confiscation; and (ii) why interest should not be demanded and penalty should not be imposed on them. The Commissioner of Central Excise, Ahmedabad I, vide order (OIO No.180 /Commissioner /2008) dated October 29, 2008 ordered to recover Rs.1,63,76,707 and Rs.25,89,903, confiscation of capital goods and also imposed penalties of Rs.1,63,76,707, Rs.25,89,903 and Rs.20,00,000, and also imposed penalty of Rs.5,00,000 on Mr. Dharmesh A. Parekh of Adani Energy Limited. Adani Energy Limited has filed an appeal against the said order before CESTAT, Ahmedabad. The matter is currently pending. The CESTAT through order dated April 15, 2009 remanded the matter to the adjudicating authority for fresh adjudication. Consequently, the demand stands annulled and the matter is pending for adjudication.

5. Career Launcher (I) Limited has filed a writ petition (no. 3281 of 2008) before the High Court of Punjab and Haryana against Haryana Urban Development Authority (“HUDA”), Adani Energy Limited and others alleging arbitrary allotment of institutional plots at sector 20A and sector 20B, in Faridabad. Adani Energy Limited was allotted institutional plot by HUDA through a public institutional process. The matter is currently pending.

6. Additional Commissioner of Central Excise, Ahmedabad-II has issued a show cause notice (no. V27/15-06/OA/2009) to Adani Energy Limited alleging wrong availment of credit of Rs. 4.52 million on the input services used at CNG stations which are not registered with Central Excise. The CNG stations were attached to Memco CNG station which was registered with the Central Excise. The application filed by Adani Energy Limited for a centralized registration was pending with the Excise Department at the time of issuance of the show cause notice. Adani Energy Limited is in the process of preparing a reply to the show cause notice.

7. Certain bus operators of Ahmedabad Municipal Transport Service have filed three suits before the City Civil Court, Bhadra against Adani Energy Limited. The suits have been filed seeking an order directing Adani Energy Limited to permit the plaintiffs to fill CNG on cash payment basis. Adani Energy had stopped the supply of CNG to the plaintiffs on the ground of delayed payment. The matters are currently pending.

Litigation by Adani Energy Limited

1. Adani Energy Limited has filed a case (complaint No.122/08 dated January 24, 2008) u/s 138 of the Negotiable Instruments Act, 1881 against ‘M/s Shrjee Travels and its partners (AMC Bus Operator) for recovery of outstanding dues of Rs. 0.44 million before the Metropolitan Court, Gheekanta, Ahmedabad. The case is currently pending.

2. Adani Energy Limited has filed a case against Union of India before Supreme Court of India (WP No. 13029 dated January 15, 20008) for connectivity of natural gas at Faridabad and Noida. The Supreme Court has passed an interim order in favour of the company for connectivity at Faridabad on April 4, 2008. Further, Supreme Court has passed an order on

January 9, 2009 directing to commence gas to the Adani Energy Limited immediately for Faridabad. The case for Noida is currently pending

3. Adani Energy Limited has filed 38 cases against its customers under section 138 of the Negotiable Instruments Act, 1881 as the cheques issued by the customers for payment of outstanding dues to Adani Energy Limited were dishonoured. The matters are currently pending.

4. Adani Energy Limited has filed a complaint (no. 1974 of 2009) before the Metropolitan Court, Gheekanta, Ahmedabad against Pratibha Transportation Private Limited for recovery of outstanding dues. The amount involved in the matter is Rs. 48,000. The matter is currently pending.

Contingent liabilities as on March 31, 2008:

Particulars	Amount (In Rs. Million)
Claims against the company not acknowledged as debts	4,000.37
In respect of corporate guarantee given To companies under the same management For obligations to other parties	 0 0
Demand against the company not admitted as debts regarding sales tax against which appeals are pending	0
In respect of bank guarantees given to government agencies	0
Bills of Exchange discounted	0
In respect of partly paid shares	0
Estimated amount of contracts remaining to be executed and not provided for	340.14

7. Adani Estates Private Limited

Litigation against Adani Estates Private Limited: Nil

Litigation by Adani Estates Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

8. Adani Global FZE

Litigation against Adani Global FZE: Nil

Litigation by Adani Global FZE: Nil

Contingent liabilities as on March 31, 2007:

Bankers Letter of Guarantees: Rs. 6.2 million

Unutilized balances of commercial letters of credit: Rs. 942.3 million

9. Adani Global Limited

Litigation against Adani Global Limited: Nil

Litigation by Adani Global Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

10. Adani Global PTE Limited

Litigation involving Adani Global PTE Limited: Nil

Litigation by Adani Global PTE Limited: Nil

Contingent liabilities as on March 31, 2008:

Letter of credit: Rs. 3496.5 million

Bankers Guarantee: Rs. 284.4 million

11. Adani Infrastructure and Developers Private Limited

Litigation against Adani Infrastructure and Developers Private Limited: Nil

Litigation by Adani Infrastructure and Developers Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

12. Adani Infrastructure Services Private Limited

Litigation against Adani Infrastructure Services Private Limited: Nil

Litigation by Adani Infrastructure Services Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

13. Adani Land Developers Private Limited

Litigation against Adani Land Developers Private Limited: Nil

Litigation by Adani Land Developers Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

14. Adani Landscapes Private Limited

Litigation against Adani Landscapes Private Limited: Nil

Litigation by Adani Landscapes Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

15. Adani Mining Private Limited

Litigation against Adani Mining Private Limited: Nil

Litigation by Adani Mining Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

16. Adani Mundra SEZ Infrastructure Private Limited

Litigation against Adani Mundra SEZ Infrastructure Private Limited: Nil

Litigation by Adani Mundra SEZ Infrastructure Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

17. Adani Petronet (Dahej) Port Private Limited

Litigation against Adani Petronet (Dahej) Port Private Limited: Nil

Litigation by Adani Petronet (Dahej) Port Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

18. Adani Properties Private Limited

Litigation against Adani Properties Private Limited

1. SEBI has filed a criminal complaint (CC 686/Misc/2004) against Adani Properties Private Limited and others before the Additional Chief Metropolitan Magistrate, Mumbai which has been disposed of. For further details, please see "Outstanding Litigation and Material Developments – Litigation against Adani Enterprises Limited' on page 347 of this Red Herring Prospectus.

2. SEBI had issued a show cause notice (No. IVD/ID2/PKN/AEL/29865) dated January 3, 2005 and passed an order (No IVD/ID2/PKN/ADP/AEL/94635/2007) dated May 25, 2007 against Adani Properties Private Limited and others. Against the said order of SEBI, an appeal was filed before SAT. The matter has been settled pursuant to the order of SAT dated April 24, 2008. For further details, please see "Outstanding Litigation and Material Developments – Litigation against Adani Agro Private Limited" on page 351 of this Red Herring Prospectus.

Litigation against Adani Properties Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

19. Adani Retail Private Limited

Litigation against Adani Retail Private Limited: Nil

Litigation by Adani Retail Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

20. Adani Shipping PTE Limited

Litigation against Adani Shipping PTE Limited: Nil

Litigation by Adani Shipping PTE Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

21. Adani Shipyard Private Limited

Litigation against Adani Shipyard Private Limited: Nil

Litigation by Adani Shipyard Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

22. Adani Virginia, Inc.

Litigation against Adani Virginia Inc.: Nil

Litigation by Adani Virginia Inc.: Nil

Contingent liabilities as on March 31, 2008: Nil

23. Adani Welspun Exploration Limited

Litigation against Adani Welspun Exploration Limited: Nil

Litigation by Adani Welspun Exploration Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

24. Adani Wilmar Limited

Litigation against Adani Wilmar Limited

1. Adani Wilmar Limited ("AWL") imported Bentonite Clay (91.080 MT) and filed bills of entry classifying the same under customs tariff heading 2508.10 A show cause notice was issued by the Deputy Commissioner of Customs, Kandla, wherein the department classified the said imported goods under Customs Tariff Heading No. 3802.90 and called upon AWL to explain as to why the short levy duty of Rs. 1.15 Million should not be recovered from them. The Deputy Commissioner of Customs through order dated February 16, 2004 confirmed the duty demand along with interest. AWL

filed appeal before the Commissioner of Customs (Appeals), Ahmedabad, who through order (no. OIA No. 150/2005 (150-KDL)Cus/Commr(A)/AHD) dated May 16, 2005 rejected the appeal. Thereafter, an appeal was before CESTAT, Mumbai. The CESTAT through its order (S/229/WZB/05. C.IV (CSTB)) dated November 16, 2005 directed the company to deposit a sum of Rs. 0.50 million and on compliance of the said direction pre-deposit of the balance amount shall be waived during the pendency of appeal. AWL has deposited the said amount of Rs. 0.50 million. The CESTAT through its order (no.M/121 to 135/WZB/AHD/2009) dated January 29, 2009 extended the validity of the stay order. The matter is currently pending.

2. A show cause notice was issued to AWL by the Additional Director General, DRI, in connection with clearance of imported consignment of Crude Palm Oil by availing the facility of DEPB Licences / TRAs. It has been alleged in the show cause notice that AWL has utilised an excess credit of Rs. 4.46 million in respect of 12 DEPB Licences used for clearance of the imported consignment, violating conditions of Policy Circular No.26(RE-99) dated August 9, 1999. The Commissioner of Customs, Jamnagar through order (no. OIO No. 02/COMMR/2006) dated January 31, 2006 confirmed the duty demand of Rs.4.46 Million with interest, ordered appropriation from Rs.4.01 Million and Rs.0.66 Million paid by AWL under protest at the time of provisional release of the imported consignment and imposed redemption fine of Rs.0.90 Million on AWL. AWL filed an appeal before CESTAT, Mumbai. The CESTAT through its order (no. S/479, 480/WZB/2006-C.II (CSTB)) dated June 15, 2006 dispensed with the condition of pre-deposit of the balance amount of duty and entire amount of penalty. The CESTAT through its order (no.M/121 to 135/WZB/AHD/2009) dated January 29, 2009 extended the validity of the stay order. The matter is currently pending.

3. The Joint Commissioner of Customs (Preventive), Jamnagar issued a show cause notice to AWL, wherein it has been alleged that AWL had produced forged Release Advice and used the same for the clearance of imported consignments of Crude Palmolein and Crude Soyabean Oil, without payment of customs duty. AWL has been asked to show cause, inter alia, why customs duty of Rs.0.74 should not be recovered from them with interest and an equal penalty should not be imposed on them. The Joint Commissioner vide order dated December 30, 2005 confirmed the duty demand of Rs.0.74, and imposed redemption fine of Rs.0.15 Million on AWL. AWL filed appeal as well as stay application against the said order before the Commissioner of Customs (Appeals), Kandla, who vide stay order dated June 9, 2006 directed AWL to deposit a sum of Rs. 0.20 million out of the penalty imposed on them, which was deposited by AWL. The Commissioner of Customs (Appeals), Kandla vide order in appeal dated August 31, 2006 duty demand, penalty and reduced the quantum of redemption fine to Rs. 0.05 million. On the appeal and stay application filed by AWL before the CESTAT, the CESTAT through its orders (no.M/1408/WZB/AHD/07 and M/1347/WZB/AHD/07) dated December 4, 2007 dispensed with the condition of pre-deposit of balance amount of duty and penalty as AWL had already deposited a sum of Rs. 0.20 million. The matter is currently pending.

4. The Joint Commissioner, Customs, Chennai vide its order dated June 15, 2005 imposed redemption fine of Rs. 0.45 million and penalty of Rs. 0.22 million on AWL for not complying with the PFA standards while importing 43.47 HVO. This order was confirmed by the Commissioner of Customs (Appeals), Chennai vide order dated February 20, 2006. Aggrieved by the said order, AWL filed an appeal before CESTAT, Chennai. CESTAT vide its order dated April 11, 2008 reduced the redemption fine to Rs. 0.15 million. Since AWL has paid the redemption as well as penalty amounts pursuant to the order of the Joint Commissioner, the matter is currently pending for refund of the balance amount.

5. AWL imported three consignments of cargo declaring them as Hydrogenated Vegetable Oil (HVO) and classified the same under CTH 15 16 20 91. The Additional Director General, DRI, issued a show cause notice wherein it has been alleged that the consignments imported by AWL are Refined Palm Oil falling under CTH 15 11 90 90, which attracts the basic duty of 90% and 2% education cess. Hence, AWL has been asked to show cause, *inter alia*, as to why the consignments imported by them and cleared / sought to be cleared under CTH 15 16 20 91 should not be changed to CTH 15 11 90 90 and assessed accordingly, why differential duty with interest should not be demanded and penalty should not be imposed on them. The Commissioner of Customs (Kandla) confirmed the show cause notice, inter alia, by ordering recovery of differential duty of Rs.173.19 Million with interest and penalty of Rs. 173.19 million. AWL filed an appeal before the CESTAT, Ahmedabad, which vide order (no. A/897-898/WZB/AHD/08) dated July 7, 2007 set aside the order and allowed the appeal filed by AWL. Against the said order of the CESTAT, Ahmedabad, a civil appeal (no. D24841 of 2008) has been filed before the Supreme Court which has been admitted vide order dated December 3, 2008. The appeal is pending.

6. AWL has imported a consignment of 19605.064 MTs of crude Soya bean oil @ USD 310 PMT. AWL filed Bill of Entry for home consumption for 12000 MTS and the balance quantity was sold to various parties on high seas basis. On the basis

of contemporaneous imports, the Customs department wanted to enhance the value of said imported consignment to US$ 425 PMT. A show cause notice (F. No B/E. F-706/18.09.01/IMP/DSBO) dated September 25, 2002) has been issued to AWL by the Superintendent of Customs, GAPL, Mundra answerable to the Deputy Commissioner of Customs, GAPL, Mundra. AWL has filed its reply. The matter is currently pending.

7. The Assistant Commissioner of Customs, GAPL, Mundra, has issued a less charge demand notice (F.NO. B/E. No. 1312/ 08.01.04) dated October 1, 2004 asking AWL to pay an amount of Rs. 2.30 million along with interest at the rate of 15%, as one of the RA produced by AWL for clearance of 1000 MTs of Crude Palm Oil, issued from DEPB Licence No.0310234856 issued to M/s. Amal Limited, Mumbai is forged. AWL has filed its reply to the notice. The matter is currently pending.

8. The Commissioner of Customs (Appeals), Jamnagar, through order (no. OIA No. 134 to 146/JMN/2005) dated July 27, 2005 had set aside the refund received by AWL towards the difference in quantity of ullage survey and shore out turn report and directed the lower authority to provide with the final assessment order and finally assess the bills of entry. Aggrieved by this order, AWL filed an appeal with CESTAT, Mumbai. The CESTAT, Ahmedabad vide order dated February 4, 2009 upheld the order of Commissioner of Customs (Appeals), with directions to serve a copy of the assessed the bills of entry to AWL. AWL filed an application for rectification of mistake before CESTAT, Ahmedabad. The matter is currently pending.

9. The Deputy Commissioner of Customs, GAPL, Mundra has issued an order (F.No. B/E. No. F-385/24.06.04) dated June 24, 2004 against AWL regarding the finalisation of bill of entry for 1000 Mt. crude sunflower seed oil. AWL has filed the reply. The aggregate amount involved is Rs. 0.30 million and the matter is currently pending for hearing.

10. The Deputy Commissioner, Commercial Tax, Ghaziabad, assessed bakery shortening as raw material of bakery items, whereas AWL had cleared the same as Vanaspati, for the assessment year 2004-2005 and 2005-2006. The amount involved is Rs. 12.4 million out of which AWL has deposited a sum of Rs. 1.10 million. AWL has filed an appeal before the Joint Commissioner (Appeal). The appeal is pending.

11. The Additional Director General, DRI, New Delhi, has issued a show cause notice (DRI F. No. 856 (23) LDH/2006/Pt/2495) dated November 10, 2008 in connection with DEPB licences issued to Regular Traders and Regular Exports, wherein AWL has been made party. It has been alleged that the DEPBs were obtained fraudulently by Regular Traders and Regular Exports. AWL has been asked to show cause to the Commissioner of Customs, Kandla, as to why the customs duties amounting to Rs.0.45 Million and Rs.0.33 Million in respect of bills of entry filed by them against DEPB Scrips Nos.3010036022 and 3010036005 by debiting DEPB scrips, obtained fraudulently, should not be demanded and why the goods imported against the said DEPB scrips should not be held liable for confiscation and why penalty should not be imposed on them. AWL has filed the reply on January 28, 2009 and the matter is pending for hearing.

12. The Assistant Commissioner of Customs (Audit), MPSEZ, Mundra, has issued a less-charge demand cum show cause notice (F. No. BE/872/03.01.2001) dated October 14, 2008 against AWL. AWL had filed a bill of entry no. 872 dated January 3, 2001 for import of 500 MTs of sunflower seed oil (edible grade) under Tariff Heading No. 1512.19 claiming concessional rate of duty under notification no. 142 of 2000 dated November 21, 2000 and paid custom duty at a rate of 35%. It has been alleged that AWL has wrongly availed the benefit of notification no. 88/2000-CUS dated June 12, 2000 and that the said goods shall be classified under Sr. no. 28 which attracts a duty at the rate of 45%. An amount of Rs. 0.79 million has been demanded. AWL has filed the reply and attended the hearings and the matter is pending for order.

Litigation by Adani Wilmar Limited:

1. AWL has filed a suit (O.S. No.148/07) along with an interim application (I.A. No.180/07) before the Court of Additional Senior Civil Judge, Kurnool. The suit has been filed to prohibit the defendant from disconnecting electricity services to AWL at Tungabhadra, pursuant to the notice dated February 29, 2007 issued by the defendant asking AWL to pay consumption deposit of Rs. 5.46 million with an interest of Rs. 0.87 million within 15 days of the notice. The court vide order dated April 2, 2007 granted ad-interim injunction to AWL prohibiting disconnection of the electricity service of AWL at Tungabhadra. The amount involved is Rs. 6.36 million. The matter is currently pending.

Contingent liabilities as on March 31, 2009

Contingent liabilities not provided for -

a) The company has imported plant and machinery for their Refinery Project under EPCG Scheme for which:

(i) Export Obligation though completed but procedural relinquishment are pending before DGFT: Nil (Previous Year Rs. 1.47 million) and of Rs. 23.99 million before Customs (Previous Year Rs. 5.59 million),

(ii) Export Obligation of Rs. 82.06 million (Previous Year Rs. 18.40 million) is pending which is equivalent to 8 times of duty saved Rs. 10.26 million (Previous Year Rs. 2.30 million) for which export to be made in 8 years.

b) Bank Guarantees Favouring.

Customs against disputed custom duty Rs. 234.24 million

Customs against EPCG obligation Rs. 0.60 million

WBSEB Rs. 7.36 million

Sales Tax Rs. 1.14 million

c) Letter of Credit

Secured by hypothecation of tangible movable assets (both present and future) and a second charge on all immovable Properties (both present and future): Rs. 808.00 million

d) Foreign bill discounting: Nil

e) The Disputed Custom Duty (gross) is Rs. 444.70 million. After deduction of Bank Guarantee given {net of BG given to custom department shown in (b)} of Rs. 234.24 million, the net amount is Rs. 210.46 million.

f) Other Disputed matters:

Sales Tax Rs. 11.34 million

Electricity (APCPDCL) Rs. 6.36 million

Labour Act: Nil

Service Tax: Nil

Income Tax: Rs. 2.78 million

25. Assets Trade & Investments Private Limited

Litigation against Assets Trade and Investments Private Limited: Nil

Litigation by Assets Trade and Investments Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

26. B2B India Private Limited

Litigation against B2B India Private Limited: Nil

Litigation by B2B India Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

27. Belvedere Golf And Country Club Private Limited

Litigation against Belvedere Golf And Country Club Private Limited: Nil

Litigation by Belvedere Golf And Country Club Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

28. Chemoil Adani Private Limited

Litigation against Chemoil Adani Private Limited: Nil

Litigation by Chemoil Adani Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

29. Chemoil Adani PTE Limited

Litigation against Chemoil Adani PTE Limited: Nil

Litigation by Chemoil Adani PTE Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

30. Columbia Chrome (India) Private Limited

Litigation against Columbia Chrome (India) Private Limited: Nil

Litigation by Columbia Chrome (India) Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

31. Concord Trade and Investment Private Limited

Litigation against Concord Trade and Investment Private Limited: Nil

Litigation by Concord Trade and Investment Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

32. Inland Conware Private Limited

Litigation against Inland Conware Private Limited: Nil

Litigation by inland Conware Private Limited: Nil

Contingent liabilities as on March 31, 2008:

Estimated amount of unexecuted capital contracts: Rs. 235.3 million.

Bank guarantee : Rs. 0.1 million.

Adani Logistics Limited and Inland Conware (Ludhiana) Private Limited were amalgamated into ICPL. For further details, please see "Our Promoter Group" on page 158 of this Red Herring Prospectus. There is no litigation outstanding against Inland Conware (Ludhiana) Limited. The details of litigation against Adani Logistics Limited is as follows:

Litigation against Adani Logistics Limited

Container Corporation of India has filed a suit against Mr. A K Kohli, Mr. Gautam S. Adani and Adani Logistics Limited. For further details, please see "Outstanding Litigation and Material Developments – Litigation against Mr. Gautam S. Adani' on page 345 of this Red Herring Prospectus.

Litigation by Adani Logistics Limited: Nil

Contingent liabilities as on March 31, 2008:

Unredeemed bank guarantees: Rs. 2.6 million

Letter of credit outstanding: Rs. 106.3 million

33. Jade Agri Land Private Limited

Litigation against Jade Agri Land Private Limited: Nil

Litigation by Jade Agri Land Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

34. Jade Agricultural Company Private Limited

Litigation against Jade Agriculture Company Private Limited: Nil

Litigation by Jade Agriculture Company Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

35. Jade Food & Properties Private Limited

Litigation against Jade Food and Properties Private Limited: Nil

Litigation by Jade Food and Properties Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

36. Karnavati Aviation Private Limited (previously Gujarat Adani Aviation Private Limited)

Litigation against Karnavati Aviation Private Limited (previously Gujarat Adani Aviation Private Limited):

1. The Commissioner of Customs, Ahmedabad has issued a show cause notice (F.No: VIII/48-03/Cus/SIIB/09) dated February 27, 2009 to Karnavati Aviation Private Limited ("KAPL") , Brig. S. S. Bhatti, Director of KAPL, Mr. K. Venugopal, Director of KAPL, Mr. Gautam S. Adani, Chairman and Managing Director of Mundra Port and Special Economic Zone Limited ("MPSEZL"), Mr. Rajesh S. Adani, Director of MPSEZL, Mr. Anurag Mathur, Manager (Aviation- Operations) of KAPL and MPSEZL, in connection with import of an aircraft, viz. Hawker 850 XP. KAPL has been asked to show cause as to (i) why the imported aircraft should not be confiscated under Section 111(d) and 111(o) of the Customs Act, 1962; (ii) since the aircraft has been released provisionally, why redemption fine in lieu of confiscation should not be imposed under Section 125 of the Custom Act, 1962 and in terms of the bond furnished at the time of provisional release; (iii) why the customs duty amounting to Rs.14,67,15,486 may not be demanded and recovered under proviso to Section 28 of Customs Act, 1962, and the interest under Section 28AB should not be charged and recovered; (iv) why penalty under Section 112(a) and Section 114A read with Section 140 of the Customs Act, 1962 should not be imposed; and (v) why the bond furnished for provisional release of the aircraft should not be invoked and be appropriated and recovered / adjusted against the abovementioned demand of custom duty and interest. The show cause notice directed that reply be filed within 30 days of the receipt of the show cause notice. KAPL has filed its reply to the show cause notice on April 21, 2009. The matter is currently pending.

Litigation by Gujarat Adani Aviation Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

37. Lushgreen Landscapes Private Limited

Litigation against Lushgreen Landscapes Private Limited: Nil

Litigation by Lushgreen Landscapes Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

38. Miraj Impex Private Limited

Litigation against Miraj Impex Private Limited: Nil

Litigation by Miraj Impex Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

39. MPSEZ Utilities Private Limited

Litigation against MPSEZ Utilities Private Limited: Nil

Litigation by MPSEZ Utilities Private Limited:

MPSEZL and Mundra SEZ Textile and Apparel Park Private Limited, Adani Mundra SEZ Infrastructure Private Limited, MPSEZ Utilities Private Limited have filed a Special Civil Application (No.9792 of 2008) before High Court of Gujarat against Union of India and others, challenging the Circular No.6/2/2008 dated June 30, 2008 issued by the Director, Department of Commerce (SEZ Section), Ministry of Commerce and Industry and the levy of export duty pursuant thereto on iron and steel products. Interim relief sought by MPSEZL has been granted by the High Court. The matter is currently pending.

Contingent liabilities as on March 31, 2008: Nil

40. Mundra Port and Special Economic Zone Limited

Litigation against Mundra Port and Special Economic Zone Limited ("MPSEZL")

1. The Commissioner of Customs (Preventive) Jamnagar has issued a show cause notice dated July 29, 2005 to MPSEZL (erstwhile Gujarat Adani Port Limited) for recovery of customs duty amounting to Rs. 20.71 million and penalty on the import of a tug and bunkers by MPSEZL. MPSEZL has filed its reply and has denied the allegations. The Commissioner of Customs, Kandla vide order dated December 31, 2007 confirmed the demands of Customs duties of Rs. 10.29 million and Rs.10.41 million on Gujarat Adani Port Limited and imposed fine of Rs.3.5 million and penalty of Rs. 20.71 million on Gujarat Adani Port Limited. The Commissioner has also imposed penalty of Rs. 0.1 million each on Mr. Debasis Mitra, Mr. Dinesh Bansal, Mr. Anil K. Singh and Mr. Kinthada Vara Venkata Prasad. MPSEZL has filed appeal before CESTAT, Ahmedabad, against the said order of the Commissioner of Customs, Kandla. The CESTAT vide order dated September 23, 2008 dispensed with the condition of pre-deposit of duty and entire penalty amounts. The appeal is currently pending.

2. The Assistant Commissioner of Customs, Mundra by his letter dated March 21, 2003 has asked MPSEZL to pay customs duty amounting to Rs. 1.42 million on 73.159 MTs of Acrylonitrile. The Assistant Commissioner of Customs further issued a show-cause notice dated July 3, 2003 asking MPSEZL to explain as to why customs duty on 73.159 MTs of Acrylonitrile should not be recovered as per the provisions of the Customs Act, 1962. The matter is currently pending for hearing.

3. The Additional Director General, Directorate of Revenue, Intelligence, Ahmedabad issued a show-cause notice dated November 4, 2004 asking MPSEZL as to why Rs. 2.66 million should not be demanded and recovered from it as customs duty on 457.54 MTs of crude petroleum oil. The Commissioner of Customs (Preventive), Jamnagar by his order dated December 27, 2005 confirmed the demand for duty. MPSEZL has filed an appeal against the said order before the Customs, Excise and Service Tax Appellate Tribunal, Mumbai. In the meanwhile, MPSEZL along with the importers filed an application before the Tribunal and the Tribunal by its order dated September 6, 2006 held that the duty and penalties imposed on MPSEZL is not maintainable and must be waived. The appeal is currently pending.

4. 17 show-cause notices dated December 1, 2006 were issued asking MPSEZL to pay duty as it was involved in the short delivery of goods and quantity to the 17 importers, for whom MPSEZL had been appointed as the custodian. The Joint Commissioner of Customs by his order dated March 31, 2007 decided the 17 show causes by a common order and confirmed the demand for differential duty amounting to Rs. 0.24 million. MPSEZL has filed an appeal with the Commissioner of Customs (Appeals), Ahmedabad dated June 3, 2007. The Commissioner of Customs (Appeals), Ahmedabad passed an ex-parte stay order dated March 12, 2008 directing MPSEZL to deposit 50% of duty, interest and penalty involved. MPSEZL has filed an application before the Commissioner of Customs (Appeals), Ahmedabad for modification of the said ex-parte stay order, which is currently pending.

5. 31 show-cause notices dated September 1, 2006 were issued to MPSEZL under Section 17 of the Customs Act, 1962. The Joint Commissioner of Customs passed an order dated January 31, 2007 and imposed a penalty of Rs. 0.05 million in respect of the 31 show cause notices. An appeal was filed against the said order before the Commissioner of Customs (Appeals), who vide an ex-parte order dated March 17, 2008 by rejected the appeal filed by MPSEZL. MPSEZL filed an appeal against the said ex-parte order before CESTAT, Ahmedabad, who vide order dated July 3, 2008 remanded the matter to the Commissioner of Customs (Appeals), with directions not to insist upon any further pre-deposit and complete the proceedings after observing principles of natural justice. The matter is currently pending.

6. Three 'less charge' demand notices bearing number F.NO.VII/48-07/CRA/MP and SEZ/2006 dated December 7, 2006 were issued directing the cash-remittance of Rs. 0.098 million, Rs. 0.29 million and Rs. 0.057 million towards education cess against import of steel sole plates by MPSEZL. A reply to the above mentioned notices was filed with the Deputy Commissioner of Customs, Mundra on 29 May, 2007. The matter is currently pending.

7. Show-cause notice dated January 3, 2008 issued by Assistant Commissioner Of Customs, Air Cargo Complex, Old Airport, Ahmedabad with respect to import of parts of dredger by MPSEZL stating that the classification made by MPSEZL is incorrect and thereby benefit under the notification no. 21/2002 is not available to MPSEZL and hence demanded a differential duty of Rs. 0.12 million. MPSEZL filed its reply on February 13, 2008. The Deputy Commissioner of Customs, Air Cargo Complex vide order dated February 28, 2009 confirmed the demand of differential duty of Rs.0.12 million. MPSEZL has filed an appeal before the Commissioner of Customs (Appeals), Ahmedabad against the order dated February 28, 2009. The matter is currently pending.

8. A show cause notice (no. VST/AR G.dham/commr/ 140/2007) dated November 2, 2007 has been issued by Commissioner, Customs and Central Excise, Rajkot against incorrect availment of CENVAT Credit on Steel, Cement, Air Conditioner, CHA Services, Rent-A-Cab, Mobile Phone, Surveyors Services and other inputs and services during the period October, 2006 to March, 2007 by MPSEZL and have demanded a differential duty amounting Rs. 1.40 million. MPSEZL has replied to the show-cause notice on January 7, 2008. The matter is currently pending.

9. A show cause notice dated August 2, 2007 issued by the Deputy Commissioner of Customs, Mundra, with respect to import of second hand equipments on re-export basis. The departments alleged that MPSEZL contravened the provisions of DFCEC Scheme and that the benefit of exemption as availed under notification no. 54/2003 dated April 1, 2003 is not admissible, and demanded duty amounting to Rs. 2,503,414. The matter is currently pending.

10. The Commissioner of Central Excise and Customs, Rajkot, issued two show cause notices dated April 17, 2006 and April 13, 2007 to MPSEZL, alleging wrong availment and utilisation of Service Tax Credit/ Cenvat Credit and Education Cess. The said show cause notices were adjudicated by the Commissioner of Central Excise and Customs vide common order dated July 26, 2007 by disallowing the credit of Rs. 127,933,722 and imposing the penalty of Rs.12,79,33,722 and also ordered to charge and recover interest. Against the said order, MPSEZL filed appeal before CESTAT, Ahmedabad, who vide orders dated May 8, 2008 and September 30, 2008 partly allowed the appeal, i.e., out of total credit of duty of Rs.127.93 millions, Rs.112.16 millions has been disallowed and penalty of Rs.127.93 millions has been set aside. MPSEZL filed appeal before High Court of Gujarat against the said order of CESTAT, Ahmedabad. Both MPSEZL and the Customs department have filed application for rectification of mistake before CESTAT, Ahmedabad in the matter. The matter is currently pending.

11. The Additional Commissioner of Central Excise and Customs, Rajkot, issued a show cause notice dated April 18, 2006 to MPSEZL, alleging wrong availment and utilisation of Service Tax Credit/ Cenvat Credit and Education Cess. The said show cause notice was adjudicated by the Additional Commissioner of Central Excise and Customs vide order dated June 25, 2007 by disallowing the credit of Rs. 27,86,654 and imposing the penalty of Rs. 27,86,654 and also ordered to charge and recover interest. Against the said order, MPSEZL filed appeal before the Commissioner of Central Excise (Appeals), Rajkot. The matter is currently pending.

12. The Commissioner of Central Excise and Customs, Rajkot, issued a show cause notice dated October 19, 2007 to MPSEZL, alleging wrong availment and utilisation of Service Tax Credit/ Cenvat Credit and Education Cess. Hence, MPSEZL has been asked to show cause why the wrongly availed and utilised CENVAT credit/ service tax credit and education cess amounting to Rs.10,76,71,396 should not be disallowed and recovered from them and interest at appropriate rate should not be recovered and penalty should not be imposed on them. MPSEZL filed its reply and attended the personal hearing. The matter is currently pending.

13. Show cause notice (no.IV/15-99/ST/ADJ/2008) dated April, 2006 has been issued by the Deputy Commissioner of Service Tax, Rajkot alleging wrong availment of CENVAT Credit on input services by MPSEZL. The said show cause notice was adjudicated by the Assistant Commissioner of Service Tax, Rajkot, vide order dated October 10, 2007 by disallowing the credit of Rs.35,561 and imposed penalty of Rs.35,561 and also ordered to charge and recover the interest. MPSEZL filed appeal against the said order before the Commissioner (Appeals). The matter is currently pending.

14. Show cause notice (no.VST/AR-G.nd/15-120/Commr./2008) dated October 14, 2008 has been issued by the Commissioner of Customs and Central Excise, Rajkot alleging wrong availment of CENVAT Credit/ Service tax credit on input services by MPSEZL. MPSEZL has been asked to show cause why the wrongly availed and utilised Service Tax Credit / CENVAT credit of Rs.189.15 millions should not be disallowed and recovered with interest and penalty should not be imposed on them. The matter is currently pending.

15. Maheshwari Handling Agency Private Limited (“MHAPL”) has filed a civil suit in the Court of Civil Judge (Senior Division), Gandhidham against the MPSEZL for recovery of damages caused to its machinery in an earthquake. The amount claimed against MPSEZL is Rs. 3.71 million. MPSEZL has filed the written statement and the suit is currently pending.

16. Deepak Fertilizers and Petrochem Corporation has filed a civil suit before the Civil Judge, Bhuj against MPSEZL for recovery of Rs. 9.44 million on account of damages caused to its cargo stored in MPSEZL’s godown. MPSEZL has denied the charge and has made a counter claim of Rs. 6.09 million. The plaintiff has filed an application for the settlement of dispute by way of arbitration. The matter is currently pending.

17. Louis Dreyfus India (P) Limited has filed a civil suit in the court of Civil Judge (Senior Division), Bhuj-Kutch against MPSEZL for the damages incurred due to mishandling of wheat cargo. The amount claimed aggregates to Rs. 62 million. The suit is currently pending.

18. Bina Balakrishnan has filed a civil suit against one Mr. P K Das and MPSEZL before the Bombay High Court for recovery of Rs. 0.27 million as pending consultancy charges from P K Das for her work towards the special economic zone. The plaintiff has prayed that the amount payable from MPSEZL to P K Das be withheld. No other relief has been claimed against MPSEZL. The matter is pending.

19. Mundra Port and Special Economic Zone Limited ("MPSEZL") has received a notice from Mundra International Container Terminal Private Limited's (MICT) advocates on August 24, 2007, under the Sub Concession Agreement ("SCA") entered into by MPSEZL with MICT. MICT alleged that MPSEZL had breached the provisions of the SCA by developing Second Stage Assets at the Mundra Port. Subsequently, MICT filed an application before the City Civil Court at Ahmedabad, under Section 9 of the Arbitration and Conciliation Act, 1996 read with Section 151 of the Code of Civil Procedure, 1908, for the resolution of a dispute and alleging that MPSEZL were in breach of the Framework Agreement dated November 8, 2002 and as amended from time to time ("FA") entered into among Adani Exports Limited, Adani Infrastructure Services Private Limited, Adani Agro Private Limited, Mr. Gautam S. Adani, his family members and MICT, Adani Port Limited, P&O Ports (Mundra) Limited, P&O Ports Private Limited and MPSEZL. The FA, inter alia, provided for the parties to enter into the SCA. MICT has alleged that the construction of the Second Stage Assets was in violation of the Framework Agreement and the SCA, based on the non-compete clauses laid down in the two agreements. MICT requested the Court to grant an interim injunction against MPSEZL in relation to the development of the Second Stage Assets. The City Civil Court by its order dated September 13, 2007 refused to grant an interim injunction on the grounds that the amendment to the SCA dated April 17, 2003 overrides the FA and that MPSEZL was not in violation of the provisions relating to the non-compete clause of the SCA dated April 17, 2003. The arbitration proceedings are pending for resolution of the dispute. MICT has filed an appeal against the order of the City Civil Court before the High Court at Ahmedabad and notice of the same was received by MPSEZL on October 18, 2007. The said court has vide its order dated February 1, 2008 disposed off the appeal.

20. Mundra International Container Terminal Private Limited (MICT) has also filed an special civil application with prayer to issue order/ direction to Gujarat Maritime Board to withdraw and cancel its letter dated November 3, 2007 directing GAPL (now known as Mundra Port and Special Economic Zone Limited) to initiate necessary legal action for termination of SCA with MICT as per procedure set out in CA/ SCA and the consequential letter dated November 8, 2007 of Mundra Port and Special Economic Zone Limited giving notice to MICT for termination of Special Civil Application. The High Court vide order dated January 7, 2008 rejected the Special Civil Application filed by MICT.

21. Mundra International Container Terminal Private Limited (MICT) has filed a civil suit along with an application for interim injunction before the City Civil Court at Ahmedabad, challenging the cancellation of Sub Concession Agreement dated January 7, 2003 by letters dated November 3, 2007 and /or November 8, 2007. They have also prayed for order and injunction restraining MPSEZL from taking any steps or measures against MICT in furtherance of letter dated November 3, 2007 and/or the consequential letter dated November 8, 2007 and also using the Second Stage Assets by MPSEZL. The City Civil Court vide order dated February 6, 2008 rejected the application for interim injunction filed by MICT. MICT filed an appeal against the said order of City Civil Court (no. 31 of 2008), before the High Court of Gujarat. The High Court vide order dated February 18, 2008 dismissed the appeal filed by the MICT. MICT filed Special Leave Petition before Supreme Court of India against the order dated February 18, 2008 passed by the High Court of Gujarat. The Supreme Court vide order dated February 29, 2008 disposed off the SLP filed by MICT, wherein it has been made clear that the City Civil Court shall decide the amendment application filed by MICT making Gujarat Maritime Board ("GMB") as a party on March 05, 2008 without granting any adjournment and that status quo granted by the Supreme Court on February 21, 2008 shall continue till March 05, 2008. The Supreme Court, further, stated that the City Civil Court shall decide the case on merits uninfluenced by any observation made by this Court or by the High Court. In the meantime, MICT has made amendment in the suit no. 282 of 2008 as well as the interim injunction application filed by them before Ahmedabad City Civil Court, making GMB as a Party. Thereafter, the interim injunction application was heard by the Court on March 5, 2008 and the same was rejected by the court vide order dated March 7, 2008. MICT preferred an appeal before the High Court of Gujarat, which is currently pending.

22. Sameja Osman Ishak and 22 ors. have filed an special civil application against the State of Gujarat, MPSEZL with prayer to set aside the order dated July 15, 2005 passed by the Collector as also the resolution dated June 27, 2005 passed by the department of Revenue, State Government and also prayed for issuing direction for following order of High Court of Gujarat dated June 14, 2006. The matter is currently pending.

23. Valji Manshi Taparia and others have filed nine special civil applications against State of Gujarat, MPSEZL and others before High Court of Gujarat, inter alia, praying to quash and set aside order dated September 12, 2007 passed by the revenue department notifying 418 hectors of land at village Zarpara in favour of MPSEZL, orders of the Collector, Bhuj dated November 16, 2007 resuming 402 hectors Gauchar land and allotting 402-24-02 hectors land of village Zarpara in favour of MPSEZL and also to declare the action of the respondent authorities of resumption of Gauchar land as illegal and beyond the scope of Section 108 of Gujarat Panchayat Act. The matter is currently pending.

24. Mr. Jat Imran Salim and others filed an special civil application against Union of India, MPSEZL and others before High Court of Gujarat, inter alia, praying to appoint a committee of eminent environmentalists and public spirited persons to ascertain the damage done to the costal zone of Mundra Taluka; to direct the State to prepare the Coastal Zone Management Plan of Gujarat; to direct both Union of India and the Gujarat State Government to confirm the ownership / title over the costal unsurveyed waterfront land of all the coastal villages of Mundra Taluka; to stall all the developmental activities of MPSEZL in the water front area and return Gauchar land acquired in all the villages of Mundra Taluka and vest the same in the respective village Panchayats; to stop the further reclamation of land and direct MPSEZL and other Adani group companies to restore the natural state of various small and big creeks and mangroves; to permit the fisherman to carry on fishing activities also in Navinal Island and Bocha Island areas and also to direct the Gujarat Maritime Board and MPSEZL and Adani group companies not to harass the fishermen community of the area; pending admission and final hearing, to restrain the respondents from filling up any creeks and also to stay / stall the construction activities carried on in CRZ area. The matter is currently pending.

25. Mr. Jat Imran Salim filed a civil application (no.8642 of 2008) before High Court of Gujarat. The civil application was disposed off by the High Court on September 8, 2008. A special leave petition filed against the said order is pending before Supreme Court of India.

26. Mahipatsingh Jadeja has filed a regular civil suit against Gujarat Adani Port Limited, District Development Officer, State, Collector and others before the Principal Civil Judge (Senior Division), Bhuj, Kutch, praying for cancellation of sale deed and permanent injunction in his favour. The matter is currently pending.

27. Jat Imran Salim and others have filed an special civil application before High Court of Gujarat, praying for direction from the High Court to restrain MPSEZL from undertaking any development in respect of the Special Economic Zone at Mundra without obtaining prior environment clearance, to constitute a Committee to undertake the inspection and assessment of the site and to conduct the public hearing of grievance in respect of proposal submitted by MPSEZL and also to direct the respondent authorities to take action against MPSEZL for violation of the provisions of the Environmental Protection Acts and Rules. Pending admission and final hearing, they have also prayed for stay of the public hearing for grievances relating to the “Water Front Development Scheme under category A” by MPSEZL slated on November 11, 2008 and also to appoint a committee to submit a report regarding the development already undertaken by MPSEZL in respect of Mundra Special Economic Zone without obtaining the prior environment clearance. A special leave petition has been filed by Jat Imran Salim and others before the Supreme Court of India against the interim order dated October 23, 2008 passed by the Gujarat High Court. Both the special civil application and the special leave petition are currently pending.

28. On March 19, 2001, Gujarat Adani Port Limited has awarded a contract to Van Oord ACZ India Private Limited’s (Van Oord) parent company Van Oord ACZ BV for undertaking dredging and reclamation operations at the Mundra Port for a consideration of Rs.877.1 millions. Van Oord ACZ BV in turn assigned the contract to Van Oord with the consent of GAPL for its execution. The entire contract was assigned by way of tripartite agreement between Van Oord, Gujarat Adani Port Limited and Van Oord ACZ BV. On the plea of force majeure situation, Van Oord ACZ B.V. (who assigned the contract to Van Oord) failed to fulfill their contractual obligation. For recovering outstanding amount towards the work carried out by them till leaving the work, Van Oord invoked arbitration clause. The first meeting of the arbitral tribunal consisting of arbitrators Mr. Justice B. N. Srikrishna, Mr. Justice J. K. Mehra and Mr. Justice B. J. Shetha was held on February 28, 2008. Van Oord filed their statement of claim, wherein they claimed a sum of Rs. 9,34,29,801 and USD 2,264,751 plus costs and

interest. GAPL filed its defence statement and counter claim of Rs.1000 millions. The arbitration proceeding is pending for recording of evidence.

29. Premkuwarben, w/o. Late Parshottam Joshi, filed an special civil application against Mr. Hussain Mohmed Ladha Vagher, Gujarat Adani Port Private Limited, Mr. Jadeja Natubha Vesalji, challenging the order dated October 17, 2008 passed by the Principal Civil Judge at Mundra in the application filed by the petitioner for amending the plaint, for adding a party to the plaint, in Civil Suit No.06/2002 with respect to the agricultural land bearing revenue survey No.278/1, admeasuring 4 Acre, 34 Gunthas situated at Village Luni of Mundra Taluka. The civil suit was filed, inter alia, praying for declaration that the land in question is in their ownership and occupation and the respondent has no authority or right over the said land, and direction from the court to remove the railways line which has been laid and to vacate the said land. The matter is currently pending.

30. Mr. Manjalia Amad Iliyas Ishak and others filed an appeal before the National Environment Appellate Authority on February 11, 2009 against Union of India and others, challenging the Environmental and Coastal Regulation Zone clearance granted by Union of India on January 12, 2009 and its addendum dated January 19, 2009 for the proposed water front development project at Mundra of MPSEZ. The matter is currently pending.

31. The Commissioner of Customs, Ahmedabad has issued a show cause notice (F. No: VIII/48-03/Cus/SIIB/09) dated February 27, 2009 to Karnavati Aviation Private Limited (“KAPL”), Brig. S. S. Bhatti, Director of KAPL, Mr. K. Venugopal, Director of KAPL, Mr. Gautam S. Adani, Chairman and Managing Director of MPSEZL, Mr. Rajesh S. Adani, Director of MPSEZL, Mr. Anurag Mathur, Manager (Aviation- Operations) of KAPL and MPSEZL, in connection with import of Aircraft, viz. Hawker 850 XP. MPSEZL has been asked to show cause why penalty should not be imposed on them under Section 112(a) read with Section 140 of the Customs Act, 1962 for their acts of omission and commission for making false declaration / mis-statement before the Customs and misusing the aircraft in contravention of the provisions of the notification no. 21/2002-Cus dated March 1, 2002. The show cause notice directed that reply be filed within 30 days of the receipt of the show cause notice. MPSEZL has filed the reply to the show cause notice on April 21, 2009. The matter is currently pending.

32. Premilaben Chunilal Gala had filed an appeal before the court of District Judge, Bhuj, against Adani Port Limited (now merged with MPSEZL), challenging the order of Civil Judge (JD) Mundra dated December 12, 2009. In the said order the, the Civil Judge (JD) Mundra, dismissed the suit filed by Premilaben Chunilal Gala claiming that the agricultural land was in her possession for personal cultivation as owner and GAPL has illegally laid down the Railway line in the suit property. Aggrieved with the aforesaid order Premilaben Chunilal Gala has filed this appeal seeking to set a side and reverse the aforesaid judgment and decree. The matter is currently pending.

33. Somubha Sawrajji Jadeja (father of the deceased) and the wife of the deceased filed suit in MACT, Bhuj, against Adani Port Limited (now MPSEZL) claiming compensation for the accidental death of the deceased caused outside the port boundary. The MACT rejected their claim on the ground of lack of jurisdiction in its order passed on May 25, 2007. Thereafter, they filed a complaint before District Consumer Forum, Bhuj, claiming Rs. 1.8 million along with 18% interest and made MPSEZL a defendant. The matter is currently pending.

34. Dinesh Govind Chavda and others have filed a civil suit before the court of Civil Judge, Senior Division Court, Anjar, against the State of Gujarat and others including GAPL (now MPSEZL) for declaration and permanent injunction alleging that the ancestral property belonging to them has been purchased fraudulently by the defendants. The matter is currently pending.

35. The heirs of the deceased Nanalal Jiv Ram Gajjar, Heeraben Jiv Ram Gajjar and others have filed a suit before the Additional Senior Civil Judge, Bhuj, against Lataben Gajjar and others including APL (now MPSEZL) alleging that the plaintiffs are the joint heirs in the property bearing survey no. 254 at village Vadala and hence Lataben Gajjar had no right to sale that said land and the sale deed executed vide registration no. 860 dated September 7, 2001 should be cancelled being void. They have also prayed for a temporary stay. The matter is currently pending.

36. Illias Osman has filed a suit for specific performance before the Civil Judge, Senior Division -2, Bhuj, against Adani Port Limited (now MPSEZL) under Section 44 of Transfer of Property Act read with Sections 36, 37, and 38 of the Specific Relief Act for land bearing survey no. 156 and 158 of village Gundala. The matter is currently pending.

37. Harsi Vira Harijan has filed a civil suit before Principle Civil Judge, Mundra against the heirs of Haja Veera Harijan and others for cancellation of sale deed along with an application for temporary injunction. He has challenged the validity of

the sale deed of land in which he was also one of the heirs of the demised Veera Raisi Harijan. The application for temporary injunction has been dismissed by the Principle Civil Judge, Mundra vide order dated October 16, 2007. The matter is currently pending.

38. Amit Shantilal Bhagat has filed a civil suit and an injunction application before Civil Court, Mundra against GAPL (now MPSEZL) Adani Power Limited alleging that MPSEZL and APL are installing 66 KV electricity transmission line towers in the land adjacent to the survey no. 102 at Ratadiya, Tal. Mundra, and due to the high voltage electricity line their future projects for residential colony or market value will be affected. The Civil Court, Mundra had appointed a court commission for site inspection and panchnama on October 9, 2008. The commission has submitted a report to the court stating that there is no such hazard and the line is crossing through the land at about 50 feet height. The matter is currently pending.

39. Commissioner of Customs and Central Excise, Rajkot has issued a show cause notice (no. VST/AR-G.nd/Commr/95/09) against MPSEZL alleging wrong availment of CENVAT credit. MPSEZ had availed CENVAT credit on cement and steel used in construction of new jetties and other buildings and on capital goods, air conditioner, CHA services, rent-a-cab services, mobile phone, surveyors services and other inputs and services during the period between October 2007 and March 2008. The amount in dispute is Rs. 189.46 million. MPSEZ has filed its reply on May 27, 2009.The matter is currently pending.

Litigation by Mundra Port and Special Economic Zone Limited

1. Fair Deal Supplies Private Limited ("FDSPL") has filed a suit (No 2373 of 2005) in the City Civil Court, Ahmedabad against Elementis Coke Private Limited ("ECPL") and others for a declaration that ECPL does not have a right to take delivery of coking coal lying in the custody of MPSEZL without paying the amount owed by it to FDSPL. It also sought an injunction against MPSEZL restraining delivery of the coal to ECPL. The Court by its order dated December 28, 2005 granted the injunction. Subsequently, FDSPL and ECPL filed a consent term dated February 1, 2006 before the Court. The Court passed its judgment and decree on February 8, 2006 on the basis of the consent term. ECPL has subsequently filed application no. 260 of 2006 for setting aside the aforesaid decree on the ground that consent was obtained through coercion. MPSEZL has filed its reply claiming lien over the coal lying in the Port and has prayed for the permission to sell it and set off the sale proceeds against the pending dues amounting to Rs. 1.36 million. The suit and the application are pending.

2. MPSEZL has filed a suit (Admiralty Suit no. 9 of 2006) in the Gujarat High Court, Ahmedabad against M.V. Bahia Blanca ("MVBB") seeking damages worth Rs. 67.2 million on account of collision of ship belonging to MVBB with the mooring dolphin files and the jetty at Mundra Port. The Court in its order dated October 19, 2006 had asked the Registrar of the High Court to issue warrant for the arrest of the ship. By a subsequent order on October 24, 2006 the Court directed the Registrar to release the ship upon MVBB furnishing a bank guarantee of Rs. 67.2 million. MVBB furnished the bank guarantee and the Registrar by his order dated November 27, 2006 has released the ship. MVBB has filed a counter claim of Rs.17.53 million as also filed an application for reduction of bank guarantee. MPSEZL has replied to the application for reduction of bank guarantee. The High Court has recently dismissed the application for reduction of Bank Guarantee filed by MVBB.

3. MPSEZL has filed a suit (Special Civil Suit no. 57/04) in the Court of Civil Judge (Senior Division), Bhuj-Kutch against Duncan Industries Limited for recovery of Rs.5.77 million. MPSEZL was awarded the work of stevedoring, clearing and forwarding the cargo of fertilisers at Mundra Port by the defendant, in return for which the said amount allegedly remains unpaid. The defendant has filed the written statement and an application seeking the dismissal of the suit. The company has filed its reply to the application. The framing of issues has completed. The suit and the application are currently pending.

4. MPSEZL has filed an application before the High Court of Gujarat against the Government of Gujarat and the Chief Revenue Controlling Authority seeking the quashing of show cause notices issued by the Chief Revenue Controlling Authority dated January 5, 2007 and January 25, 2007. The show cause notice is in relation to payment of stamp duty on a debenture trust deed dated June 20, 2000 between MPSEZL and UTI Bank Limited. MPSEZL has submitted that the stamp duty on the debenture trust deed was paid after adjudication by the Collector and Additional Superintendent of Stamps and that the show cause notice is illegal as it is barred by limitation. The matter is pending.

5. MPSEZL has filed a Civil Suit (no.11 of 2008) before the Court of Civil Judge, Senior Division, Bhuj, *inter alia*, praying for an order and decree against Mundra International Container Terminal Private Limited ("MICT") to handover vacant

and peaceful possession of the entire property occupied by them under the Sub-Concession Agreement dated January 7, 2003 and appointment of Commissioner to ascertain the amounts, if any, payable by MPSEZL to MICT. MPSEZL has also filed an application for interim injunction before the Court of Civil Judge, Senior Division, Bhuj, praying *inter alia*, for an order and injunction to restrain MICT from operating the Container Terminal. Further, MPSEZL has filed an application *inter alia*, praying for appointment of Court Receiver with powers to dispossess MICT and handover the Container Terminal and all other assets to MPSEZL. Meanwhile, MICT filed a Miscellaneous Civil Application (no.798 of 2008) before High Court of Gujarat for transfer of Civil Suit (no.11 of 2008) pending before Civil Judge (SD), Bhuj, to the City Civil Court at Ahmedabad, where Civil Suit (no .282 of 2008) filed by MICT is pending. The High Court vide order dated February 25, 2008 dismissed the MCA filed by MICT. Against the said order dated February 25, 2008, MICT filed a special leave to appeal (civil) (no. 5456 of 2008) before Supreme Court of India. The Supreme Court, by mutual consent of both parties, vide order dated March 14, 2008 set aside the order of the High Court and allowed the transfer petition filed by MICT. The Supreme Court also directed to transfer the suit no. 11 of 2008 from Bhuj Court to City Civil Court at Ahmedabad where Civil Suit no. 282 of 2008 is pending, to be tried together. Now, the suit has been registered as Civil Suit no. 591 of 2008 (titled, Mundra Port and Special Economic Zone Limited vs. Mundra International Container Terminal Private Limited) before City Civil Court, Ahmedabad. MICT sought adjournment of hearing before City Civil Court in civil suit no.591 of 2008 and the same was granted by the Court. Now, the matter will be taken up by the Court only after the appeal from order no. 95/08 filed by MICT before High Court of Gujarat, is decided. Meanwhile, MICT has also filed an Special Civil Application (no. 5124 of 2008) before the High Court of Gujarat with prayer to call for the record and proceedings in Civil Suit no. 591 of 2008 pending in City Civil Court and to grant application for injunction filed in City Civil Court by directing City Civil Court to adjourn the hearing of the applications for interim injunction and application for appointment of receiver filed by MPSEZL till the order dated March 7, 2008 passed by the City Civil Court, Ahmedabad, in notice of motion in civil suit (no. 282 of 2008) reaches finality and pending hearing and final disposal of the Special Civil Application, stay further proceedings of civil suit no. 591 of 2008. The said Special Civil Application was disposed off by the High Court vide order dated April 28, 2008. The Civil Suit no. 591 of 2008 is pending.

6. MPSEZL, Mundra SEZ Textile and Apparel Park Private Limited, Adani Mundra SEZ Infrastructure Private Limited and MPSEZ Utilities Private Limited have filed a Special Civil Application (no.9792 of 2008) before High Court of Gujarat against Union of India and others, challenging the circular no. 6/2/2008 dated June 30, 2008 issued by the Director, Department of Commerce (SEZ Section), Ministry of Commerce and Industry and the levy of export duty pursuant thereto on iron and steel products. Interim relief sought by MPSEZL has been granted by the High Court. The matter is currently pending.

7. Sameja Gafur Ishaak has filed a civil suit before the Civil Judge, Senior Division, Bhuj, against MPSEZL claiming the possession of land bearing survey no. 141 at village Sukhpar, Tal. Mundra admeasuring 10.00 acre. GAPL had acquired the said land through transfer order passed by Collector, Kutchh in 2005. The injunction application, application for drawing panchnama and application for soil testing made by the plaintiffs has been rejected. Plaintiff's application for production of documents from collector has been allowed. MPSEZL has filed a caveat against the said order before the District Court, Bhuj on August 21, 2008. The matter is currently pending.

8. MPSEZL (earlier Gujarat Adani Port Limited) had purchased land being survey no. 320 at Mota Kapaya admeasuring 4.37 acre from Velji Ramji Sangoi through its power of attorney holder Mr. A. K. Shah and Mr. Ramesh F. Adani, who are the employees of MPSEZL, vide registered document dated November 1, 2002. Velji Ramji Sangoi filed a civil suit alleging that the said power of attorney and the sale transaction are illegal because of fraud. The court passed status quo order on November 30, 2007. MPSEZL has filed an appeal against aforesaid order before the District Judge, Bhuj, on January 23, 2008. The matter is currently pending.

9. MPSEZL has filed an special civil suit before the Senior Division Court, Bhuj, for the recovery of Rs. 762,514 with 18% interest from the Reliance Industries Limited for not making our payments under various heads under a contract. The matter is currently pending.

10. MPSEZL has filed a criminal complaint under Section 138 of the Negotiable Instrument Act before the JMFC, Mundra against Radhika Catering Services' partner Mr. K. Kini for recovery of a cheque of Rs. 3,43,792 paid by Radhika Catering Services to MPSEZL towards the long outstanding rent, electricity and water charges to MPSEZL. The matter is currently pending.

11. MPSEZL has purchased a piece of land of survey no. 169/1 of village Dhrub, from Ali Mammad Turk in the name of Adani Chemicals Limited on April 7, 1994 but the transction was not registered as sale deed. Thereafter, on December 27, 2005 MPSEZL entered into an agreement with the party who purchased rest of the land of survey no. 169/1 and it was agreed that 1 Acre 19 Gunthas of mentioned land belongs to Adani Chemicals Limited. On February 24, 2008, the owner of land gave a public notice that the said land is sold on February 5, 2007. MPSEZL has filed a civil suit before the court of Civil Judge, Mundra, against Mr. Ali Mammad Turk and others for cancellation of the sale deed dated February 5, 2007 as void.

12. MPSEZL has filed a writ petition on April 4, 2009 before the Bombay High Court against the Board of Trustees of the Port of Jawaharlal Nehru Port Trust challenging the bidding process for development of a fourth container terminal at Jawaharlal Nehru port, Mumbai. MPSEZL was excluded from the bidding process for the said container terminal. The petition is currently pending.

Contingent liabilities as on March 31, 2008:

(Amount in Rs. million)

Sr. No.	Particulars	Year ended March 31, 2008
1.	Corporate Guarantee given by the MPSEZL against credit facility availed by a body corporate	750.00
2.	Civil suits	75.15
3.	Customs show cause notices	52.33
4.	Customs cases	0.76
5.	Central excise show cause notices	512.71
6.	Differential amount of customs duty in respect of machinery imported under EPCG Scheme and interest thereon	260.31

41. Mundra SEZ Textile and Apparel Park Limited

Litigation against Mundra SEZ Textile and Apparel Park Private Limited: Nil

Litigation by Mundra SEZ Textile and Apparel Park Private Limited:

MPSEZL and Mundra SEZ Textile and Apparel Park Private Limited, Adani Mundra SEZ Infrastructure Private Limited, MPSEZ Utilities Private Limited have filed a Special Civil Application (No.9792 of 2008) before High Court of Gujarat against Union of India and others, challenging the circular no. 6/2/2008 dated June 30, 2008 issued by the Director, Department of Commerce (SEZ Section), Ministry of Commerce and Industry and the levy of export duty pursuant thereto on iron and steel products. Interim relief sought by MPSEZL has been granted by the High Court. The matter is currently pending.

Contingent liabilities as on March 31, 2008:

Contract remaining to be executed on capital account (net of securities deposit): Rs. 61.86 million.

42. Natural Growers Private Limited

Litigation against Natural Growers Private Limited: Nil

Litigation by Natural Growers Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

43. Panchdhara Agro Farms Private Limited

Litigation against Panchdhara Agro Farms Private Limited: Nil

Litigation by Panchdhara Agro Farms Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

44. Parsa Kante Collieries Limited

Litigation against Parsa Kante Collieries Limited: Nil

Litigation by Parsa Kante Collieries Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

45. Pride Trade and Investment Private Limited

Litigation against Pride Trade and Investment Private Limited: Nil

Litigation by Pride Trade and Investment Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

46. PT Adani Global

Litigation against PT Adani Global: Nil

Litigation by PT Adani Global: Nil

Contingent liabilities as on March 31, 2008: Nil

47. PT Kapuas Coal Mining

Litigation against PT Kapuas Coal Mining: Nil

Litigation by PT Kapuas Coal Mining: Nil

Contingent liabilities as on March 31, 2008: Nil

48. Radiant Trade and Investment Private Limited

Litigation against Radiant Trade and Investment Private Limited: Nil

Litigation by Radiant Trade and Investment Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

49. Rajasthan SEZ Private Limited

Litigation against Rajasthan SEZ Private Limited: Nil

Litigation by Rajasthan SEZ Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

50. Rajendra Agri Trade Private Limited

Litigation against Rajendra Agri Trade Private Limited: Nil

Litigation by Rajendra Agri Trade Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

51. Rohit Agri Trade Private Limited

Litigation against Rohit Agri Trade Private Limited: Nil

Litigation by Rohit Agri Trade Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

52. Shantigram Estate Management Private Limited

Litigation against Shantigram Estate Management Private Limited: Nil

Litigation by Shantigram Estate Management Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

53. Shantigram Utility Services Private Limited

Litigation against Shantigram Utility Services Private Limited: Nil

Litigation by Shantigram Utility Services Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

54. Shantikrupa Estates Private Limited

Litigation against Shantikrupa Estates Private Limited: Nil

Litigation by Shantikrupa Estates Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

Shantikrupa Infrastructure Private Limited has been amalgamated with Shantikrupa Estates Private Limited. For further details please see "Our Promoter Group" on page 158 of this Red Herring Prospectus. There is no litigation outstanding against Shantikrupa Infrastructure Private Limited.

55. Shantikrupa Services Private Limited

Litigation against Shantikrupa Services Private Limited: Nil

Litigation by Shantikrupa Services Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

56. Sunanda Agri Trade Private Limited

Liabilities against Sunanda Agri Trade Private Limited: Nil

Liabilities by Sunanda Agri Trade Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

57. Swayam Realtors and Traders Private Limited

Litigation against Swayam Realtors and Traders Limited: Nil

Litigation by Swayam Realtors and Traders Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

58. Trident Trade and Investment Private Limited

Litigation against Trident Trade and Investment Private Limited: Nil

Litigation by Trident Trade and Investment Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

59. Ventura Power Investment Private Limited

Litigation against Ventura Power Investment Private Limited: Nil

Litigation by Ventura Power Investment Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

60. Ventura Trade and Investment Private Limited

Litigation against Ventura Trade and Investment Private Limited: Nil

Litigation by Ventura Trade and Investment Private Limited: Nil

Contingent liabilities as on March 31, 2008: Nil

61. Vishakha Polyfab Private Limited

Litigation against Vishakha Polyfab Private Limited: Nil

Litigation by Vishakha Polyfab Private Limited: Nil

Contingent liabilities as on March 31, 2008:

(a) Income Tax liability disputed in Appeal not provided in the accounts is nil. (Previous Year Rs. 0.38 million).

(b) Sales Tax liability (including Penalty and Interest of Rs. 0.37 million) disputed in Appeal not provided in the accounts of Rs. 0.77 million (Previous Year Rs. Nil).

B. *Partnership Firms/Sole Proprietorships forming part of Promoter Group*

1. Adani Exports

Litigation against Adani Exports: Nil

Litigation by Adani Exports: Nil

Contingent liabilities as on March 31, 2008: Nil

2. Adani Textiles Industries

Litigation against Adani Textiles Industries: Nil

Litigation by Adani Textiles Industries: Nil

Contingent liabilities as on March 31, 2008: Nil

3. Ezy Global

Litigation against Ezy Global: Nil

Litigation by Ezy Global: Nil

Contingent liabilities as on March 31, 2008: Nil

4. Shanti Builders

Litigation against Shanti Builders: Nil

Litigation by Shanti Builders: Nil

Contingent liabilities as on March 31, 2008: Nil

C. *Trusts forming part of the Promoter Group*

1. Gautambhai S. Adani Family Trust

Litigation against Gautam S. Adani Family Trust: Nil

Litigation by Gautam S. Adani Family Trust: Nil

Contingent liabilities as on March 31, 2008: Nil

2. Mahasukh S. Adani Family Trust

Litigation against Mahasukh S. Adani Family Trust

1. SEBI has filed a criminal complaint (CC 686/Misc/2004) against Mahasukh S. Adani Family Trust and others before the Additional Chief Metropolitan Magistrate, Mumbai, which has been disposed of. For further details, please see "Outstanding Litigation and Material Developments – Litigation against Adani Enterprises Limited' on page 347 of this Red Herring Prospectus.

Litigation by Mahasukh S. Adani Family Trust: Nil

Contingent liabilities as on March 31, 2008: Nil

3. Rajeshbhai S. Adani Family Trust

Litigation against Rajesh S. Adani Family Trust

1. SEBI has filed a criminal complaint (CC 686/Misc/2004) against Rajesh S. Adani Family Trust and others before the Additional Chief Metropolitan Magistrate, Mumbai, which has been disposed of. For further details, please see "Outstanding Litigation and Material Developments – Litigation against Adani Enterprises Limited' on page 347 of this Red Herring Prospectus.

Litigation by Rajesh S. Adani Family Trust: Nil

Contingent liabilities as on March 31, 2008: Nil

4. **Shantilal Bhudarmal Adani Family Trust**

Litigation against Shantilal Bhudarmal Adani Family Trust: Nil

Litigation by Shantilal Bhudarmal Adani Family Trust: Nil

Contingent liabilities as on March 31, 2008: Nil

5. **Vasant S. Adani Family Trust**

Litigation against Vasant S. Adani Family Trust

SEBI has filed a criminal complaint (CC 686/Misc/2004) against Vasant S. Adani Family Trust and others before the Additional Chief Metropolitan Magistrate, Mumbai, which has been disposed of. For further details, please see "Outstanding Litigation and Material Developments – Litigation against Adani Enterprises Limited' on page 347 of this Red Herring Prospectus.

Litigation by Vasant S. Adani Family Trust: Nil

Contingent liabilities as on March 31, 2008: Nil

6. **Vinod S. Adani Family Trust**

Litigation against Vinod S. Adani Family Trust:

SEBI has filed a criminal complaint (CC 686/Misc/2004) against Vinod S. Adani Family Trust and others before the Additional Chief Metropolitan Magistrate, Mumbai, which has been disposed of. For further details, please see "Outstanding Litigation and Material Developments – Litigation against Adani Enterprises Limited' on page 347 of this Red Herring Prospectus.

*Litigation by Vinod S. Adani Family Trust: N*il

Contingent liabilities as on March 31, 2008: Nil

D. *HUFs forming part of the Promoter Group*

1. **Gautambhai S. Adani HUF**

Litigation against Gautam S. Adani HUF: Nil

Litigation by Gautam S. Adani HUF: Nil

Contingent liabilities as on March 31, 2008: Nil

2. **Mahasukh S. Adani HUF**

Litigation against Mahasukh S. Adani HUF: Nil

Litigation by Mahasukh S. Adani HUF: Nil

Contingent liabilities as on March 31, 2008: Nil

3. **Rajeshbhai S. Adani HUF**

Litigation against Rajesh S. Adani HUF: Nil

Litigation by Rajesh S. Adani HUF: Nil

Contingent liabilities as on March 31, 2008: Nil

4. **Vasant S. Adani HUF**

Litigation against Vasant S. Adani HUF: Nil

Litigation by Vasant S. Adani HUF: Nil

Contingent liabilities as on March 31, 2008: Nil

5. Vinod S. Adani HUF

Litigation against Vinod S. Adani HUF: Nil

Litigation by Vinod S. Adani HUF: Nil

Contingent liabilities as on March 31, 2008: Nil

Material Developments

Since the date of the balance sheet and other than as disclosed in this Red Herring Prospectus, there have been no other material developments.

GOVERNMENT APPROVALS

We have received the necessary consents, licenses, permissions and approvals from the Government and various governmental agencies required for our present business and except as mentioned below, no further approvals are required for carrying on our present business.

In view of the approvals listed below, we can undertake this Issue and our current business activities and no further major approvals from any governmental or regulatory authority or any other entity are required to undertake the Issue or continue our business activities. Unless otherwise stated, these approvals are all valid as of the date of this Red Herring Prospectus.

I. APPROVALS FOR THE ISSUE

Corporate Approvals

Our Board of Directors has, pursuant to resolutions passed at its meeting held on February 27, 2009 authorised the Issue, subject to the approval by the shareholders of our Company under Section 81(1A) of the Companies Act.

Our shareholders have, pursuant to a resolution dated April 4, 2009 under Section 81(1A) of the Companies Act, authorised the Issue.

Approval from the Stock Exchanges

In-principle approval from the National Stock Exchange of India Limited dated May 29, 2009.

In-principle approval from the Bombay Stock Exchange Limited dated May 18, 2009.

II. INCORPORATION DETAILS

A. Adani Power Limited

1. Certificate of Incorporation dated August 22, 1996 issued to the Company by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.
2. Certificate of Commencement of Business dated September 4, 1996 issued to the Company by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.
3. Fresh Certificate of Incorporation dated June 3, 2002 issued, on conversion of the Company to a private limited company and the consequent change of name to Adani Power Private Limited, by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.
4. Fresh Certificate of Incorporation dated April 12, 2007 issued, on conversion of the Company to a public limited company and the consequent change of name to Adani Power Limited, by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

B. Adani Power Maharashtra Limited

1. Certificate of Incorporation dated April 11, 2007 issued to Adani Power Maharashtra Private Limited by the Registrar of Companies, Maharashtra.
2. Fresh Certificate of Incorporation dated May 16, 2008 issued, on conversion of the company to a public limited company and the consequent change of name to Adani Power Maharashtra Limited, by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

C. Adani Power Rajasthan Limited

1. Certificate of Incorporation dated January 25, 2008 issued to Adani Power Rajasthan Private Limited by the Registrar of Companies, Rajasthan.
2. Fresh Certificate of Incorporation dated April 29, 2008 issued, on conversion of the company to a public limited company and the consequent change of name to Adani Power Rajasthan Limited, by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

D. Adani Power Dahej Limited

1. Certificate of Incorporation dated February 6, 2006 issued to Adani Power Dahej Private Limited by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

2. Fresh Certificate of Incorporation dated May 16, 2008 issued, on conversion of the company to a public limited company and the consequent change of name to Adani Power Dahej Limited, by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

E. Adani Power (Overseas) Limited

1. Certificate of Incorporation dated October 13, 2008 issued to Adani Power (Overseas) Limited by Government of Dubai. APOL is formed at Jebel Ali Free Zone Authority as an offshore company with a limited liability under no. 115882

F. Mundra Power SEZ Limited

1. Certificate of Incorporation dated October 27, 2008 issued to the company by the Registrar of Companies, Gujarat, Dadra and Nagar Haveli.

III. Approvals in relation to our Projects

We are required to obtain certain approvals from the concerned Central / State government departments and other authorities for setting up our projects and operating the same. These include:

- Approvals from various departments of the Government of India depending on the nature of the project. For example, approval from the Ministry of Coal related to development of captive coal block, environmental approvals from the Ministry of Environment and Forests, and chimney height approvals from the Ministry of Defence and Ministry of Civil Aviation;
- Approvals such as consents to establish and operate a project, environmental clearances and authorisations to draw water, from concerned departments of state governments;
- Approvals from Ministry of Power to obtain benefits associated with mega power project status, depending upon the nature and size of the project; and
- Any other approvals that may be required by local authorities on a case to case basis.

We apply for approvals, licenses and registrations at the appropriate stage of development of each project. We have listed key approvals that have been obtained or applied for by us. We have also identified the following significant approvals that we have identified at this time and that will need to be applied for on a project-by-project basis:

Approval Required	Agency	Projects for which approval not yet applied for	
NOC for Chimney Height	AAI	-	Phase II of Tiroda Power Project
Water Supply / Irrigation Department	Maritime Board/ State Government	Mundra Phase IV Power Project	-
Carbon Credit	CDM	Mundra Phase IV Power Project	Phase II of Tiroda Power Project
NOC - Pollution Control Board	State Government	Mundra Phase IV Power Project	Phase II of Tiroda Power Project

The failure to obtain these approvals can result in delays or prevent a project from being commissioned. See “Risk Factors” on page xiii of this Red Herring Prospectus.

1. Mundra Power Projects

Approvals received

1. Approval dated December 19, 2006 issued by the Ministry of Commerce and Industry, Government of India for setting up of a sector specific SEZ at villages Tunda and Siracha, Taluka Mundra, District Kutch, Gujarat.
2. No Objection Certificate (No. GMB/N/PVT/501/687/11485) dated February 20, 2007 (“NoC”) issued by the Gujarat Maritime Board permitting sea water drawal (intake) and discharge, and discharge of water into the sea from the power plant being set up by the Company.
3. Notification (S.O. 742(E)) dated May 10, 2007 in the Gazette of India notifying the specified areas (293.88 hectares) in villages Tunda and Siracha, Taluka Mundra, District Kutch, Gujarat as sector specific SEZ pursuant to a proposal by the Company.

4. Approval (No. F.2/487/2006-SEZ) dated June 19, 2007 granted by the Ministry of Commerce and Industry, Government of India for authorised operations to be carried out in power sector SEZ at villages Tunda and Siracha, Taluka Mundra, District Kutch, Gujarat.

5. Certificate (No. KFTZ/P&C/4/140/06/3309) dated June 28, 2007 issued by the Development Commissioner, Kandla Special Economic Zone certifying that the Company is a developer for setting up a sector specific special; economic zone for power sector at Mundra, district Kutch. The Certificate was issued for availing service tax benefits in accordance with the provisions of service tax notification no. 4/2004-Service Tax dated March 31, 2004.

6. Approval (No. F.2/487/2006-SEZ) dated August 16, 2007 by Ministry of Commerce and Industry, Government of India for increasing the power generation capacity of the sector specific special economic zone at Mundra, Gujarat from 2,000 MW to 2,640 MW.

7. Approval (No. 10-94/2007-IA-III) dated October 21, 2008 issued by Ministry of Environment and Forests granting coastal regulation zone clearance of intake and disposal facility for the proposed 2640 MW thermal power plant at village Tunda.

8. Approval no. F.1/144/2007-EPZ dated February 27, 2009 by the Ministry of Commerce and Industry, Government of India approving the proposal of the Company as co-developer for providing infrastructure facilities in the multi-product SEZ proposed to be developed at Mundra, District Kutch, Gujarat proposed to be developed by MPSEZL.

9. Notification (S.O. 1365(E)) dated May 27, 2009 in the Gazette of India consolidating the special economic zones notified vide S.O. Nos. 936(E) dated June 23, 2006, 1071(E) dated July 3, 2007, 2174(E) dated December 24, 2007, 2022(E) dated August 11, 2008, 1079(E) dated May 2, 2008 and 742(E) dated May 10, 2007 and re-notifying the land including 258.21 hectares (approval for the notification whereof in the merged form in the composite notified SEZ of MPSEZL was approved through approval no. F.1/144/2007-EPZ dated February 27, 2009) to the composite SEZ of MPSEZL.

10. Approval (no. F.2/22/2009-SEZ) dated June 5, 2009 by Ministry of Commerce & Industry, Government approving the increase in power generation capacity from 2,640 MW to 5,200 MW in the SEZ for supply of power at Mundra, Kutch, Gujarat.

11. Certificate (F. No. MPSEZ/IA/02/2007-08) dated June 24, 2009 issued by the Development Commissioner, Ministry of Commerce & Industry, Government of India, Mundra Port and Special Economic Zone certifying that the Company is a co-developer of Mundra Port and Special Economic Zone at Mundra, District Kutch. The Certificate has been issued for availing service tax benefits as per the provisions of sub-section 1(e) of Section 26 of the Special Economic Zones Act, 2005 read with Rule 31 of the Special Economic Zones Rules, 2006.

12. In-principle approval (no. 6-GJC009/2009-BHO/1333) dated May 29, 2009 issued by the Deputy Conservator of Forests (Central), Ministry of Environment & Forests, Government of India for diversion of 36.90 hectares of reserved and protected forest land for laying 400 KV Mundra-Dehgam transmission line in favour of General Manager, Adani Power Limited subject to certain conditions, including compensatory afforestation, penal afforestation and design and alignment of transmission lines.

Approvals applied for

1. Application (No. APL:AHM:RSA:2008-09) dated September 2, 2008 filed by Adani Power Limited to the Standing Committee (Long Term) Ministry of Coal, Government of India for additional coal linkage to meet the requirements of the Mundra Power Projects.

2. Mundra Phase I and Phase II Power Project

Approvals received

1. Approval (AAI/20012/412/2006-ARI (NOC)) dated December 1, 2006 issued by Airports Authority of India for the construction of chimney to height not exceeding 226.60 meters. The approval is valid for a period of four years from the date of issue.

2. Consent no. GPCB/CCA-KUTCH-444/3040 (“NoC”) under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 and Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 dated January 29, 2007 issued by the Gujarat Pollution Control Board for Mundra Phase I Power Project. The NoC was amended through letter no. GPCB/CCA-KUTCH-444/6686 dated February 27, 2007 issued by the Gujarat Pollution Control Board.

3. Consent no. GPCB/CCA-KUTCH-444(2) (“NoC”) under Section 25 of the Water (Prevention and Control of Pollution) Act, 1974 and Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 dated June 6, 2008 issued by the Gujarat Pollution Control Board for Mundra Phase II and Phase III Power Project.

4. No Objection Certificate (No. GMB/N/PVT/501/687/11485) dated February 20, 2007 issued by Gujarat Maritime Board permitting sea water drawal and discharge back to the sea for Mundra Phase I Power Project.

5. No Objection Certificate (No. GMB/N/PVT/501/229) dated June 27, 2008 issued by Gujarat Maritime Board permitting sea water drawal of 23,700 m^3 /hr and discharge back to the sea of 16,446 m^3/hr in view of the expansion of the project by another 1,980 MW i.e. for Mundra Phase II Power Project and Mundra Phase III Power Project.

6. Approval (No. J-13011/7/2007-IA-II (T)) dated August 13, 2007 issued by the Ministry of Environment and Forests, Government of India granting environmental clearance for Mundra Phase I Power Project. The environment clearance shall be valid for a period of five years to the start of production operations by the power plant.

7. Approval (No. KASEZ/P&C/5/74/06/397) dated July 12, 2007 of the Development Commissioner, Kandla Special Economic Zone for duty-free import/procurement of goods and services as per the specified list in accordance with SEZ Rules, 2006 for approved authorised operations within the notified SEZ area of Adani Power Limited.

8. Approval (AAI/20012/903/2007-ARI (NOC)) dated January 7, 2008 issued by Airports Authority of India for the construction of chimney to height not exceeding 281.60 meters. The approval is valid for a period of four years from the date of issue.

9. Approval (No. J-13011/1/2007-IA-II (T)) dated October 21, 2008 issued by the Ministry of Environment and Forests, Government of India granting environmental clearance for expansion of existing 2x330 MW power project by adding 1,980 MW under Mundra Phase II Power Project and Mundra Phase III Power Project. The environment clearance shall be valid for a period of five years to the start of production operations by the power plant.

3. Mundra Phase III Power Project

Approvals received

1. No objection certificate (No. AAI/20012/855/2008-ARI (NOC)) dated July 28, 2008 issued by the Airports Authority of India granting its no objection to the construction of proposed chimney by Adani Power Limited at S.Y. No. 180/15 Tunda village, Mundra Taluka & S.Y. No. 295/1 Village Siracha, Mundra Taluka, Kutch Dist., Gujarat to a height of 275 metres above ground level, so that top of the proposed structure when erected shall not exceed 6.60 metres, (site elevation) + 275 metres (height of the structure) i.e. 281.60 meters above mean sea level for 5x660 MW. The no objection certificate is valid for a period of four years from the date of issue. This approval is applicable to both Mundra Phase III Power Project and Mundra Phase IV Power Project.

2. No objection certificate (No. AAI/20012/207/2008-ARI (NOC)) dated July 31, 2008 issued by the Airports Authority of India granting its no objection to the construction of proposed chimney by Shri D.P. Joshi, Vice President, 2x600 MW, Phase III, Adani Power Limited at S.Y. No. 295/1 Village Siracha, Mundra Taluka, Kutch Dist., Gujarat to a height of 275 metres above ground level, so that top of the proposed structure when erected shall not exceed 6.60 metres, (site elevation) + 275 metres (height of the structure) i.e. 281.60 meters above mean sea level. The no objection certificate is valid for a period of seven years from the date of issue.

3. Approval (no. 4/7/2008-CCC) dated April 13, 2009 issued by the Ministry of Environment & Forests, Government of India, granting host country approval to “Grid connected energy efficient power generation” at Tunda and Siracha, Mundra Taluka, Kutch District, Gujarat by Adani Power Limited.

4. Mundra Phase IV Power Project

Approvals received

1. No objection certificate (No. AAI/20012/855/2008-ARI (NOC)) dated July 28, 2008 as stated above under Mundra Phase III Power Project.

2. Letter of Assurance (no. MCL/CDM/S&M/LOA/Adani Power Ltd./ F- /2009/363) dated June 25, 2009 (the “LOA”) issued by Mahanadi Coalfields Limited assuring the supply of 6,409 MTPA of Grade ‘F’ coal to the Company for the Company’s 1,980 MW power plant to be located at Mundra, Kutch, Gujarat. The LOA is valid for a period of 24 months. Further, the supply of coal, as assured, is subject to time bound fulfilment of certain specified milestones, execution of fuel supply agreement within three months after the period of validity of the LOA. In terms of the LOA, price of coal shall be in accordance with notified price of Coal India Limited from time to time.

Approvals applied for

1. Application dated September 26, 2008 filed by Adani Power Limited to the MoEF for environmental clearance for 3x660 MW coal based thermal power plant as an expansion phase 3 at Mundra, District Kutch, Gujarat. MoEF, through letter no. J-13012/126/2008-IA.II(T) dated December 18, 2008, has issued the terms of reference for preparing draft environmental impact assessment report 3x660 MW coal based thermal power plant as an expansion phase 3 at Mundra, District Kutch, Gujarat.

5. Tiroda Power Project

Approvals received

1. Letter of Support (No. Project-2007/CR-700/NRG-4) dated February 14, 2007 issued to the Company by the Government of Maharashtra to provide administrative support.

2. Approval (No. 78 ITS V/Water Allocation) dated February 22, 2008 issued by Vidharbha Irrigation Development Corporation, Nagpur granting water allocation to the tune of 2 Lakh M^3/day (70 MCM/Year) through river Wainganga from the proposed Dhapewada-II irrigation project of Maharashtra Government.

3. Letter (No. 38011/ 1/ 2007-CA-I) dated November 6, 2007 issued by the Ministry of Coal, Government of India allocating Lohara West and Lohara Extension (E) coal block in the command rear of WCL to the Company to meet the coal requirement for its 1,000 MW power plant at Tiroda, district Gondia, Maharashtra.

4. Letter (1960/2007) dated March 28, 2007 issued by Maharashtra Industrial Development Corporation offering 2,056,300 square metres of land to the Company.

5. Approval (No. J-13011/4/2008-IA.II (T)) dated May 29, 2008 issued by Ministry of Environment and Forests, Government of India granting environmental clearance for setting up of 1,320 MW (2X660 MW) coal based thermal power project at Tiroda.

6. No objection certificate (No. AAI/20012/260/2008-ARI (NOC)) dated July 17, 2008 by the Airports Authority of India granting its no objection to the construction of proposed chimney by Adani Power Maharashtra Private Limited (presently known as Adani Power Maharashtra Limited) at A-1, Tiroda growth Centre, Maharashtra Industrial Development Corporation, Tiroda, Dist. Gondia to a height of 275 metres above ground level, so that top of the proposed structure when erected shall not exceed 328.55 metres, (site elevation) + 275 metres (height of the structure) i.e. 603.55 meters above mean sea level. The no objection certificate is valid for a period of four years from the date of issue.

7. Approval (No. 13016/13/2008-CA-I) dated June 23, 2008 issued by Ministry of Coal, Government of India to the Company approving the mining plan (April 2008)for Lohara West and Lohara Extension coal block and the approval of the Central Government is also granted under Section 5(2)(b) of the Mines & Minerals (Development & Regulation) Act, 1957.

8. Approval (No. J-11015/118/2008-IA.II (M)) dated May 16, 2008 issued by Ministry of Environment and Forests, Government of India issuing terms of reference for preparing draft EIA report for Lohara opencast coal project (4 MTPA over 1200 ha) of the Company located in Lohara.

9. Consent no. BO/RO (P&P)/EIC NG-1321-08/E/CC-376 dated September 11, 2008 under Section 25 of the Water (Prevention and Control of Pollution) Act 1974, Section 21 of the Air (Prevention and Control of Pollution) Act, 1981 dated January 29, 2007 and authorisation under Rule 5 of the Hazardous Wastes (Management & Handling) Rules, 1989 and Amendment Rules, 2003 issued by the Maharashtra Pollution Control Board for Tiroda Phase I Power Project.

10. Letter of Assurance (no. NGP/WCL/S&M/C-2(3B)) dated June 1, 2009 (the "LOA") issued by Western Coalfields Limited ("WCL") assuring the supply of 2,185,000 tonnes per annum of Grade 'E' coal for the 1,180 MW Phase I and Phase II power plants to be located at Tiroda, Maharashtra. The LOA is valid for a period of 24 months. Further, the supply of coal, as assured, is subject to time bound fulfilment of certain specified milestones and execution of fuel supply agreement within three months after the period of validity of the LOA. In terms of the LOA, price of coal shall be in accordance with notified price of Coal India Limited from time to time.

11. Letter of Assurance (no. SECL/BSP/S&M/COMML/369/APMPL TPS (LOA)/360) dated June 6, 2009 (the "LOA") issued by South Eastern Coalfields Limited assuring the supply of 2,557,000 tonnes per annum of Grade 'F' coal for the 1,180 MW Phase I and Phase II power plants to be located at Tiroda, Maharashtra. The LOA is valid for a period of 24 months.

Further, the supply of coal, as assured, is subject to time bound fulfilment of certain specified milestones and execution of fuel supply agreement within three months after the period of validity of the LOA. In terms of the LOA, price of coal shall be in accordance with notified price of Coal India Limited from time to time.

12. Approval (no. 4/27/2008-CCC) dated April 17, 2009 issued by the Ministry of Environment & Forests, Government of India, granting host country approval to "Energy efficient power generation in Tirora, India" at Tirora town, Gondia District, Maharashtra by Adani Power Maharashtra Limited.

Approvals applied for

1. Application (Ref. APL/Tirora/271207) dated December 27, 2007 by Adani Power Maharashtra Limited to Ministry of Power, Government of India for grant of Mega Power Project status.

2. Application (No. APPL:DLI:SS:YR:2007-08/08) dated January 14, 2008 filed by the Company to Ministry of Coal, Government of India seeking transfer of the allocation of Lohara West and Lohara Extension coal block from the Company to its subsidiary Adani Power Maharashtra Limited.

3. Application dated July 12, 2008 filed by Adani Power Maharashtra Limited to the MoEF for environmental clearance for 660 MW coal based thermal power plant, Phase II of the Tiroda Power Project. MoEF, through letter no. J-13012/81/2008-IA.II (T) dated September 10, 2008, has issued the terms of reference for preparing draft environmental impact assessment report for expansion from 1,320 MW to 1,980 MW coal based thermal power project under phase II of the Tiroda project.

OTHER REGULATORY AND STATUTORY DISCLOSURES

Authority for the Issue

The Issue has been authorised by a resolution of our Board dated February 27, 2009.

The shareholders have authorised the Issue by a special resolution passed pursuant to Section 81(1A) of the Companies Act at the EGM of our Company held on April 4, 2009.

Prohibition by SEBI

Our Company, our Directors, our Promoters, Promoter Group (other than as disclosed in this Red Herring Prospectus), the directors or the person(s) in control of the Promoter and companies in which our Directors are directors have not been prohibited from accessing or operating in the capital markets or restrained from buying, selling or dealing in securities under any order or direction passed by SEBI.

Prohibition by RBI

Our Company, our Directors, our Promoters, the Promoter Group, the directors or the person(s) in control of the Promoter and companies in which our Directors are directors have not been declared as wilful defaulters by RBI or any other governmental authorities.

Eligibility for the Issue

The Company is an unlisted company and does not meet certain conditions specified in Clause 2.2.1 of the SEBI Guidelines, which are detailed in the following table:

Clause of SEBI Guidelines	Requirement	Whether the Company meets the specified condition (Yes or No)
2.2.1(a)	The Company has net tangible assets of at least Rs. 30 million in each of the preceding 3 full years (of 12 months each), of which not more than 50% is held in monetary assets; Provided that if more than 50% of the net tangible assets are held in monetary assets, the company has made firm commitments to deploy such excess monetary assets in its business/ projects;	Yes
2.2.1(b)	The company has track record of distributable profits in terms of Section 205 of the Companies Act, 1956, for at least three (3) years out of immediately preceding five (5) years; Provided further that extraordinary items shall not be considered for calculating distributable profits in terms of Section 205 of Companies Act, 1956;	No
2.2.1(c)	The company has net worth of at least Rs. 10 million in each of the preceding 3 full years (of 12 months each);	Yes
2.2.1(d)	In case the company has changed its name within the last one year, at least 50% of the revenue for the preceding 1 full year is earned by the company from the activity suggested by the new name; and	Not applicable
2.2.1(e)	The aggregate of the proposed issue and all previous issues made in the same financial year in terms of size (i.e., offer through offer document + firm allotment + promoters' contribution through the offer document), does not exceed five (5) times its pre-issue net worth as per the audited balance sheet of the last financial year.	Yes

As the Company does not meet certain of the conditions specified in Clause 2.2.1 of the SEBI Guidelines, the Company (being an unlisted company) is required to meet both the conditions detailed in Clause 2.2.2(a) and Clause 2.2.2(b) of the SEBI Guidelines.

"2.2.2 An unlisted company not complying with any of the conditions specified in Clause 2.2.1 may make an initial public offering (IPO) of equity shares or any other security which may be converted into or exchanged with equity shares at a later date, only if it meets both the conditions (a) and (b) given below:

(a) (i) The issue is made through the book-building process, with at least 50% of the net offer to public being allotted to the Qualified Institutional Buyers (QIBs), failing which the full subscription monies shall be refunded.

OR

(a)(ii) The "project" has at least 15% participation by Financial Institutions/ Scheduled Commercial Banks, of which at least 10% comes from the appraiser(s). In addition to this, at least 10% of the issue size shall be allotted to QIBs, failing which the full subscription monies shall be refunded

AND

(b) (i) The minimum post-issue face value capital of the company shall be Rs. 10 crores.

OR

(b) (ii) There shall be a compulsory market-making for at least 2 years from the date of listing of the shares, subject to the following:

(a) Market makers undertake to offer buy and sell quotes for a minimum depth of 300 shares;

(b) Market makers undertake to ensure that the bid-ask spread (difference between quotations for sale and purchase) for their quotes shall not at any time exceed 10%;

(c) The inventory of the market makers on each of such stock exchanges, as of the date of allotment of securities, shall be at least 5% of the proposed issue of the company.)"

Our Company is eligible for the Issue in accordance with Clause 2.2.2 of the SEBI Guidelines, as follows:

- The Company is complying with Clause 2.2.2(a)(i) of the SEBI Guidelines and at least 60% of the Net Issue are proposed to be allotted to QIBs (in order to comply with the requirements of Rule 19(2)(b) of the SCRR) and in the event the Company fails to do so, the full subscription monies shall be refunded to the Bidders.
- The Company is also complying with Clause 2.2.2(b)(i) of the SEBI Guidelines and the post-issue face value capital of the Company shall be more than the minimum requirement of Rs. 10 crore (Rs. 100 million).

Hence, the Company is eligible for the Issue under Clause 2.2.2 of the SEBI Guidelines.

Further, in accordance with Clause 2.2.2A of the SEBI Guidelines, the Company shall ensure that the number of prospective allotees to whom the Equity Shares will be allotted will be not less than 1,000.

Further, the Issue is subject to the fulfilment of the following conditions as required by Rule 19(2)(b) SCRR:

- A minimum 2 million Equity Shares (excluding reservations, firm Allotments and promoters contribution) are offered to the public;
- The Issue size, which is the Issue Price multiplied by the number of Equity Shares offered to the public, is a minimum of Rs. 1,000 million; and
- The Issue is made through the Book Building method with allocation of at least 60% of the Net Issue size to QIBs as specified by SEBI.

Disclaimer Clause of SEBI

AS REQUIRED, A COPY OF THE RED HERRING PROSPECTUS HAS BEEN SUBMITTED TO SEBI. IT IS TO BE DISTINCTLY UNDERSTOOD THAT SUBMISSION OF THE RED HERRING PROSPECTUS TO SEBI SHOULD NOT, IN ANY WAY, BE DEEMED OR CONSTRUED THAT THE SAME HAS BEEN CLEARED OR APPROVED BY SEBI. SEBI DOES NOT TAKE ANY RESPONSIBILITY EITHER FOR THE FINANCIAL SOUNDNESS OF ANY SCHEME OR THE PROJECT FOR WHICH THE ISSUE IS PROPOSED TO BE MADE OR FOR THE CORRECTNESS OF

THE STATEMENTS MADE OR OPINIONS EXPRESSED IN THE RED HERRING PROSPECTUS. THE GLOBAL COORDINATOR AND BOOK RUNNING LEAD MANAGER AND ENAM, IDFC, I-SEC, JM FINANCIAL, KOTAK, MORGAN STANLEY AND SBICAPS HAVE CERTIFIED THAT THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE GENERALLY ADEQUATE AND ARE IN CONFORMITY WITH SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 AS FOR THE TIME BEING IN FORCE. THIS REQUIREMENT IS TO FACILITATE INVESTORS TO TAKE AN INFORMED DECISION FOR MAKING AN INVESTMENT IN THE PROPOSED ISSUE.

IT SHOULD ALSO BE CLEARLY UNDERSTOOD THAT WHILE THE COMPANY IS PRIMARILY RESPONSIBLE FOR THE CORRECTNESS, ADEQUACY AND DISCLOSURE OF ALL RELEVANT INFORMATION IN THE RED HERRING PROSPECTUS, THE LEAD MANAGERS ARE EXPECTED TO EXERCISE DUE DILIGENCE TO ENSURE THAT THE COMPANY DISCHARGES ITS RESPONSIBILITY ADEQUATELY IN THIS BEHALF AND TOWARDS THIS PURPOSE, THE GLOBAL COORDINATOR AND BOOK RUNNING LEAD MANAGER, HAVE FURNISHED TO SEBI, A DUE DILIGENCE CERTIFICATE DATED APRIL 20, 2009 AND ENAM, IDFC, I-SEC, JM FINANCIAL, KOTAK, MORGAN STANLEY AND SBICAPS HAVE FURNISHES TO SEBI, A DUE DILIGENCE CERTIFICATE DATED JULY 8, 2009 IN ACCORDANCE WITH THE SEBI (MERCHANT BANKERS) REGULATIONS, 1992. THE SAID DUE DILIGENCE CERTIFICATES READ AS FOLLOWS:

“WE, THE UNDER NOTED LEAD MERCHANT BANKER TO THE ABOVE MENTIONED FORTHCOMING ISSUE STATE AS FOLLOWS:

1. **WE HAVE EXAMINED VARIOUS DOCUMENTS INCLUDING THOSE RELATING TO LITIGATION LIKE COMMERCIAL DISPUTES, PATENT DISPUTES, DISPUTES WITH COLLABORATORS ETC. AND OTHER MATERIALS MORE PARTICULARLY REFERRED TO IN THE ANNEXURE HERETO IN CONNECTION WITH THE FINALISATION OF THE RED HERRING PROSPECTUS PERTAINING TO THE SAID ISSUE;**

2. **ON THE BASIS OF SUCH EXAMINATION AND THE DISCUSSIONS WITH THE COMPANY, ITS DIRECTORS AND OTHER OFFICERS, OTHER AGENCIES, INDEPENDENT VERIFICATION OF THE STATEMENTS CONCERNING THE OBJECTS OF THE ISSUE, PROJECTED PROFITABILITY, PRICE JUSTIFICATION AND THE CONTENTS OF THE DOCUMENTS MENTIONED IN THE ANNEXURE AND OTHER PAPERS FURNISHED BY THE COMPANY, WE CONFIRM THAT:**

   (a) **THE RED HERRING PROSPECTUS FORWARDED TO THE BOARD IS IN CONFORMITY WITH THE DOCUMENTS, MATERIALS AND PAPERS RELEVANT TO THE ISSUE;**

   (b) **ALL THE LEGAL REQUIREMENTS CONNECTED WITH THE SAID ISSUE AS ALSO THE GUIDELINES, INSTRUCTIONS, ETC. ISSUED BY THE BOARD, THE GOVERNMENT AND ANY OTHER COMPETENT AUTHORITY IN THIS BEHALF HAVE BEEN DULY COMPLIED WITH; AND**

   (c) **THE DISCLOSURES MADE IN THE RED HERRING PROSPECTUS ARE TRUE, FAIR AND ADEQUATE TO ENABLE THE INVESTORS TO MAKE A WELL INFORMED DECISION AS TO THE INVESTMENT IN THE PROPOSED ISSUE (AND SUCH DISCLOSURES ARE IN ACCORDANCE WITH THE REQUIREMENTS OF THE COMPANIES ACT, 1956, THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 AND OTHER APPLICABLE LEGAL REQUIREMENTS).**

3. **WE CONFIRM THAT BESIDES OURSELVES, ALL THE INTERMEDIARIES NAMED IN THE PROSPECTUS ARE REGISTERED WITH THE BOARD AND THAT TILL DATE SUCH REGISTRATION IS VALID.**

4. **WHEN UNDERWRITTEN, WE SHALL SATISFY OURSELVES ABOUT THE WORTH OF THE UNDERWRITER TO FULFIL THEIR UNDERWRITING COMMITMENTS.**

5. **WE CERTIFY THAT WRITTEN CONSENT FROM PROMOTERS HAS BEEN OBTAINED FOR INCLUSION OF THEIR SECURITIES AS PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN AND THE SECURITIES PROPOSED TO FORM PART OF PROMOTERS’ CONTRIBUTION SUBJECT TO LOCK-IN, WILL NOT BE DISPOSED / SOLD / TRANSFERRED BY THE PROMOTERS DURING THE PERIOD STARTING FROM THE DATE OF FILING THE RED HERRING PROSPECTUS WITH THE BOARD TILL THE DATE OF COMMENCEMENT OF LOCK-IN PERIOD AS STATED IN THE RED HERRING PROSPECTUS.**

6. **WE CERTIFY THAT CLAUSE 4.6 OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000, WHICH RELATES TO SECURITIES INELIGIBLE FOR COMPUTATION OF PROMOTERS CONTRIBUTION, HAS BEEN DULY COMPLIED WITH AND APPROPRIATE DISCLOSURES AS TO COMPLIANCE WITH THE CLAUSE HAVE BEEN MADE IN THE RED HERRING PROSPECTUS.**

7. **WE UNDERTAKE THAT CLAUSES 4.9.1, 4.9.2, 4.9.3 AND 4.9.4 OF THE SEBI (DISCLOSURE AND INVESTOR PROTECTION) GUIDELINES, 2000 SHALL BE COMPLIED WITH. WE CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT ALL PROMOTER'S CONTRIBUTION AND SUBSCRIPTION FROM ALL FIRM ALLOTTEES WOULD BE RECEIVED ATLEAST ONE DAY BEFORE THE OPENING OF THE ISSUE. WE UNDERTAKE THAT AUDITORS CERTIFICATE TO THIS EFFECT SHALL BE DULY SUBMITTED TO THE BOARD. WE FURTHER CONFIRM THAT ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT PROMOTER'S CONTRIBUTION SHALL BE KEPT IN AN ESCROW ACCOUNT WITH A SCHEDULED COMMERCIAL BANK AND SHALL BE RELEASED TO THE COMPANY ALONG WITH THE PROCEEDS OF THE PUBLIC ISSUE- NOT APPLICABLE**

8. **WHERE THE REQUIREMENT OF PROMOTERS' CONTRIBUTION IS NOT APPLICABLE TO THE ISSUER, WE CERTIFY THE REQUIREMENTS OF PROMOTERS' CONTRIBUTION UNDER CLAUSE 4.10 (SUB-CLAUSE (A), (B), OR (C), AS MAY BE APPLICABLE) ARE NOT APPLICABLE TO THE ISSUER – NOT APPLICABLE.**

9. **WE CERTIFY THAT THE PROPOSED ACTIVITIES OF THE ISSUER FOR WHICH THE FUNDS ARE BEING RAISED IN THE PRESENT ISSUE FALL WITHIN THE 'MAIN OBJECTS' LISTED IN THE OBJECT CLAUSE OF THE MEMORANDUM OF ASSOCIATION OR OTHER CHARTER OF THE ISSUER AND THAT THE ACTIVITIES WHICH HAVE BEEN CARRIED OUT UNTIL NOW ARE VALID IN TERMS OF THE OBJECT CLAUSE OF ITS MEMORANDUM OF ASSOCIATION.**

10. **WE CONFIRM THAT NECESSARY ARRANGEMENTS HAVE BEEN MADE TO ENSURE THAT THE MONEYS RECEIVED PURSUANT TO THE ISSUE ARE KEPT IN A SEPARATE BANK ACCOUNT AS PER THE PROVISIONS OF SECTION 73(3) OF THE COMPANIES ACT, 1956 AND THAT SUCH MONEYS SHALL BE RELEASED BY THE SAID BANK ONLY AFTER PERMISSION IS OBTAINED FROM ALL THE STOCK EXCHANGES MENTIONED IN THE PROSPECTUS. WE FURTHER CONFIRM THAT THE AGREEMENT ENTERED INTO BETWEEN THE BANKERS TO THE ISSUE AND THE ISSUER SPECIFICALLY CONTAINS THIS CONDITION – TO BE COMPLIED WITH.**

11. **WE CERTIFY THAT NO PAYMENT IN THE NATURE OF DISCOUNT, COMMISSION, ALLOWANCE OR OTHERWISE SHALL BE MADE BY THE ISSUER OR THE PROMOTERS, DIRECTLY OR INDIRECTLY, TO ANY PERSON WHO RECEIVES SECURITIES BY WAY OF FIRM ALLOTMENT IN THE ISSUE.**

12. **WE CERTIFY THAT A DISCLOSURE HAS BEEN MADE IN THE RED HERRING PROSPECTUS THAT THE INVESTORS SHALL BE GIVEN AN OPTION TO GET THE SHARES IN DEMAT OR PHYSICAL MODE- NOT APPLICABLE AS THE OFFER SIZE IS MORE THAN 10 CRORES, HENCE UNDER SECTION 68B OF THE COMPANIES ACT, 1956, THE EQUITY SHARES ARE TO BE ISSUED IN DEMAT ONLY.**

13. **WE CERTIFY THAT THE FOLLOWING DISCLOSURES HAVE BEEN MADE IN THE RED HERRING PROSPECTUS:**

    (a) **AN UNDERTAKING FROM THE ISSUER THAT AT ANY GIVEN TIME THERE SHALL BE ONLY ONE DENOMINATION FOR THE SHARES OF THE COMPANY AND**

    (b) **AN UNDERTAKING FROM THE ISSUER THAT IT SHALL COMPLY WITH SUCH DISCLOSURE AND ACCOUNTING NORMS SPECIFIED BY THE BOARD FROM TIME TO TIME."**

The filing of the Red Herring Prospectus does not, however, absolve the Company from any liabilities under Section 63 or Section 68 of the Companies Act or from the requirement of obtaining such statutory and/or other clearances as may be required for the purpose of the proposed issue. SEBI further reserves the right to take up at any point of time, with the BRLMs, any irregularities or lapses in the Red Herring Prospectus.

All legal requirements pertaining to the Issue will be complied with at the time of filing of the Red Herring Prospectus with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli in terms of 60B of the Companies Act. All legal requirements pertaining to the Issue will be complied with at the time of registration of the Prospectus with the Registrar of Companies, Gujarat, Dadra and Nagar Haveli in terms of Section 56, Section 60 and Section 60B of the Companies Act.

Caution - Disclaimer from the Company and the BRLMs

Our Company, our Directors and the BRLMs accept no responsibility for statements made otherwise than in this Red Herring Prospectus or in the advertisements or any other material issued by or at our instance and anyone placing reliance on any other source of information, including our web site www.adanipower.com, would be doing so at his or her own risk.

The BRLMs accept no responsibility, save to the limited extent as provided in the MoU entered into between the BRLMs and us and the Underwriting Agreement to be entered into between the Underwriters and our Company.

All information shall be made available by us and the BRLMs to the public and investors at large and no selective or additional information would be available for a section of the investors in any manner whatsoever including at road show presentations, in research or sales reports, at bidding centres or elsewhere.

Neither us nor the Syndicate is liable for any failure in downloading the Bids due to faults in any software/hardware system or otherwise.

Investors that bid in the Issue will be required to confirm and will be deemed to have represented to the Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives that they are eligible under all applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of the Company and will not Issue, sell, pledge, or transfer the Equity Shares of the Company to any person who is not eligible under any applicable laws, rules, regulations, guidelines and approvals to acquire Equity Shares of the Company. The Company, the Underwriters and their respective directors, officers, agents, affiliates, and representatives accept no responsibility or liability for advising any investor on whether such investor is eligible to acquire Equity Shares of the Company.

Disclaimer in respect of Jurisdiction

This Issue is being made in India to persons resident in India (including Indian nationals resident in India who are not minors, HUFs, companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in shares, Indian Mutual Funds registered with SEBI, Indian financial institutions, commercial banks, regional rural banks, co-operative banks (subject to RBI permission), or trusts under applicable trust law and who are authorised under their constitution to hold and invest in shares, permitted insurance companies and pension funds) and to FIIs, eligible NRIs and other eligible foreign investors (viz. FVCIs, multilateral and bilateral development financial institutions). This Red Herring Prospectus does not, however, constitute an invitation to purchase shares offered hereby in any jurisdiction other than India to any person to whom it is unlawful to make an offer or invitation in such jurisdiction. Any person into whose possession this Red Herring Prospectus comes is required to inform himself or herself about, and to observe, any such restrictions. Any dispute arising out of this Issue will be subject to the jurisdiction of appropriate court(s) in Ahmedabad only.

No action has been, or will be, taken to permit a public offering in any jurisdiction where action would be required for that purpose, except that this Red Herring Prospectus has been filed with SEBI for its observations and SEBI shall give its observations in due course. Accordingly, the Equity Shares represented thereby may not be offered or sold, directly or indirectly, and this Red Herring Prospectus may not be distributed, in any jurisdiction, except in accordance with the legal requirements applicable in such jurisdiction. Neither the delivery of this Red Herring Prospectus nor any sale hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of our Company since the date hereof or that the information contained herein is correct as of any time subsequent to this date.

The Equity Shares have not been and will not be registered under the US Securities Act of 1933 (the "Securities Act") and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) within the United States to "qualified institutional buyers", as defined in Rule 144A under the Securities Act in transactions exempt from the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Until the expiry of 40 days after the commencement of the Issue, an offer or sale of Equity Shares within the United States by a dealer (whether or not it is participating in the Issue) may violate the registration requirements of the Securities Act.

Each purchaser acquiring the Equity Shares outside the United States pursuant to Regulation S will be deemed to have represented and agreed that it has received a copy of this Red Herring Prospectus and such other information, as it deems necessary to make an informed investment decision and that:

1. the purchaser acknowledges that the Equity Shares have not been and will not be registered under the Securities Act, or with any securities regulatory authority of any state of the United States, and are subject to restrictions on transfer;
2. the purchaser and the person, if any, for whose account or benefit the purchaser is acquiring the Equity Shares, was located outside the United States at the time the buy order for the Equity Shares was originated and continues to be located outside the United States and has not purchased the Equity Shares for the account or benefit of any person in the United Sates or entered into any arrangement for the transfer of the Equity Shares or any economic interest therein to any person in the United States;
3. the purchaser is not an affiliate of the Company or a person acting on behalf of such affiliate; and it is not in the business of buying and selling securities or, if it is in such business, it did not acquire the Equity Shares from the Company or an affiliate thereof in the initial distribution of the Equity Shares;
4. if, in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a qualified institutional buyer (as defined in Rule 144A) in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S under the Securities Act, or (iii) in accordance with Rule 144 under the Securities Act (if available), or any transaction exempt from the registration requirements of the Securities Act, in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction;
5. the purchaser is purchasing the Equity Shares in an offshore transaction meeting the requirements of Rule 903 of Regulation S under the Securities Act; and
6. the purchaser acknowledges that the Company, the BRLMs and their affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of the Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Each purchaser acquiring the Equity Shares within the United States pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act will be deemed to have represented and agreed that it has received a copy of this Red Herring Prospectus and such other information as it deems necessary to make an informed investment decision and that:

1. the purchaser is authorised to consummate the purchase of the Equity Shares in compliance with all applicable laws and regulations;
2. the purchaser acknowledges that the Equity Shares have not been and will not be registered under the Securities Act or with any securities regulatory authority of any state of the United States and are subject to restrictions on transfer;
3. the purchaser (i) is a qualified institutional buyer (as defined in Rule 144A under the Securities Act), (ii) is aware that the sale to it is being made in a transaction not subject to the registration requirements of the Securities Act, and (iii) is acquiring such Equity Shares for its own account or for the account of a qualified institutional buyer with respect to which it exercises sole investment discretion;
4. the purchaser is aware that the Equity Shares are being offered in the United States in a transaction not involving any public offering in the United States within the meaning of the Securities Act;
5. if in the future, the purchaser decides to offer, resell, pledge or otherwise transfer such Equity Shares, or any economic interest therein, such Equity Shares or any economic interest therein may be offered, sold, pledged or otherwise transferred only (i) to a person whom the beneficial owner and/or any person acting on its behalf reasonably believes is a qualified institutional buyer (as defined in Rule 144A) in a transaction meeting the requirements of Rule 144A, (ii) in accordance with Regulation S under the Securities Act, or (iii) in accordance with Rule 144 under the Securities Act (if available), or any transaction exempt from the registration requirements of the Securities act, in each case in accordance with any applicable securities laws of any state of the United States or any other jurisdiction;

6. the Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act and no representation is made as to the availability of the exemption provided by Rule 144 for resale of any Equity Shares;

7. the purchaser will not deposit or cause to be deposited such Equity Shares into any depository receipt facility established or maintained by a depository bank other than a Rule 144A restricted depository receipt facility, so long as such Equity Shares are "restricted securities" within the meaning of Rule 144(a)(3) under the Securities Act;

8. the Company shall not recognise any offer, sale, pledge or other transfer of the Equity Shares made other than in compliance with the above-stated restrictions; and

9. the purchaser acknowledges that the Company, the BRLMs and its affiliates, and others will rely upon the truth and accuracy of the foregoing acknowledgements, representations and agreements and agrees that, if any of such acknowledgements, representations and agreements deemed to have been made by virtue of its purchase of the Equity Shares are no longer accurate, it will promptly notify the Company, and if it is acquiring any of the Equity Shares as a fiduciary or agent for one or more accounts, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of such account.

Each person in a Member State of the EEA which has implemented the Prospectus Directive (each, a "Relevant Member State) who receives any communication in respect of, or who acquires any Equity Shares under, the offers contemplated in this Red Herring Prospectus will be deemed to have represented, warranted and agreed to and with each Underwriters and the Company that:

1. it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and

2. in the case of any Equity Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive, (i) the Equity Shares acquired by it in the placement have not been acquired on behalf of, nor have they been acquired with a view to their offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Underwriters have been given to the offer or resale; or (ii) where Equity Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Equity Shares to it is not treated under the Prospectus Directive as having been made to such persons.

For the purposes of this provision, the expression an "offer of Equity Shares to the public" in relation to any of the Equity Shares in any Relevant Member States means the communication in any form and by any means of sufficient information on the terms of the offer and the Equity Shares to be offered so as to enable an investor to decide to purchase or subscribe for the Equity Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

Disclaimer Clause of BSE

BSE has given vide its letter dated May 18, 2009, permission to us to use BSE's name in the Red Herring Prospectus as one of the stock exchanges on which our securities are proposed to be listed. BSE has scrutinised the Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to us. BSE does not in any manner:

- warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus; or
- warrant that this Company's securities will be listed or will continue to be listed on BSE; or
- take any responsibility for the financial or other soundness of this Company, its promoters, its management or any scheme or project of this Company;

and it should not for any reason be deemed or construed to mean that the Draft Red Herring Prospectus has been cleared or approved by BSE. Every Person who desires to apply for or otherwise acquires any securities of this Company may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against BSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or for any other reason whatsoever.

Disclaimer Clause of the NSE

As required, a copy of the Draft Red Herring Prospectus has been submitted to NSE. NSE has given vide its letter ref.: NSE/LIST/109083-X dated May 29, 2009, permission to us to use NSE's name in the Red Herring Prospectus as one of the stock exchanges on which our securities are proposed to be listed. The NSE has scrutinised the Draft Red Herring Prospectus for its limited internal purpose of deciding on the matter of granting the aforesaid permission to us. It is to be distinctly understood that the aforesaid permission given by NSE should not in any way be deemed or construed that the Draft Red Herring Prospectus has been cleared or approved by NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of the Draft Red Herring Prospectus; nor does it warrant that our securities will be listed or will continue to be listed on the NSE; nor does it take any responsibility for the financial or other soundness of the Company, its promoters, its management or any scheme or project of the Company.

Every Person who desires to apply for or otherwise acquires any of our securities may do so pursuant to independent inquiry, investigation and analysis and shall not have any claim against the NSE whatsoever by reason of any loss which may be suffered by such person consequent to or in connection with such subscription/ acquisition whether by reason of anything stated or omitted to be stated herein or any other reason whatsoever.

Filing

A copy of the Red Herring Prospectus has been filed with SEBI at Corporation Finance Department, Plot No.C4-A,'G' Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051.

A copy of the Red Herring Prospectus, along with the documents required to be filed under Section 60B of the Companies Act, would be delivered for registration to the RoC and a copy of the Prospectus to be filed under Section 60 of the Companies Act would be delivered for registration with RoC at the Office of the Registrar of Companies, Gujarat, Dadra and Nagar Haveli at ROC Bhavan, CGO Complex, Opposite Rupal Park Society, Near Ankur Bus Stand, Naranpura, Ahmedabad 380 013.

Listing

Applications have been made to the BSE and NSE for permission to deal in and for an official quotation of our Equity Shares. BSE will be the Designated Stock Exchange with which the Basis of Allotment will be finalised.

If the permissions to deal in and for an official quotation of our Equity Shares are not granted by any of the Stock Exchanges mentioned above, our Company will forthwith repay, without interest, all moneys received from the applicants in pursuance of this Red Herring Prospectus. If such money is not repaid within 8 days after our Company becomes liable to repay it, i.e. from the date of refusal or within 7 days from the Bid/Issue Closing Date, whichever is earlier, then the Company and every Director of the Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% p.a. on application money, as prescribed under Section 73 of the Companies Act.

Our Company shall ensure that all steps for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges mentioned above are taken within 7 working days of finalisation of the Basis of Allotment for the Issue.

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68A of the Companies Act, which is reproduced below:

"Any person who:

(a) Makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or

(b) Otherwise induces a company to allot, or register any transfer of shares, therein to him, or any other person in a fictitious name shall be punishable with imprisonment for a term which may extend to five years."

Consents

Consents in writing of: (a) the Directors, the Company Secretary and Compliance Officer, the Auditors, the auditors of our subsidiary, Adani Power Maharashtra Limited, Bankers to the Company and Bankers to the Issue; and (b) BRLMS, Syndicate Members, Escrow Collection Bankers, Registrar to the Issue, the Monitoring Agent, Legal Counsel to Issuer and Legal

Counsels to the Underwriters, to act in their respective capacities, have been obtained and will be filed along with a copy of the Red Herring Prospectus with the RoC, as required under Sections 60 and 60B of the Companies Act and such consents shall not be withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

In accordance with the Companies Act, 1956 and the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines 2000, Deloitte Haskins & Sells, Chartered Accountants, have given their written consent to the inclusion of their financial report as well as report in relation to tax benefits accruing to our Company and its members in the form and context in which it appears in this Red Herring Prospectus and such consent has not been withdrawn up to the time of delivery of the Red Herring Prospectus for registration with the RoC.

ICRA Limited, the IPO grading agency engaged by us for the purpose of obtaining IPO grading in respect of this Issue, have given their written consent as experts to the inclusion of their report in the form and context in which they will appear in the Red Herring Prospectus and such consents and reports will not be withdrawn up to the time of delivery of the Red Herring Prospectus and the Prospectus to the Registrar of Companies.

Expert to the Issue

Other than as stated above, the Company has not obtained any expert opinions.

Expenses of the Issue

The total expenses of the Issue are estimated to be approximately Rs. [•] million. The expenses of this Issue include, among others, underwriting and management fees, SCSB's commission/ fees, selling commission, printing and distribution expenses, legal fees, statutory advertisement expenses and listing fees. All expenses with respect to the Issue would be paid by our Company.

The estimated Issue expenses are as under:

(In Rs. Million)

Activity	Expenses*	Percentage of the Issue Expenses*	Percentage of the Issue Size*
Lead management, underwriting and selling commission	[•]	[•]	[•]
Advertising and Marketing expenses	[•]	[•]	[•]
Printing and stationery	[•]	[•]	[•]
Others (Monitoring agency fees, Registrar's fee, legal fee, listing fee, etc.)	[•]	[•]	[•]
Total estimated Issue expenses	[•]	[•]	[•]

** Will be incorporated after finalisation of Issue Price.*

Fees Payable to the BRLMs and the Syndicate Members

The total fees payable to the GCBRLM will be as per the engagement letter dated April 15, 2009 issued by our Company, a copy of which is available for inspection at our registered office.

Fees Payable to the Registrar to the Issue

The fees payable by our Company to the Registrar to the Issue for processing of application, data entry, printing of CAN/ refund order, preparation of refund data on magnetic tape, printing of bulk mailing register will be as the per the MoU between our Company and the Registrar to the Issue dated April 26, 2008, as amended through letter agreement dated July 6, 2009

The Registrar to the Issue will be reimbursed for all out of pocket expenses including cost of stationery, postage, stamp duty, and communication expenses. Adequate funds will be provided to the Registrar to the Issue to enable them to send refund orders or Allotment advice by registered post/speed post/under certificate of posting.

IPO Grading

This Issue has been graded by ICRA Limited and has been assigned a grade of IPO Grade 3 indicating average fundamentals, through its letter dated July 2, 2009. For details in relation to the Report of the Grading Agency, please refer to "Annexure" beginning on page 447 of this Red Herring Prospectus.

Disclaimer of IPO Grading Agency: Notwithstanding anything to the contrary: An ICRA IPO Grade is a statement of current opinion of ICRA and is not a statement of appropriateness of the graded security for any of the investors. Such grade is assigned with due care and caution on the basis of analysis of information and clarifications obtained from the issuer concerned and also other sources considered reliable by ICRA. However, ICRA makes no representation or warranty, express or implied as to the accuracy, authenticity, timelines, or completeness of such information. An ICRA IPO Grade is not (a) a comment on the present or future price of the security concerned (b) a certificate of statutory compliance and/or (c) a credit rating. Further the ICRA IPO Grade is not a recommendation of any kind including but not limited to recommendation to buy, sell, or deal in the securities of such Issuer nor can it be considered as authentication of any of the financial statements of the company and ICRA shall not be liable for any losses incurred by users from any use of the grade in any manner. It is advisable that the professional assistance be taken by any prospective investor in the securities of the company including in the fields of investment banking, tax or law while making such investment. All services and information provided by ICRA is provided on an “as is” basis, without representations and warranties of any nature.

Underwriting commission, brokerage and selling commission on Previous Issues

Since this is the initial public offer of the Company, no sum has been paid or has been payable as commission or brokerage for subscribing to or procuring or agreeing to procure subscription for any of our Equity Shares since our inception.

Previous Rights and Public Issues

The Company has not made any previous rights and public issues in India or abroad in the five years preceding the date of this Red Herring Prospectus.

Previous issues of shares otherwise than for cash

Except as stated in the section titled “Capital Structure” on page 25 of this Red Herring Prospectus, the Company has not made any previous issues of shares for consideration otherwise than for cash.

Companies under the same management

No company under the same management (within the meaning of Section 370(1)(B) of the Companies Act) as us has made any capital issue during the last three years.

Promise v. performance – Promoter Group

For details in relation to promise v. performance of the promoter group, please see “Our Promoters” on page 153 and “Our Promoter Group” on page 158 of this Red Herring Prospectus.

Outstanding Debentures, Bond Issues, or Preference Shares

The Company had issued certain Cumulative Compulsorily Convertible Participatory Preference Shares (“CCCPS”) of face value Rs. 10 each aggregating to Rs. 1500 million. The same were converted into Equity Shares on April 25, 2008. For further details of CCCPS, please see section titled “Capital Structure” on page 25 of this Red Herring Prospectus.

Stock Market Data for our Equity Shares

This being an initial public offering of our Company, the Equity Shares of our Company are not listed on any stock exchange.

Mechanism for Redressal of Investor Grievances

The agreement between the Registrar to the Issue and our Company will provide for retention of records with the Registrar to the Issue for a period of at least six months from the last date of despatch of the letters of allotment, demat credit and refund orders to enable the investors to approach the Registrar to the Issue for redressal of their grievances.

All grievances relating to the Issue may be addressed to the Registrar to the Issue, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the bank branch or collection centre where the application was submitted.

All grievances relating to the ASBA process may be addressed to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, amount paid on application and the Designated Branch or the collection centre of the SCSB where the Bid cum Application Form was submitted by the ASBA Bidders.

Disposal of Investor Grievances

Our Company or the Registrar to the Issue or the SCSB in case of ASBA Bidders shall redress routine investor grievances within seven business days from the date of receipt of the complaint. In case of non-routine complaints and complaints where external agencies are involved, our Company will seek to redress these complaints as expeditiously as possible.

The Company has also appointed Mr. Rahul C. Shah, Company Secretary of our Company as the Compliance Officer for this Issue and he may be contacted in case of any pre-Issue or post-Issue related problems, at the following address:

Adani House, Near Mithakali Six Roads
Navrangpura
Ahmedabad 380 009
Tel: (91 79) 2555 5795
Fax: (91 79) 2555 5608
Email: ipo@adanipower.com

Change in Auditors

The following are the changes in the auditors of the Company in last three years:

Name of the Auditor	Date of appointment	Date of resignation	Reason
Dharmesh Parikh and Co.	August 22, 1996	September 30, 2006	Resigned
C. C. Chokshi and Co.	September 30, 2006	September 21, 2007	Resigned
Deloitte Haskins & Sells	September 21, 2007	N.A.	N.A.

Capitalisation of Reserves or Profits

Our Company has not capitalised our reserves or profits during the last five years, except as stated in this Red Herring Prospectus.

Revaluation of Assets

The Company has not re-valued its assets in the last five years.

Purchase of Property

Other than as disclosed in this Red Herring Prospectus there is no property which has been purchased or acquired or is proposed to be purchased or acquired which is to be paid for wholly or partly from the proceeds of the present Issue or the purchase or acquisition of which has not been completed on the date of this Red Herring Prospectus, other than property, in respect of which:

- The contract for the purchase or acquisition was entered into in the ordinary course of business, or the contract was entered into in contemplation of the Issue, or that the Issue was contemplated in consequence of the contract; or
- The amount of the purchase money is not material.

The Company has not purchased any property in which any of its Promoter and/or Directors, have any direct or indirect interest in any payment made thereunder.

Servicing Behaviour

There has been no default in payment of statutory dues or of interest or principal in respect of our borrowings or deposits.

Payment or benefit to officers of our Company

Except statutory benefits upon termination of their employment in our Company or superannuation, no officer of our Company is entitled to any benefit upon termination of his employment in our Company or superannuation.

Except as disclosed in “Related Party Transaction” on page 229 of this Red Herring Prospectus, none of the beneficiaries of loans and advances and sundry debtors are related to the Directors of the Company.

ISSUE INFORMATION

TERMS OF THE ISSUE

The Equity Shares being issued are subject to the provisions of the Companies Act, our Memorandum and Articles of Association, conditions of the RBI/FIPB approval, the terms of this Red Herring Prospectus and the Prospectus, Bid cum Application Form, the Revision Form, the CAN and other terms and conditions as may be incorporated in the Allotment advices and other documents/ certificates that may be executed in respect of the Issue. The Equity Shares shall also be subject to laws as applicable, guidelines, notifications and regulations relating to the issue of capital and listing and trading of securities issued from time to time by SEBI, the Government of India, Stock Exchanges, RoC, RBI and/or other authorities, as in force on the date of the Issue and to the extent applicable.

Authority for the Issue

The Issue has been authorised by a resolution of our Board dated February 27, 2009 and by special resolution adopted pursuant to Section 81(1A) of the Companies Act, at an EGM of the shareholders of our Company held on April 4, 2009.

Ranking of Equity Shares

The Equity Shares being issued shall be subject to the provisions of our Memorandum and Articles of Association and shall rank pari-passu with the existing Equity Shares of our Company including rights in respect of dividend. The Allotees in receipt of Allotment of Equity Shares under this Issue will be entitled to dividends and other corporate benefits, if any, declared by the Company after the date of Allotment. For further details, please see "Main Provisions of the Articles of Association" on page 432 of this Red Herring Prospectus.

Mode of Payment of Dividend

The Company shall pay dividends to its shareholders in accordance with the provisions of the Companies Act.

Face Value and Issue Price

The face value of the Equity Shares is Rs. 10 each and the Issue Price at the lower end of the Price Band is Rs. [•] per Equity Share and at the higher end of the Price Band is Rs. [•] per Equity Share. At any given point of time there shall be only one denomination for the Equity Shares. The Price Band and the minimum Bid lot size for the Issue will be decided by the Company in consultation with the GCBRLM and advertised in all editions of Financial Express in English and Gujarati languages and all editions of Jansatta in Hindi language at least two working days prior to the Bid/Issue Opening Date.

Compliance with SEBI Guidelines

The Company shall comply with all disclosure and accounting norms as specified by SEBI from time to time.

Rights of the Equity Shareholder

Subject to applicable laws, the equity shareholders shall have the following rights:

- Right to receive dividend, if declared;
- Right to attend general meetings and exercise voting powers, unless prohibited by law;
- Right to vote on a poll either in person or by proxy;
- Right to receive offers for rights shares and be allotted bonus shares, if announced;
- Right to receive surplus on liquidation;
- Right of free transferability; and
- Such other rights, as may be available to a shareholder of a listed public company under the Companies Act, the terms of the listing agreement executed with the Stock Exchanges, and our Company's Memorandum and Articles of Association.

For a detailed description of the main provisions of our Articles of Association relating to voting rights, dividend, forfeiture and lien and/or consolidation/splitting, please refer to the section titled "Main Provisions of the Articles of Association" on page 432 of this Red Herring Prospectus.

Market Lot and Trading Lot

In terms of Section 68B of the Companies Act, the Equity Shares shall be allotted only in dematerialised form. As per the SEBI Guidelines, the trading of our Equity Shares shall only be in dematerialised form. Since trading of our Equity Shares is in dematerialised form, the tradable lot is one Equity Share. Allotment in this Issue will be only in electronic form in multiples of one (1) Equity Share subject to a minimum Allotment of [•] Equity Shares.

Joint Holders

Where two or more persons are registered as the holders of the Equity Shares, they shall be entitled to hold the same as joint tenants with benefits of survivorship.

Jurisdiction

Exclusive jurisdiction for the purpose of this Issue is with the competent courts/authorities in Ahmedabad, Gujarat.

Nomination Facility to Investor

In accordance with Section 109A of the Companies Act, the sole or first Bidder, along with other joint Bidders, may nominate any one person in whom, in the event of the death of sole Bidder or in case of joint Bidders, death of all the Bidders, as the case may be, the Equity Shares allotted, if any, shall vest. A person, being a nominee, entitled to the Equity Shares by reason of the death of the original holder(s), shall in accordance with Section 109A of the Companies Act, be entitled to the same advantages to which he or she would be entitled if he or she were the registered holder of the Equity Share(s). Where the nominee is a minor, the holder(s) may make a nomination to appoint, in the prescribed manner, any person to become entitled to Equity Share(s) in the event of his or her death during the minority. A nomination shall stand rescinded upon a sale/ transfer/ alienation of Equity Share(s) by the person nominating. A buyer will be entitled to make a fresh nomination in the manner prescribed. Fresh nomination can be made only on the prescribed form available on request at the Registered Office/ corporate office of our Company or to the Registrar and transfer agents of our Company.

In accordance with Section 109B of the Companies Act, any Person who becomes a nominee by virtue of Section 109A of the Companies Act, shall upon the production of such evidence as may be required by the Board, elect either:

- To register himself or herself as the holder of the Equity Shares; or
- To make such transfer of the Equity Shares, as the deceased holder could have made.

Further, the Board may at any time give notice requiring any nominee to choose either to be registered himself or herself or to transfer the Equity Shares, and if the notice is not complied with within a period of ninety days, the Board may thereafter withhold payment of all dividends, bonuses or other monies payable in respect of the Equity Shares, until the requirements of the notice have been complied with.

Since the Allotment of Equity Shares in the Issue will be made only in dematerialised form, there is no need to make a separate nomination with our Company. Nominations registered with respective depository participant of the applicant would prevail. If the investors require changing their nomination, they are requested to inform their respective depository participant.

Minimum Subscription

If the Company does not receive the minimum subscription of 90% of the Net Issue, including devolvement of underwriters within 60 days from the Bid/Issue Closing Date, our Company shall forthwith refund the entire subscription amount received. If there is a delay beyond 8 days after our Company becomes liable to pay the amount, our Company shall pay interest prescribed under Section 73 of the Companies Act.

If at least 60% of the Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and applicable state securities laws. Accordingly, the Equity Shares are only being offered and sold (i) in the United States to "qualified institutional buyers", as defined in Rule 144A of the Securities Act in transactions exempt from the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

Restriction on transfer of shares

There are no restrictions on transfers and transmission of shares/ debentures and on their consolidation/ splitting except as provided in our Articles of Association. See "Main Provisions of our Articles of Association" on page 432 of this Red Herring Prospectus.

ISSUE STRUCTURE

Issue of 301,652,031 Equity Shares for cash at a price of Rs. [•] per Equity Share (including share premium of Rs. [•] per Equity Share) aggregating to Rs. [•] million. The Issue comprises of a Net Issue of 293,652,031 Equity Shares to the public and a reservation of 8,000,000 Equity Shares for Eligible Employees. The Issue and the Net Issue will constitute 13.84% and 13.47% respectively of the post Issue paid up capital of the Company

The Issue is being made through the 100% Book Building Process.

	QIBs#	Non-Institutional Bidders	Retail Individual Bidders	Employee Reservation Portion
Number of Equity Shares*	At least 176,191,219 Equity Shares	Not less than 29,365,203 Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Retail Individual Bidders.	Not less than 88,095,609 Equity Shares available for allocation or Net Issue less allocation to QIB Bidders and Non-Institutional Bidders.	Up to 8,000,000 Equity Shares.
Percentage of Issue Size available for Allotment/allocation	At least 60% of Net Issue being allocated. However, up to 5% of the QIB Portion shall be available for allocation proportionately to Mutual Funds only.	Not less than 10% of Net Issue or Net Issue available for allocation less allocation to QIB and Retail Individual Bidders	Not less than 30% of Net Issue or Net Issue available for allocation less allocation to QIB Bidders and Non-Institutional Bidders.	Up to 0.37% of the Issue.**
Basis of Allotment/Allocation if respective category is oversubscribed	Proportionate as follows: (a) 8,809,561 Equity Shares shall be allocated on a proportionate basis to Mutual Funds; and (b) 167,381,658 Equity Shares shall be allotted on a proportionate basis to all QIBs including Mutual Funds receiving allocation as per (a) above.	Proportionate	Proportionate	Proportionate
Minimum Bid	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of [•] Equity Shares thereafter.	Such number of Equity Shares that the Bid Amount exceeds Rs. 100,000 and in multiples of [•] Equity Shares thereafter.	[•] Equity Shares	[•] Equity Shares
Maximum Bid	Such number of Equity Shares not exceeding the Net Issue, subject to applicable limits.	Such number of Equity Shares not exceeding the Net Issue subject to applicable limits.	Such number of Equity Shares whereby the Bid Amount does not exceed Rs. 100,000.	5,000 Equity Shares in Employee Reservation Portion.
Mode of Allotment	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.	Compulsorily in dematerialised form.
Bid Lot	[•] Equity Shares and in multiples of [•] Equity Shares thereafter.	[•] Equity Shares and in multiples of [•] Equity Shares thereafter.	[•] Equity Shares and in multiples of [•] Equity Shares thereafter.	[•] Equity Shares and in multiples of [•] Equity Shares thereafter.

Allotment Lot	[•] Equity Shares and in multiples of 1 Equity Share thereafter	[•] Equity Shares and in multiples of 1 Equity Share thereafter	[•] Equity Shares and in multiples of 1 Equity Share thereafter	[•] Equity Shares and in multiples of 1 Equity Share thereafter.
Trading Lot	One Equity Share	One Equity Share	One Equity Share	One Equity Share
Who can Apply ***	Public financial institutions as specified in Section 4A of the Companies Act, scheduled commercial banks, mutual funds registered with SEBI, FIIs registered with SEBI, multilateral and bilateral development financial institutions, venture capital funds registered with SEBI, foreign venture capital investors registered with SEBI, state industrial development corporations, insurance companies registered with Insurance Regulatory and Development Authority, provident funds (subject to applicable law) with minimum corpus of Rs. 250 million, pension funds with minimum corpus of Rs. 250 million in accordance with applicable law, and National Investment Fund.	Resident Indian individuals, Eligible NRIs, HUF (in the name of Karta), companies, corporate bodies, scientific institutions, societies and trusts.	Resident Indian individuals, Eligible NRIs and HUF (in the name of Karta)	Eligible Employee
Terms of Payment	QIB Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate Member.****	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate Member.	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate Member.##	Margin Amount shall be payable at the time of submission of Bid cum Application Form to the Syndicate Member.
Margin Amount	At least 10% of Bid Amount	Full Bid Amount on bidding	Full Bid Amount on bidding	Full Bid Amount on bidding

The QIB Portion includes Anchor Investor Portion, as per the SEBI Guidelines. Anchor Investor Margin Amount shall be payable at the time of submission of the application form by the Anchor Investor.

In case of ASBA Bidders, the SCSB shall be authorised to block such funds in the bank account of the ASBA Bidder that are specified in the ASBA Bid cum Application Form.

* Subject to valid Bids being received at or above the Issue Price. In accordance with Rule 19 (2) (b) of the SCRR, this being an Issue for less than 25% of the post–Issue capital, the Issue is being made through the 100% Book Building Process wherein at least 60% of the Net Issue will be allocated on a proportionate basis to QIBs, out of which 5% shall be available

for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. If at least 60% of the Net Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. However, if the aggregate demand from Mutual Funds is less than 8,809,561 Equity Shares, the balance Equity Shares available for Allotment in the Mutual Fund Portion will be added to the QIB Portion and allocated proportionately to the QIB Bidders in proportion to their Bids. Further, not less than 10% of the Net Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Net Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the GCBRLM and the Designated Stock Exchange.

Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue Portion at the discretion of the GCBRLM and the Company. In case of under subscription in the Net Issue, spill over to the extent of under subscription shall be permitted from the Employee Reservation Portion subject to the Net Issue constituting 10% of the post Issue capital of the Company. If at least 60% of the Net Issue is not allocated to the QIBs, the entire subscription monies shall be refunded.

** Any under subscription in the Employee Reservation Portion would be included in the Net Issue and allocated in accordance with the description in section titled "Issue Procedure – Basis of Allotment" on page 414 of this Red Herring Prospectus.

*** In case the Bid cum Application Form is submitted in joint names, the investors should ensure that the demat account is also held in the same joint names and are in the same sequence in which they appear in the Bid cum Application Form.

**** After the Bid/Issue Closing Date, depending on the level of subscription, additional Margin Amount, if any, may be called for from the QIB Bidders.

Withdrawal of the Issue

Our Company, in consultation with the GCBRLM, reserves the right not to proceed with the Issue anytime after the Bid/Issue Opening Date but before the Allotment of Equity Shares without assigning any reason.

Bidding/Issue Programme

BID/ISSUE OPENS ON	**TUESDAY, JULY 28, 2009**
BID/ISSUE CLOSES ON	**FRIDAY, JULY 31, 2009**

The Company may consider participation by Anchor Investors in terms of the SEBI Guidelines. The Anchor Investor Bid/ Issue Period shall be one day prior to the Bid/ Issue Opening Date.

Bids and any revision in Bids shall be accepted **only between 10.00 a.m. and 3.00 p.m**. (Indian Standard Time) during the Bidding Period as mentioned above at the bidding centres mentioned on the Bid cum Application Form. On the Bid/Issue Closing Date, Bids (excluding the ASBA Bidders) shall be uploaded until (i) 4.00 p.m. in case of Bids by QIB Bidders, Non-Institutional Bidders and Eligible Employees bidding under the Employee Reservation Portion where the Bid Amount is in excess of Rs. 100,000 and (ii) until 5.00 p.m. or such extended time as permitted by the NSE and the BSE, in case of Bids by Retail Individual Bidders and Eligible Employees bidding under the Employee Reservation Portion where the Bid Amount is up to Rs. 100,000. It is clarified that Bids not uploaded in the book, would be rejected. Bids by ASBA Bidders shall be uploaded by the SCSB in the electronic system to be provided by the NSE and the BSE.

In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical Bid form, for a particular bidder, the details as per physical application form of that Bidder may be taken as the final data for the purpose of allotment. In case of discrepancy in the data entered in the electronic book *vis-à-vis* the data contained in the physical or electronic Bid cum Application Form submitted through the ASBA process, for a particular ASBA Bidder, the Registrar to the Issue shall ask for rectified data from the SCSB.

Due to limitation of time available for uploading the Bids on the Bid/Issue Closing date, the bidders are advised to submit their Bids one day prior to the Bid/Issue Closing Date and, in any case, no later than the times mentioned above on the Bid/Issue Closing Date. All times are Indian Standard Time. Bidders are cautioned that in the event a large number of Bids are received on the Bid/Issue Closing Date, as is typically experienced in pubic offerings, some Bids may not get uploaded due to lack of sufficient time. Such Bids that cannot be uploaded will not be considered for allocation under the Issue. If such Bids are not uploaded, the Issuer, BRLMs and Syndicate members will not be responsible. Bids will be accepted only on Business Days, i.e., Monday to Friday (excluding any public holidays).

The Company reserves the right to revise the Price Band during the Bid/Issue Period in accordance with the SEBI Guidelines provided that the Cap Price is less than or equal to 120% of the Floor Price. The Floor Price can be revised up or down to a maximum of 20% of the Floor Price advertised at least one day before the Bid /Issue Opening Date.

In case of revision of the Price Band, the Issue Period will be extended for three additional working days after revision of the Price Band subject to the total Bid /Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/Issue, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a press release and also by indicating the changes on the web sites of the BRLMs and at the terminals of the Syndicate.

ISSUE PROCEDURE

Book Building Procedure

The Issue is being made through the 100% Book Building Process wherein at least 60% of the Issue will be allocated on a proportionate basis to QIBs, out of which 5% shall be available for allocation on a proportionate basis to Mutual Funds only. The remainder shall be available for allocation on a proportionate basis to QIBs and Mutual Funds, subject to valid Bids being received from them at or above the Issue Price. If at least 60% of the Issue cannot be allocated to QIBs, then the entire application money will be refunded forthwith. Further, not less than 10% of the Issue will be available for allocation on a proportionate basis to Non-Institutional Bidders and not less than 30% of the Issue will be available for allocation on a proportionate basis to Retail Individual Bidders, subject to valid Bids being received at or above the Issue Price.

Bidders are required to submit their Bids through the Syndicate. Further, QIB Bids can be procured and submitted only through the BRLMs or its affiliate syndicate members. In case of QIB Bidders, the Company in consultation with the BRLMs may reject Bids at the time of acceptance of Bid cum Application Form provided that the reasons for such rejection shall be provided to such Bidder in writing. In case of Employee Reservation Portion, Non-Institutional Bidders and Retail Individual Bidders, our Company would have a right to reject the Bids only on technical grounds.

Investors should note that the Equity Shares will be allotted to all successful Bidders only in dematerialised form. Bidders will not have the option of being Allotted Equity Shares in physical form. The Equity Shares on Allotment shall be traded only in the dematerialised segment of the Stock Exchanges.

Bid cum Application Form

Bidders shall only use the specified Bid cum Application Form bearing the stamp of a member of the Syndicate for the purpose of making a Bid in terms of this Red Herring Prospectus. The Bidder shall have the option to make a maximum of three Bids in the Bid cum Application Form and such options shall not be considered as multiple Bids. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the Bid cum Application Form to a member of the Syndicate, the Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus and the Bid cum Application Form as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the Bidder.

ASBA Bidders shall submit an ASBA Bid cum Application Form either in physical or electronic form to the SCSB authorising blocking funds that are available in the bank account specified in the ASBA Bid cum Application Form used by ASBA Bidders. The ASBA Bidders can only provide one Bid in the ASBA Bid cum Application Form at Cut-off Price. Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application Form for ASBA Bidders to the SCSB, the ASBA Bidder is deemed to have authorised our Company to make the necessary changes in the Red Herring Prospectus and the ASBA as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

The prescribed colour of the Bid cum Application Form for various categories is as follows:

Category	Colour of Bid cum Application Form
Resident Indians and Eligible NRIs applying on a non-repatriation basis	White
Eligible NRIs, FIIs or Foreign Venture Capital Funds, registered Multilateral and Bilateral Development Financial Institutions applying on a repatriation basis	Blue
Eligible Employees	Pink

The physical ASBA Bid cum Application Form shall be white in colour.

In accordance with the SEBI Guidelines, only Resident Retail Individual Investor can participate by way of ASBA process.

In accordance with SEBI Guidelines, only QIBs can participate in the Anchor Investor Portion.

Who can Bid?

- Indian nationals resident in India who are not minors in single or joint names (not more than three);
- Hindu Undivided Families or HUFs, in the individual name of the *Karta*. The Bidder should specify that the Bid is being made in the name of the HUF in the Bid cum Application Form as follows: “Name of Sole or First bidder: XYZ Hindu

Undivided Family applying through XYZ, where XYZ is the name of the *Karta*". Bids by HUFs would be considered at par with those from individuals;

- Companies, corporate bodies and societies registered under the applicable laws in India and authorised to invest in equity shares;
- Mutual Funds registered with SEBI;
- Eligible NRIs on a repatriation basis or on a non repatriation basis subject to applicable laws. NRIs other than Eligible NRIs are not eligible to participate in this issue;
- Indian Financial Institutions, commercial banks (excluding foreign banks), regional rural banks, co-operative banks (subject to RBI regulations and the SEBI Guidelines and regulations, as applicable);
- FIIs registered with SEBI;
- Venture Capital Funds registered with SEBI;
- State Industrial Development Corporations;
- Trusts/societies registered under the Societies Registration Act, 1860, as amended, or under any other law relating to trusts/societies and who are authorised under their constitution to hold and invest in equity shares;
- Scientific and/or industrial research organisations authorised to invest in equity shares;
- Insurance Companies registered with Insurance Regulatory and Development Authority;
- Provident Funds with minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Pension Funds with minimum corpus of Rs. 250 million and who are authorised under their constitution to hold and invest in equity shares;
- Foreign Venture Capital Investors registered with SEBI;
- Multilateral and bilateral development financial institutions;
- National Investment Fund; and
- Eligible Employees.

As per the existing regulations, OCBs cannot participate in this Issue.

Participation by Associates of BRLMs and Syndicate Members

The BRLMs and Syndicate Members shall not be allowed to subscribe to this Issue in any manner except towards fulfilling their underwriting obligations. However, associates and affiliates of the BRLMs and Syndicate Members may subscribe to or purchase Equity Shares in the Issue, where the allocation is on a proportionate basis.

Bids by Mutual Funds

An eligible Bid by a Mutual Fund shall first be considered for allocation proportionately in the Mutual Fund Portion. In the event that the demand is greater than 8,809,561 Equity Shares, allocation shall be made to Mutual Funds proportionately, to the extent of the Mutual Fund Portion. The remaining demand by the Mutual Funds shall, as part of the aggregate demand by QIBs, be available for allocation proportionately out of the remainder of the QIB Portion, after excluding the allocation in the Mutual Fund Portion.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

As per the current regulations, the following restrictions are applicable for investments by mutual funds:

No mutual fund scheme shall invest more than 10% of its net asset value in the Equity Shares or equity related instruments of any company provided that the limit of 10% shall not be applicable for investments in index funds or sector or industry

specific funds. No mutual fund under all its schemes should own more than 10% of any company's paid-up share capital carrying voting rights.

Bids by Eligible NRIs

1. Bid cum Application Forms have been made available for Eligible NRIs at our Registered Office and with members of the Syndicate.

2. Eligible NRI applicants may please note that only such applications as are accompanied by payment in free foreign exchange shall be considered for Allotment. The Eligible NRIs who intend to make payment through Non-Resident Ordinary (NRO) accounts shall use the form meant for Resident Indians.

In accordance with the SEBI Guidelines, Non-Residents cannot subscribe to this Issue under the ASBA process.

Bids by FIIs

As per the current regulations, the following restrictions are applicable for investments by FIIs:

The issue of Equity Shares to a single FII should not exceed 10% of our post-Issue issued capital (i.e. 10% of 2,180,035,200 Equity Shares). In respect of an FII investing in our equity shares on behalf of its sub-accounts, the investment on behalf of each sub-account shall not exceed 10% of our total issued capital or 5% of our total issued capital in case such sub-account is a foreign corporate or an individual. In accordance with the foreign investment limits, the aggregate FII holding in us cannot exceed 24% of our total issued capital. With the approval of the board and the shareholders by way of a special resolution, the aggregate FII holding can go up to 100%. However, as on this date, no such resolution has been recommended to the shareholders of the company for adoption.

Subject to compliance with all applicable Indian laws, rules, regulations guidelines and approvals in terms of regulation 15A(1) of the Securities Exchange Board of India (Foreign Institutional Investors) Regulations 1995, as amended, an FII may issue, deal or hold, off shore derivative instruments such as participatory notes, equity-linked notes or any other similar instruments against underlying securities listed or proposed to be listed in any stock exchange in India only in favour of those entities which are regulated by any relevant regulatory authorities in the countries of their incorporation or establishment subject to compliance of "Know Your Client" requirements. An FII shall also ensure that no further downstream issue or transfer of any instrument referred to hereinabove is made to any person other than a regulated entity.

Bids by SEBI registered Venture Capital Funds and Foreign Venture Capital Investors

As per the current regulations, the following restrictions are applicable for SEBI Registered Venture Capital Funds and Foreign Venture Capital Investors:

The SEBI (Venture Capital) Regulations, 1996 and the SEBI (Foreign Venture Capital Investor) Regulations, 2000 prescribe investment restrictions on venture capital funds and foreign venture capital investors registered with SEBI.

Accordingly, whilst the holding by any individual venture capital fund registered with SEBI in one company should not exceed 25% of the corpus of the venture capital fund, a Foreign Venture Capital Investor can invest its entire funds committed for investments into India in one company. Further, Venture Capital Funds and Foreign Venture Capital Investors can invest only up to 33.33% of the investible funds by way of subscription to an initial public offer.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

Maximum and Minimum Bid Size

(a) **For Retail Individual Bidders:** The Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Share thereafter, so as to ensure that the Bid Price payable by the Bidder does not exceed Rs. 100,000. In case of revision of Bids, the Retail Individual Bidders have to ensure that the Bid Price does not exceed Rs. 100,000. In case the Bid Price is over Rs. 100,000 due to revision of the Bid or revision of the Price Band or on exercise of Cut-off option, the Bid would be considered for allocation under the Non-Institutional Bidders portion. The Cut-off option is an option given only to the Retail Individual Bidders indicating their agreement to Bid and purchase at the final Issue Price as determined at the end of the Book Building Process. It is clarified that under existing SEBI Guidelines, a Resident Retail Individual Investors can only Bid at Cut-Off Price.

(b) **For Other Bidders (Non-Institutional Bidders and QIBs):** The Bid must be for a minimum of such number of Equity Shares such that the Bid Amount exceeds Rs. 100,000 and in multiples of [•] Equity Shares thereafter. A Bid cannot be submitted for more than the Issue Size. However, the maximum Bid by a QIB investor should not exceed the investment limits prescribed for them by applicable laws. **Under existing SEBI Guidelines, a QIB Bidder cannot withdraw its Bid after the Bid/Issue Closing Date and is required to pay QIB Margin upon submission of Bid.**

(c) **For Employee Reservation Portion:** The Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter. The maximum Bid in this category cannot exceed 5,000 Equity Shares. Bidders under the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at Cut off Price.

In case of revision in Bids, the Non-Institutional Bidders, who are individuals, have to ensure that the Bid Amount is greater than Rs. 100,000 for being considered for allocation in the Non-Institutional Portion. In case the Bid Amount reduces to Rs. 100,000 or less due to a revision in Bids or revision of the Price Band, Bids by Non-Institutional Bidders who are eligible for allocation in the Retail Portion would be considered for allocation under the Retail Portion. Non-Institutional Bidders and QIBs are not allowed to Bid at 'Cut-off'.

Bidders are advised to ensure that any single Bid from them does not exceed the investment limits or maximum number of Equity Shares that can be held by them under applicable law or regulation or as specified in this Red Herring Prospectus.

Information for the Bidders:

(a) Our Company will file the Red Herring Prospectus with the RoC at least 3 (three) days before the Bid/Issue Opening Date.

(b) The members of the Syndicate will circulate copies of the Red Herring Prospectus along with the Bid cum Application Form to potential investors.

(c) Any investor (who is eligible to invest in our Equity Shares) who would like to obtain the Red Herring Prospectus and/ or the Bid cum Application Form can obtain the same from our Registered Office or from any of the members of the Syndicate.

(d) Bidders who are interested in subscribing for the Equity Shares should approach the BRLMs or any of the Syndicate Members or their authorised agent(s) to register their Bids.

(e) The Bids should be submitted on the prescribed Bid cum Application Form only. Bid cum Application Forms should bear the stamp of the members of the Syndicate. Bid cum Application Forms, which do not bear the stamp of the members of the Syndicate will be rejected.

Method and Process of Bidding

(a) Our Company and the BRLMs shall declare the Bid/Issue Opening Date, Bid/Issue Closing Date in the Red Herring Prospectus with the RoC and also publish the same in two national newspapers (one each in English and Hindi) and in one Gujarati newspaper with wide circulation. The Price Band and the minimum Bid lot size for the Issue will be decided by the Company in consultation with the GCBRLM and advertised in all editions of Financial Express in English and Gujarati languages and all editions of Jansatta in Hindi language at least two working days prior to the Bid/Issue Opening Date. This advertisement, subject to the provisions of Section 66 of the Companies Act shall be in the format prescribed in Schedule XX–A of the SEBI Guidelines, as amended by SEBI Circular No. SEBI/CFD/DIL/DIP/14/2005/25/1 date January 25, 2005. The Members of the Syndicate shall accept Bids from the Bidders during the Issue Period in accordance with the terms of the Syndicate Agreement.

(b) The Bid/Issue Period shall be for a minimum of three working days and shall not exceed seven working days. The Bid/ Issue Period maybe extended, if required, by an additional three working days, subject to the total Bid/Issue Period not exceeding 10 working days. Any revision in the Price Band and the revised Bid/ Issue Period, if applicable, will be published in two national newspapers (one each in English and Hindi) and one Gujarati newspaper with wide circulation and also by indicating the change on the websites of the BRLMs and at the terminals of the members of the Syndicate.

(c) During the Bid/Issue Period, eligible investors who are interested in subscribing for the Equity Shares should approach the members of the Syndicate or their authorised agents to register their Bid.

(d) Each Bid cum Application Form will give the Bidder the choice to Bid for up to three optional prices (for details refer to the paragraph titled "Bids at Different Price Levels" below) within the Price Band and specify the demand (i.e., the number of Equity Shares Bid for) in each option. The price and demand options submitted by the Bidder in the Bid cum Application Form will be treated as optional demands from the Bidder and will not be cumulated. After determination of the Issue Price, the maximum number of Equity Shares Bid for by a Bidder at or above the Issue Price will be considered for allocation/Allotment and the rest of the Bid(s), irrespective of the Bid Price, will become automatically invalid.

(e) The Bidder cannot Bid on another Bid cum Application Form after Bids on one Bid cum Application Form have been submitted to any member of the Syndicate. Submission of a second Bid cum Application Form to either the same or to another member of the Syndicate will be treated as multiple Bids and is liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the allocation or Allotment of Equity Shares in this Issue. However, the Bidder can revise the Bid through the Revision Form, the procedure for which is detailed under the paragraph titled "Build up of the Book and Revision of Bids" herein below.

(f) The members of the Syndicate will enter each Bid option into the electronic bidding system as a separate Bid and generate a Transaction Registration Slip, ("TRS"), for each price and demand option and give the same to the Bidder. Therefore, a Bidder can receive up to three TRSs for each Bid cum Application Form.

(g) During the Bid/Issue Period, Bidders may approach the members of the Syndicate to submit their Bid. Every member of the Syndicate shall accept Bids from all clients / investors who place orders through them and shall have the right to vet the Bids, subject to the terms of the Syndicate Agreement and the Red Herring Prospectus.

(h) Along with the Bid cum Application Form, all Bidders will make payment in the manner described under the paragraph titled "Payment Instructions" on page 409 of this Red Herring Prospectus.

Bids at Different Price Levels and Revision of Bids

(a) The Bidders can bid at any price with in the Price Band, in multiples of Re.1 (One).

(b) Our Company, in consultation with the GCBRLM, reserves the right to revise the Price Band, during the Bid/Issue Period in accordance with SEBI Guidelines. The cap on the Price Band should not be more than 20% of the Floor Price. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band disclosed in the Red Herring Prospectus.

(c) Our Company, in consultation with the GCBRLM can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation, to the Bidders.

(d) The Bidder has to Bid for the desired number of Equity Shares at a specific price. Retail Individual Bidders and Bidders in the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at the Cut-off Price. However, bidding at Cut-off Price is prohibited for QIB and Non-Institutional Bidders and such Bids from QIB and Non-Institutional Bidders shall be rejected.

(e) Retail Individual Bidders and Bidders in Employee Reservation Portion, who Bid at Cut-off Price agree that they shall purchase the Equity Shares at any price within the Price Band. Retail Individual Bidders and Bidders in Employee Reservation Portion bidding at Cut-Off Price shall submit the Bid cum Application Form along with a cheque/demand for the Bid Amount based on the cap of the Price Band with the members of the Syndicate. In the event the Bid Amount is higher than the subscription amount payable by the Retail Individual Bidders and Bidders in Employee Reservation Portion, who Bid at Cut-off Price, they shall receive the refund of the excess amounts from the respective Refund Account.

(f) In case of an upward revision in the Price Band announced as above, Retail Individual Bidders and Bidders in Employee Reservation Portion, who had Bid at Cut-off Price could either (i) revise their Bid, or (ii) shall make additional payment based on the cap of the revised Price Band (such that the total amount i.e. original Bid Amount plus additional payment does not exceed Rs. 100,000 if the Bidder wants to continue to bid at Cut-off Price), with the Syndicate Member to whom the original Bid was submitted. In case the total amount (i.e. original Bid Amount plus additional payment) exceeds Rs. 100,000 the Bid will be considered for allocation under the Non-Institutional Portion in terms of this Red Herring Prospectus. If, however, the Bidder does not either revise the Bid or make additional payment and the Issue Price is higher than the cap of the Price Band prior to the revision, the number of Equity Shares Bid for shall be adjusted downwards for the purpose of allocation, such that the no additional payment would be required from the Bidder and the Bidder is deemed to have approved such revised Bid at Cut-off Price.

(g) In case of a downward revision in the Price Band, announced as above, Retail Individual Bidders and Bidders in Employee Reservation Portion, who have Bid at Cut-off Price could either revise their Bid or the excess amount paid at the time of bidding would be refunded from the Escrow Account.

(h) During the Bidding/ Issue Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.

(i) Revisions can be made in both the desired number of Equity Shares and the Bid price by using the Revision Form. Apart from mentioning the revised options in the revision form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and he is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being revised, in the Revision Form. The members of the Syndicate will not accept incomplete or inaccurate Revision Forms.

(j) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom he or she had placed the original Bid.

(k) Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.

(l) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus. In case of QIB Bidders, the members of the Syndicate shall collect the payment in the form of cheque or demand draft for the incremental amount in the QIB Margin Amount, if any, to be paid on account of the upward revision of the Bid at the time of one or more revisions by the QIB Bidders.

(m) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. **It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**

Bids and revisions of Bids must be:

(a) Made only in the prescribed Bid cum Application Form or Revision Form, as applicable (White colour for Resident Indians, Blue colour for Non-Residents including NRIs, FIIs and FVCIs applying on repatriation basis).

(b) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the Bid cum Application Form or in the Revision Form. Incomplete Bid cum Application Forms or Revision Forms are liable to be rejected.

(c) For Retail Individual Bidders the Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter subject to a maximum Bid Amount of Rs. 100,000.

(d) For Bidders in Employee Reservation Portion, the Bid must be for a minium of [•] Equity Shares and in multiples of [•] Equity Shares thereafter subject to a maximum Bid of 5,000 Equity Shares.

(e) For Non-Institutional Bidders and QIB Bidders, Bids must be for a minimum of such number of Equity Shares that the Bid Price exceeds or equal to Rs. 100,000 and in multiples of [•] Equity Shares thereafter. Bids cannot be made for more than the Issue Size. Bidders are advised to ensure that a single Bid from them should not exceed the investment limits or maximum number of shares that can be held by them under the applicable laws or regulations.

(f) NRIs for a Bid Price of up to Rs. 100,000 would be considered under the Retail Portion for the purposes of allocation and Bids for a Bid Price of more than Rs. 100,000 would be considered under Non-Institutional Portion for the purposes of allocation; by other eligible Non Resident Bidders for a minimum of such number of Equity Shares and in multiples of [•] Equity Shares thereafter that the Bid Price exceeds Rs. 100,000.

(g) Bids by Non Residents, NRIs, FIIs and Foreign Venture Capital Funds registered with SEBI on a repatriation basis shall be in the names of individuals, or in the names of FIIs but not in the names of minors, OCBs, firms or partnerships, foreign nationals (excluding NRIs) or their nominees.

(h) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).

(i) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule to the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

Electronic Registration of Bids

(a) The members of the Syndicate will register the Bids using the on-line facilities of BSE and NSE. There will be at least one on-line connectivity in each city, where a stock exchange is located in India and where Bids are being accepted.

(b) The BSE and NSE will offer a screen-based facility for registering Bids for the Issue. This facility will be available on the terminals of the Members of the Syndicate and their authorised agents during the Bidding/ Issue Period. Syndicate Members can also set up facilities for off-line electronic registration of Bids subject to the condition that they will subsequently upload the off-line data file into the on-line facilities for book building on a half hourly basis. On the Bid/ Issue Closing Date, the members of the Syndicate shall upload the Bids till such time as may be permitted by the Stock Exchanges. Bidders are cautioned that a high inflow of bids typically experienced on the last day of bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such Bids that could not be uploaded may not be considered for allocation.

(c) The aggregate demand and price for Bids registered on the electronic facilities of BSE and NSE will be uploaded on a half hourly basis, consolidated and displayed on-line at all bidding centres and the website of BSE and NSE. A graphical representation of consolidated demand and price would be made available at the bidding centres during the Bidding Period.

(d) At the time of registering each Bid, the members of the Syndicate shall enter the following details of the investor in the on-line system:

- Name of the bidder
- Investor Category – Individual, Corporate, NRI, FII, or Mutual Fund etc.
- Numbers of Equity Shares bid for.
- Bid price.
- Bid cum Application Form number.
- Whether Margin Amount, as applicable, has been paid upon submission of Bid cum Application Form.
- Depository Participant Identification Number and Client Identification Number of the beneficiary account of the Bidder.

(e) A system generated TRS will be given to the Bidder as a proof of the registration of each of the bidding options. It is the Bidder's responsibility to obtain the TRS from the members of the Syndicate. The registration of the Bid by the member of the Syndicate does not guarantee that the Equity Shares shall be allocated/ Allotment either by the members of the Syndicate or our Company.

(f) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(g) In case of QIB Bidders, members of the Syndicate also have the right to accept the bid or reject it. However, such rejection should be made at the time of receiving the bid and only after assigning a reason for such rejection in writing. In case of Non-Institutional Bidders and Retail Individual Bidders who Bid, Bids would not be rejected except for grounds listed on page 411 of this Red Herring Prospectus.

(h) The permission given by BSE and NSE to use their network and software of the Online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company and/ or the BRLMs are cleared or approved by BSE and NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the compliance with the statutory and other requirements nor does it take any responsibility for the financial or other soundness of the Company, our Promoter, our management or any scheme or project of our Company.

(i) It is also to be distinctly understood that the approval given by BSE and NSE should not in any way be deemed or construed that this Red Herring Prospectus has been cleared or approved by the BSE and NSE; nor does it in any manner warrant, certify or endorse the correctness or completeness of any of the contents of this Red Herring Prospectus; nor does it warrant that the Equity Shares will be listed or will continue to be listed on the BSE and NSE.

(j) Only Bids that are uploaded on the online IPO system of the NSE and BSE shall be considered for allocation/ Allotment. In case of discrepancy of data between the BSE or the NSE and the members of the Syndicate, the decision of the BRLMs based on the physical records of Bid Application Forms shall be final and binding on all concerned.

Build Up of the Book and Revision of Bids

(a) Bids registered by various Bidders through the Members of the Syndicate shall be electronically transmitted to the NSE or BSE mainframe on a regular basis.

(b) The book gets built up at various price levels. This information will be available with the BRLMs on a regular basis.

(c) During the Bidding Period, any Bidder who has registered his or her interest in the Equity Shares at a particular price level is free to revise his or her Bid within the Price Band using the printed Revision Form, which is a part of the Bid cum Application Form.

(d) Revisions can be made in both the desired number of Equity Shares and the Bid price by using the Revision Form. Apart from mentioning the revised options in the Revision Form, the Bidder must also mention the details of all the options in his or her Bid cum Application Form or earlier Revision Form. For example, if a Bidder has Bid for three options in the Bid cum Application Form and he is changing only one of the options in the Revision Form, he must still fill the details of the other two options that are not being changed, in the Revision Form. Incomplete or inaccurate Revision Forms will not be accepted by the members of the Syndicate.

(e) The Bidder can make this revision any number of times during the Bidding Period. However, for any revision(s) in the Bid, the Bidders will have to use the services of the same member of the Syndicate through whom he or she had placed the original Bid. Bidders are advised to retain copies of the blank Revision Form and the revised Bid must be made only in such Revision Form or copies thereof.

(f) Any revision of the Bid shall be accompanied by payment in the form of cheque or demand draft for the incremental amount, if any, to be paid on account of the upward revision of the Bid. The excess amount, if any, resulting from downward revision of the Bid would be returned to the Bidder at the time of refund in accordance with the terms of the Red Herring Prospectus. In case of QIB Bidders, the members of the Syndicate may at their sole discretion waive the payment requirement at the time of one or more revisions by the QIB Bidders.

(g) When a Bidder revises his or her Bid, he or she shall surrender the earlier TRS and get a revised TRS from the members of the Syndicate. **It is the responsibility of the Bidder to request for and obtain the revised TRS, which will act as proof of his or her having revised the previous Bid.**

(h) In case of discrepancy of data between NSE or BSE and the members of the Syndicate, the decision of the BRLMs, based on the physical records of Bid cum Application Forms, shall be final and binding on all concerned.

GENERAL INSTRUCTIONS

Do's:

(a) Check if you are eligible to apply;

(b) Read all the instructions carefully and complete the applicable Bid cum Application Form;

(c) Ensure that the details about Depository Participant and Beneficiary Account are correct as Allotment of Equity Shares will be in the dematerialised form only;

(d) Ensure that you have Bid within the Price Band;

(e) Ensure that the Bids are submitted at the bidding centres only on forms bearing the stamp of a member of the Syndicate;

(f) Ensure that you have been given a TRS for all your Bid options;

(g) Bidders should submit revised Bids to the same member of the Syndicate through whom the original Bid was placed and obtain a revised TRS;

(h) Each of the Bidders, should mention their Permanent Account Number (PAN) allotted under the IT Act;

(i) Ensure that the Demographic Details (as defined hereinbelow) are updated, true and correct in all respects;

(j) Ensure that the name(s) given in the Bid cum Application Form is exactly the same as the name(s) in which the beneficiary account is held with the Depository Participant. In case the Bid cum Application Form is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the Bid cum Application Form.

Dont's:

(a) Do not Bid for lower than the minimum Bid size;

(b) Do not Bid/ revise Bid price to less than the lower end of the Price Band or higher than the higher end of the Price Band;

(c) Do not Bid on another Bid cum Application Form after you have submitted a Bid to the members of the Syndicate;

(d) Do not pay the Bid Price in cash, by money order or by postal order or by stockinvest;

(e) Do not send Bid cum Application Forms by post; instead submit the same to a member of the Syndicate only;

(f) Do not bid at Cut Off Price (for QIB Bidders, Non-Institutional Bidders and Eligible Employees where Bid Amount exceeds Rs. 100,000);

(g) Do not fill up the Bid cum Application Form such that the Equity Shares bid for exceeds the Issue Size and/ or investment limit or maximum number of Equity Shares that can be held under the applicable laws or regulations or maximum amount permissible under the applicable regulations;

(h) Do not submit the GIR number instead of the PAN as the Bid is liable to be rejected on this ground.

Instructions for Completing the Bid cum Application Form

Bidders can obtain Bid cum Application Forms and/ or Revision Forms from the members of the Syndicate.

Bidder's Depository Account and Bank Details

Bidders should note that on the basis of name of the Bidders, Depository Participant's name, Depository Participant Identification number and Beneficiary Account Number provided by them in the Bid cum Application Form, the Registrar to the Issue will obtain from the Depository the demographic details including address, Bidders bank account details, MICR code and occupation (hereinafter referred to as 'Demographic Details'). These Bank Account details would be used for giving refunds to the Bidders. Hence, Bidders are advised to immediately update their Bank Account details as appearing on the records of the depository participant. Please note that failure to do so could result in delays in dispatch/ credit of refunds to Bidders at the Bidders sole risk and neither the BRLMs or the Registrar or the Escrow Collection Banks or the SCSB nor the Company shall have any responsibility and undertake any liability for the same. Hence, Bidders should carefully fill in their Depository Account details in the Bid cum Application Form.

IT IS MANDATORY FOR ALL THE BIDDERS TO GET THEIR EQUITY SHARES IN DEMATERIALISED FORM. ALL BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER AND BENEFICIARY ACCOUNT NUMBER IN THE BID CUM APPLICATION FORM. INVESTORS MUST ENSURE THAT THE NAME GIVEN IN THE BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. IN CASE THE BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE BID CUM APPLICATION FORM.

These Demographic Details would be used for all correspondence with the Bidders including mailing of the CANs/ Allocation Advice and printing of Bank particulars on the refund orders or for refunds through electronic transfer of funds, as applicable. The Demographic Details given by Bidders in the Bid cum Application Form would not be used for any other purpose by the Registrar to the Issue.

By signing the Bid cum Application Form, the Bidder would be deemed to have authorised the depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

In case of Bidders receiving refunds through electronic transfer of funds, delivery of refund orders/ allocation advice/ CANs may get delayed if the same once sent to the address obtained from the depositories are returned undelivered. In such an event, the address and other details given by the Bidder in the Bid cum Application Form would be used only to ensure dispatch of refund orders. Please note that any such delay shall be at the Bidders sole risk and neither the Company, the Registrar, Escrow Collection Bank(s) nor the BRLMs shall be liable to compensate the Bidder for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories, which matches three parameters, namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's identity, then such Bids are liable to be rejected.

The Company in its absolute discretion, reserves the right to permit the holder of the power of attorney to request the Registrar that for the purpose of printing particulars on the refund order and mailing of the refund order/ CANs/ allocation advice/ refunds through electronic transfer of funds, the Demographic Details given on the Bid cum Application Form should be used (and not those obtained from the Depository of the Bidder). In such cases, the Registrar shall use Demographic Details as given in the Bid cum Application Form instead of those obtained from the depositories.

Refunds, dividends and other distributions, if any, will be payable in Indian Rupees only and net of bank charges and/ or commission. In case of Bidders who remit money through Indian Rupee drafts purchased abroad, such payments in Indian Rupees will be converted into US Dollars or any other freely convertible currency as may be permitted by the RBI at the rate of exchange prevailing at the time of remittance and will be dispatched by registered post or if the Bidders so desire, will be credited to their NRE accounts, details of which should be furnished in the space provided for this purpose in the Bid cum Application Form. The Company will not be responsible for loss, if any, incurred by the Bidder on account of conversion of foreign currency.

As per the RBI regulations, OCBs are not permitted to participate in the Issue.

There is no reservation for Non Residents, NRIs, FIIs and foreign venture capital funds and all Non Residents, NRI, FII and foreign venture capital funds applicants will be treated on the same basis with other categories for the purpose of allocation.

Bids under Power of Attorney

In case of Bids made pursuant to a power of attorney or by limited companies, corporate bodies, registered societies, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of the memorandum of association and articles of association and/ or bye laws must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of Bids made pursuant to a power of attorney by FIIs, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with a certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of Bids made pursuant to a power of attorney by Mutual Funds, a certified copy of the power of attorney or the relevant resolution or authority, as the case may be, along with the certified copy of their SEBI registration certificate must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of Bids made by insurance companies registered with the Insurance Regulatory and Development Authority, a certified copy of certificate of registration issued by Insurance Regulatory and Development Authority must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason therefor.

In case of Bids made by provident funds with minimum corpus of Rs. 25 crore (subject to applicable law) and pension funds with minimum corpus of Rs. 25 crore, a certified copy of certificate from a chartered accountant certifying the corpus of the provident fund/ pension fund must be lodged along with the Bid cum Application Form. Failing this, the Company reserves the right to accept or reject any Bid in whole or in part, in either case, without assigning any reason thereof.

The Company in its absolute discretion, reserve the right to relax the above condition of simultaneous lodging of the power of attorney along with the Bid cum Application form, subject to such terms and conditions that the Company and the BRLMs may deem fit.

PAYMENT INSTRUCTIONS

Escrow Mechanism

The Company and the members of the Syndicate shall open Escrow Accounts with one or more Escrow Collection Bank(s) for the collection of the Bid Amount payable upon submission of the Bid cum Application Form and for amounts payable pursuant to allocation in the Issue.

The Escrow Collection Banks will act in terms of the Red Herring Prospectus and the Escrow Agreement. The Escrow Collection Bank (s) for and on behalf of the Bidders shall maintain the monies in the Escrow Account. The Escrow Collection Bank(s) shall not exercise any lien whatsoever over the monies deposited therein and shall hold the monies therein in trust for the Bidders. On the Designated Date, the Escrow Collection Bank(s) shall transfer the funds equivalent to the size of the Issue from the Escrow Account, as per the terms of the Escrow Agreement, into the Public Issue Account with the Banker(s) to the Issue. The balance amount after transfer to the Public Issue Account shall be held for the benefit of the Bidders who are entitled to refunds. Payments of refund to the Bidders shall also be made from the Refund Account are per the terms of the Escrow Agreement and the Red Herring Prospectus.

The Bidders should note that the escrow mechanism is not prescribed by SEBI and has been established as an arrangement between the Company, and the members of the Syndicate, the Escrow Collection Bank(s) and the Registrar to the Issue to facilitate collections from the Bidders.

Each Bidder shall draw a cheque or demand draft for the amount payable on the Bid and/ or on allocation/ Allotment as per the following terms.

1. Each category of Bidders i.e., QIB Bidders, Non-Institutional Bidders, Retail Individual Bidders and Bidders in the Reservation Portion, shall provide the applicable Margin Amount, with the submission of the Bid cum Application Form by drawing a cheque or demand draft for the Bid Amount in favour of the Escrow Account of the Escrow Collection Bank(s) and submit the same to the member of the Syndicate to whom the Bid is being submitted. Bid cum Application Forms accompanied by cash shall not be accepted. The Margin Amount payable by each category of Bidders is mentioned under the section titled "Issue Structure" on page 395 of this Red Herring Prospectus.

2. Where the Margin Amount applicable to the Bidder is less than 100% of the Bid Amount, any difference between the amount payable by the Bidder for Equity Shares allocated/ allotted at the Issue Price and the Margin Amount paid at the time of Bidding, shall be payable by the Bidder no later than the Pay-in-Date, which shall be a minimum period of 2 (two) days from the date of communication of the allocation list to the members of the Syndicate by the BRLMs. If the payment is not made favouring the Escrow Account within the time stipulated above, the Bid of the Bidder is liable to be cancelled.

3. The payment instruments for payment into the Escrow Account should be drawn in favour of:
   - In case of Resident QIB Bidders: "APL – Escrow Account – QIB"
   - In case of Non-Resident QIB Bidders: "APL – Escrow Account – QIB - NR"
   - In case of Resident Bidders: "APL – Escrow Account"
   - In case of Non Resident Bidders: "APL – Escrow Account - NR"
   - In case of Eligible Employees: "APL – Escrow Account - Employees"

4. In case of Bids by NRIs applying on repatriation basis, the payments must be made through Indian Rupee drafts purchased abroad or cheques or bank drafts, for the amount payable on application remitted through normal banking channels or out of funds held in Non-Resident External (NRE) Accounts or Foreign Currency Non-Resident (FCNR) Accounts, maintained with banks authorised to deal in foreign exchange in India, along with documentary evidence in support of the remittance. Payment will not be accepted out of Non-Resident Ordinary (NRO) Account of Non-Resident Bidder bidding on a repatriation basis. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to NRE Account or FCNR Account.

5. In case of Bids by FIIs, the payment should be made out of funds held in Special Rupee Account along with documentary evidence in support of the remittance. Payment by drafts should be accompanied by bank certificate confirming that the draft has been issued by debiting to Special Rupee Account.

6. Where a Bidder has been allocated a lesser number of Equity Shares than the Bidder has Bid for, the excess amount, if any, paid on bidding, after adjustment towards the balance amount payable by the Pay-In Date on the Equity Shares allocated\ will be refunded to the Bidder from the Refund Account.

7. On the Designated Date and no later than 15 days from the Bid/ Issue Closing Date, the Escrow Collection Bank shall also refund all amounts payable to unsuccessful Bidders and also the excess amount paid on Bidding, if any, after adjusting for allocation/ Allotment to the Bidders.

8. Payments should be made by cheque, or demand draft drawn on any Bank (including a Co-operative Bank), which is situated at, and is a member of or sub-member of the bankers' clearing house located at the centre where the Bid cum Application Form is submitted. Outstation cheques/ bank drafts drawn on banks not participating in the clearing process will not be accepted and applications accompanied by such cheques or bank drafts are liable to be rejected. Cash/ Stockinvest/ Money Orders/ Postal Orders will not be accepted.

Payment by Stockinvest

In terms of the Reserve Bank of India Circular No. DBOD No. FSC BC 42/ 24.47.00/ 2003-04 dated November 5, 2003; the option to use the stockinvest instrument in lieu of cheques or bank drafts for payment of Bid money has been withdrawn. Hence, payment through stockinvest would not be accepted in this Issue.

OTHER INSTRUCTIONS

Joint Bids in the case of Individuals

Bids may be made in single or joint names (not more than three). In the case of joint Bids, all payments will be made out in favour of the Bidder whose name appears first in the Bid cum Application Form or Revision Form. All communications will be addressed to the First Bidder and will be dispatched to his or her address as per the Demographic Details received from the Depository.

Multiple Bids

A Bidder should submit only one Bid (and not more than one) for the total number of Equity Shares required. Two or more Bids will be deemed to be multiple Bids if the sole or First Bidder is one and the same.

In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are given below:

(i) All applications are electronically strung on first name, address (1st line) and applicant's status. Further, these applications are electronically matched for common first name and address and if matched, these are checked manually for age, signature and father/ husband's name to determine if they are multiple applications.

(ii) Applications which do not qualify as multiple applications as per above procedure are further checked for common DP ID/ beneficiary ID. In case of applications with common DP ID/ beneficiary ID, are manually checked to eliminate possibility of data entry error to determine if they are multiple applications.

(iii) Applications which do not qualify as multiple applications as per above procedure are further checked for common PAN. All such matched applications with common PAN are manually checked to eliminate possibility of data capture error to determine if they are multiple applications.

In case of a Mutual Fund, a separate Bid can be made in respect of each scheme of the Mutual Fund registered with SEBI and such Bids in respect of more than one scheme of the Mutual Fund will not be treated as multiple Bids provided that the Bids clearly indicate the scheme concerned for which the Bid has been made.

In cases where there are more than 20 valid applications having a common address, such shares will be kept in abeyance, post allotment and released on confirmation of "know your client" norms by the depositories.

The Company reserves the right to reject, in our absolute discretion, all or any multiple Bids in any or all categories.

Permanent Account Number or PAN

Pursuant to the circular MRD/DoP/Circ-05/2007 dated April 27, 2007, SEBI has mandated Permanent Account Number **("PAN")** to be the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction w.e.f. July 2, 2007. Each of the Bidders, should mention his/her PAN allotted under the IT Act. **Applications without this information will be considered incomplete and are liable to be rejected.** It is to be specifically noted that Bidders should not submit the GIR number instead of the PAN, as the Bid is liable to be rejected on this ground.

Unique Identification Number ("UIN")

With effect from July 1, 2005, SEBI had decided to suspend all fresh registrations for obtaining UIN and the requirement to contain/quote UIN under the SEBI MAPIN Regulations/Circulars vide its circular MAPIN/Cir-13/2005. However, in a recent press release dated December 30, 2005, SEBI has approved certain policy decisions and has now decided to resume registrations for obtaining UINs in a phased manner. The press release states that the cut off limit for obtaining UIN has been raised from the existing limit of trade order value of Rs. 100,000 to Rs. 500,000 or more. The limit will be reduced progressively. For trade order value of less than Rs. 500,000, an option will be available to investors to obtain either the PAN or UIN. These changes are, however, not effective as of the date of this Red Herring Prospectus and SEBI has stated in the press release that the changes will be implemented only after necessary amendments are made to the SEBI MAPIN Regulations. On June 25, 2007, SEBI has decided to discontinue with the requirement of UIN under the SEBI MAPIN Regulation.

RIGHT TO REJECT BIDS

In case of QIB Bidders, the Company in consultation with the BRLMs may reject Bids provided that the reasons for rejecting the same shall be provided to such Bidder in writing. In case of Non-Institutional Bidders, Retail Individual Bidders who Bid, the Company has a right to reject Bids based on technical grounds.

GROUNDS FOR REJECTIONS

Bidders are advised to note that Bids are liable to be rejected *inter alia* on the following technical grounds:

- Amount paid does not tally with the amount payable for the highest value of Equity Shares bid for;
- Age of First Bidder not given;
- In case of partnership firms, Equity Shares may be registered in the names of the individual partners and no firm as such shall be entitled to apply;
- Bid by persons not competent to contract under the Indian Contract Act, 1872 including minors, insane persons;
- PAN not mentioned in the Bid cum Application Form;
- GIR number furnished instead of PAN;
- Bids for lower number of Equity Shares than specified for that category of investors;
- Bids at a price less than lower end of the Price Band;
- Bids at a price more than the higher end of the Price Band;
- Bids at Cut Off Price by Non-Institutional, QIB Bidders and Eligible Employees where Bid Amount exceeds Rs. 100,000;
- Bids for number of Equity Shares which are not in multiples of [•];
- Category not ticked;
- Multiple Bids as defined in this Red Herring Prospectus;
- In case of Bid under power of attorney or by limited companies, corporate, trust etc., relevant documents are not submitted;
- Bids accompanied by Stockinvest/ money order/ postal order/ cash;
- Signature of sole and/ or joint Bidders missing;
- Bid cum Application Forms does not have the stamp of the BRLMs, or Syndicate Members;

- Bid cum Application Forms does not have Bidder's depository account details;
- Bid cum Application Forms are not delivered by the Bidders within the time prescribed as per the Bid cum Application Forms, Bid/ Issue Opening Date advertisement and the Red Herring Prospectus and as per the instructions in the Red Herring Prospectus and the Bid cum Application Forms;
- In case no corresponding record is available with the Depositories that matches three parameters namely, names of the Bidders (including the order of names of joint holders), the Depository Participant's identity (DP ID) and the beneficiary's account number;
- Bids for amounts greater than the maximum permissible amounts prescribed by the regulations;
- Bids where clear funds are not available in the Escrow Account as per the final certificate from the Escrow Collection Bank(s) ;
- Bids by QIBs not submitted through members of the Syndicate;
- Bids by OCBs;
- Bids not duly signed by the sole/ joint Bidders;
- Bids by any persons outside India if not in compliance with applicable foreign and Indian laws;
- Bids that do not comply with the securities laws of their respective jurisdictions are liable to be rejected;
- Bids by persons prohibited from buying, selling or dealing in the shares directly or indirectly by SEBI or any other regulatory authority;
- Bids by persons who are not eligible to acquire Equity Shares of the Company in terms of all applicable laws, rules, regulations, guidelines, and approvals;
- Bids or revisions thereof by QIB Bidders, Non Institutional Bidders where the Bid Amount is in excess of Rs. 100,000, uploaded after 4.00 pm on the Bid/ Issue Closing Date;

Impersonation

Attention of the applicants is specifically drawn to the provisions of sub-section (1) of Section 68 A of the Companies Act, which is reproduced below:

"Any person who:

(a) makes in a fictitious name, an application to a company for acquiring or subscribing for, any shares therein, or

(b) otherwise induces a company to allot, or register any transfer of shares therein to him, or any other person in a fictitious name,

shall be punishable with imprisonment for a term which may extend to five years."

Price Discovery and Allocation

(a) After the Bid/Issue Closing Date, the BRLMs will analyse the demand generated at various price levels and discuss the pricing strategy with the Company.

(b) The Company in consultation with the GCBRLM shall finalise the Issue Price.

(c) The allocation to QIBs will be at least 60% of the Issue and allocation to Non-Institutional and Retail Individual Bidders will be not less than 10% and 30% of the Issue, respectively, on a proportionate basis, in a manner specified in the SEBI Guidelines and the Red Herring Prospectus, in consultation with the Designated Stock Exchange, subject to valid Bids being received at or above the Issue Price. The Allocation under the Employee Reservation Portion shall be on a proportionate basis, in the manner specified under the SEBI Guidelines and the Red Herring Prospectus, subject to valid Bids being received at or above Issue Price, and is approved by the Designated Stock Exchange.

(d) Under-subscription, if any, in any category, except the QIB Portion, would be allowed to be met with spill-over from any other category or combination of categories at the discretion of our Company in consultation with the GCBRLM and the Designated Stock Exchange. Under subscription, if any, in the Employee Reservation Portion will be added back to the Net Issue Portion at the discretion of the GCBRLM and the Company. In case of under subscription in the Net Issue, spill over to the extent of under subscription shall be permitted from the Employee Reservation Portion subject to the Net Issue constituting 10% of the post Issue capital of the Company. If at least 60% of the Net Issue is not allocated to the QIBs, the entire subscription monies shall be refunded.

(e) Allocation to Non-Residents, including Eligible NRIs, FIIs and FVCIs registered with SEBI, applying on repatriation basis will be subject to applicable law, rules, regulations, guidelines and approvals.

(f) The BRLMs, in consultation with us, shall notify the members of the Syndicate of the Issue Price and allocations to their respective Bidders, where the full Bid Amount has not been collected from the Bidders.

(g) Our Company reserves the right to cancel the Issue any time after the Bid/Issue Opening Date without assigning any reasons whatsoever. In terms of the SEBI Guidelines, QIB Bidders shall not be allowed to withdraw their Bid after the Bid/ Issue Closing Date.

(h) The allotment details shall be put on the website of the Registrar to the Issue.

Signing of Underwriting Agreement and RoC Filing

(a) The Company, the BRLMs and the Syndicate Member shall enter into an Underwriting Agreement on finalisation of the Issue Price and allocation(s) / Allotment to the Bidders.

(b) After signing the Underwriting Agreement, the Company would update and file the updated Red Herring Prospectus with RoC, which then would be termed 'Prospectus'. The Prospectus would have details of the Issue Price, Issue size, underwriting arrangements and would be complete in all material respects.

(c) The Company will file a copy of the Prospectus with the RoC in terms of Section 56, Section 60 and Section 60B of the Companies Act.

(d) The Company will issue a statutory advertisement after the filing of the Prospectus with the RoC. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of CAN

(a) Upon approval of the basis of Allotment by the Designated Stock Exchange, the BRLMs or Registrar to the Issue shall send to the members of the Syndicate a list of their Bidders who have been allocated/ Allotted Equity Shares in the Issue. The approval of the basis of Allotment by the Designated Stock Exchange for QIB Bidders may be done simultaneously with or prior to the approval of the basis of allocation for the Retail and Non-Institutional Bidders. However, investors should note that the Company shall ensure that the date of Allotment of the Equity Shares to all investors in this Issue shall be done on the same date.

(b) The BRLMs or members of the Syndicate would dispatch a CAN to their Bidders who have been allocated Equity Shares in the Issue. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price as may be called by the Company for all the Equity Shares allocated to such Bidder. Those Bidders who have not paid the entire Bid Amount into the Escrow Account at the time of bidding shall pay in full the amount payable into the Escrow Account by the Pay-in Date specified in the CAN.

(c) Bidders who have been allocated/ Allotted Equity Shares and who have already paid the Bid Amount payable on application into the Escrow Account at the time of bidding shall directly receive the CAN from the Registrar to the Issue subject, however subject, to realisation of his or her cheque or demand draft paid into the Escrow Account. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the Bidder to pay the entire Issue Price as may be called by the Company for Allotment to such Bidder.

(d) The Issuance of CAN is subject to "Notice to QIBs: Allotment Reconciliation and Revised CANs" as set forth herein.

Notice to QIBs: Allotment Reconciliation and Revised CANs

After the Bid/ Issue Closing Date, an electronic book will be prepared by the Registrar on the basis of Bid applications received. Based on the electronic book, QIBs will be sent a CAN on or prior to [•], 2009, indicating the number of Equity Shares that may be Allotted to them. This CAN is subject to the basis of final Allotment, which will be approved by the Designated Stock Exchange and reflected in the physical book prepared by the Registrar. Subject to SEBI Guidelines, certain Bid applications may be rejected due to technical reasons, non-receipt of funds, cancellation of cheques, cheque bouncing, incorrect details, etc., and these rejected applications will be reflected in the reconciliation and basis of Allotment as approved by the Designated Stock Exchange and specified in the physical book. As a result, a revised CAN may be sent to QIBs and the allocation of Equity Shares in such revised CAN may be different from that specified in the earlier CAN. It is not necessary that a revised CAN will be sent. QIBs should note that they may be required to pay additional amounts, if any, by the Pay-in Date specified in the revised CAN, for any increased Allotment of Equity Shares. The CAN will constitute the valid, binding and irrevocable contract (subject only to the issue of a revised CAN) for the QIB to pay the entire Issue Price as may be called by the Company for all the Equity Shares allocated to such QIB. The revised CAN, if issued, will supersede in entirety the earlier CAN.

Designated Date and Allotment of Equity Shares

(a) The Company will ensure that the Allotment of Equity Shares is done within 15 days of the Bid/ Issue Closing Date. After the funds are transferred from the Escrow Account to the Public Issue Account on the Designated Date, the Company would ensure the credit to the successful Bidders depository account. Allotment of the Equity Shares to the allottees shall be within two working days of the date of Allotment.

(b) In accordance with the SEBI Guidelines, Equity Shares will be issued, and Allotment shall be made only in the dematerialised form to the allottees. Allottees will have the option to re-materialise the Equity Shares, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

(c) Investors are advised to instruct their Depository Participant to accept the Equity Shares that may be allocated/ Allotted to them pursuant to this Issue.

BASIS OF ALLOTMENT

A. For Retail Individual Bidders

- Bids received from the Retail Individual Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the successful Retail Individual Bidders will be made at the Issue Price.
- The Issue size less Allotment to Non-Institutional and QIB Bidders shall be available for Allotment to Retail Individual Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 88,095,609 Equity Shares at or above the Issue Price, full Allotment shall be made to the Retail Individual Bidders to the extent of their valid Bids.
- If the aggregate demand in this category is greater than 88,095,609 Equity Shares at or above the Issue Price, the Allotment shall be made on a proportionate basis up to a minimum [•]. For the method of proportionate basis of Allotment, please refer to “Method of Proportionate Basis of Allotment in the Issue”.

B. For Non-Institutional Bidders

- Bids received from Non-Institutional Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all successful Non-Institutional Bidders will be made at the Issue Price.
- The Issue size less Allotment to QIBs and Retail Portion shall be available for Allotment to Non-Institutional Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- If the aggregate demand in this category is less than or equal to 29,365,203 Equity Shares at or above the Issue Price, full Allotment shall be made to Non-Institutional Bidders to the extent of their demand.
- In case the aggregate demand in this category is greater than 29,365,203 Equity Shares at or above the Issue Price, Allotment shall be made on a proportionate basis up to a minimum of [•] Equity Shares. For the method of proportionate Basis of Allotment refer “Method of Proportionate Basis of Allotment in the Issue” herein below.

C. For QIB Bidders

- Bids received from the QIB Bidders at or above the Issue Price shall be grouped together to determine the total demand under this category. The Allotment to all the QIB Bidders will be made at the Issue Price.
- The Issue less allocation to Non-Institutional Portion and Retail Portion shall be available for proportionate allocation to QIB Bidders who have Bid in the Issue at a price that is equal to or greater than the Issue Price.
- However, eligible Bids by Mutual Funds only shall first be considered for allocation proportionately in the Mutual Funds Portion. After completing proportionate allocation to Mutual Funds for an amount of up to 8,809,561 Equity Shares (the “Mutual Funds Portion”), the remaining demand by Mutual Funds, if any, shall then be considered for allocation proportionately, together with Bids by other QIBs, in the remainder of the QIB Portion (i.e., after excluding the Mutual Funds Portion). If the valid Bids by Mutual Funds are for less than 8,809,561 Equity Shares, the remaining Equity Shares available for allocation in the Mutual Funds Portion will first be added to the QIB Portion and allocated proportionately to the QIB Bidders. For the purposes of this paragraph it has been assumed that the QIB Portion for the purposes of the Issue amounts to at least 60% of the Net Issue size, i.e. 176,191,219 Equity Shares.
- Allotment shall be undertaken in the following manner:

  (a) In the first instance allocation to Mutual Funds for 5% of the QIB Portion shall be determined as follows:

    (i) In the event that Mutual Fund Bids exceed 5% of the QIB Portion, allocation to Mutual Funds shall be done on a proportionate basis for up to 5% of the QIB Portion.

    (ii) In the event that the aggregate demand from Mutual Funds is less than 5% of the QIB Portion, then all Mutual Funds shall get full allotment to the extent of valid Bids received above the Issue Price.

    (iii) Equity Shares remaining unsubscribed, if any, not allocated to Mutual Funds, shall be available to all QIB Bidders as set out in (b) below;

  (b) In the second instance allocation to all QIBs shall be determined as follows:

    (i) The number of Equity Shares available for this category shall be the QIB Portion less allocation only to Mutual Funds as calculated in (a) above.

    (ii) The subscription level for this category shall be determined based on the overall subscription in the QIB Portion less allocation only to Mutual Funds as calculated in (a) above.

  (c) Based on the above, the level of the subscription shall be determined and proportionate allocation to all QIBs including Mutual Funds in this category shall be made.

  (d) The aggregate allocation to QIBs shall be at least 176,191,219 Equity Shares.

D. For Eligible Employees

The Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter. The allotment in the Employee Reservation Portion will be on a proportionate basis. Bidders under the Employee Reservation portion can Bid for a maximum of 5,000 Equity Shares. Bidders under the Employee Reservation Portion applying for a maximum Bid in any of the bidding options not exceeding Rs. 100,000 may bid at Cut off Price.

- Bids received from the Eligible Employees at or above the Issue Price shall be grouped together to determine the total demand under this category. The allocation to all the successful Eligible Employees will be made at the Issue Price.
- If the aggregate demand in this category is less than or equal to 8,000,000 Equity Shares at or above the Issue Price, full allocation shall be made to the Eligible Employees to the extent of their demand.
- If the aggregate demand in this category is greater than 8,000,000 Equity Shares at or above the Issue Price, the allocation shall be made on a proportionate basis up to a minimum of [•] Equity Shares. For the method of proportionate basis of allocation, refer below.
- Only Eligible Employees are eligible to apply under Employee Reservation Portion.

Illustration of Allotment to QIBs and Mutual Funds ("MF")

A. Issue Details

Sr. No.	Particulars	Issue details
1	Issue size	200 million equity shares
2	Allocation to QIB (60%)	120 million equity shares
	Of which:	
	a. Allocation to MF (5%)	6 million equity shares
	b. Balance for all QIBs including MFs	114 million equity shares
3	No. of QIB applicants	10
4	No. of shares applied for	500 million equity shares

B. Details of QIB Bids

S.No	Type of QIB bidders#	No. of shares bid for (in million)
1	A1	50
2	A2	20
3	A3	130
4	A4	50
5	A5	50
6	MF1	40
7	MF2	40
8	MF3	80
9	MF4	20
10	MF5	20
	Total	**500**

 # A1-A5: (QIB bidders other than MFs), MF1-MF5 (QIB bidders which are Mutual Funds)

C. Details of Allotment to QIB Bidders/ Applicants

Number of equity shares in million

Type of QIB bidders	Shares bid for	Allocation of 6 million equity shares to MF proportionately (please see note 2 below)	Allocation of balance 114 million equity shares to QIBs proportionately (please see note 4 below)	Aggregate allocation to MFs
(I)	**(II)**	**(III)**	**(IV)**	**(V)**
A1	50	0	11.54	0
A2	20	0	4.62	0
A3	130	0	30.00	0
A4	50	0	11.54	0
A5	50	0	11.54	0
MF1	40	1.2	8.95	10.15
MF2	40	1.2	8.95	10.15
MF3	80	2.4	17.91	20.31
MF4	20	0.6	4.48	5.08
MF5	20	0.6	4.48	5.08
	500	**6**	**114**	**50.77**

Please note:

1. The illustration presumes compliance with the requirements specified in this Prospectus in the section titled "Issue Structure" beginning on page 395 of this Red Herring Prospectus.
2. Out of 120 million equity shares allocated to QIBs, 6 million (i.e. 5%) will be allocated on proportionate basis among 5 Mutual Fund applicants who applied for 200 million shares in QIB category.

3. The balance 114 million equity shares (i.e. 120 - 6 (available for MFs)) will be allocated on proportionate basis among 10 QIB applicants who applied for 500 million Equity Shares (including 5 MF applicants who applied for 200 million Equity Shares).
4. The figures in the fourth column titled "Allocation of balance 114 million equity shares to QIBs proportionately" in the above illustration are arrived as under:
   - For QIBs other than Mutual Funds (A1 to A5)= No. of shares bid for (i.e. in column II) X 114 / 494
   - For Mutual Funds (MF1 to MF5)= {(No. of shares bid for (i.e. in column II of the table above) less Equity Shares allotted (i.e., column III of the table above)} X 114 / 494
   - The numerator and denominator for arriving at allocation of 114 million shares to the 10 QIBs are reduced by 6 million shares, which have already been allotted to Mutual Funds in the manner specified in column III of the table above.

Method of Proportionate Basis of Allotment in the Issue

In the event of the Issue being over-subscribed, the Company shall finalise the basis of Allotment in consultation with the Designated Stock Exchange. The Executive Director (or any other senior official nominated by them) of the Designated Stock Exchange along with the BRLMs and the Registrar to the Issue shall be responsible for ensuring that the basis of Allotment is finalised in a fair and proper manner.

The Allotment shall be made in marketable lots, on a proportionate basis as explained below:

a) Bidders will be categorised according to the number of Equity Shares applied for.

b) The total number of Equity Shares to be Allotted to each category as a whole shall be arrived at on a proportionate basis, which is the total number of Equity Shares applied for in that category (number of Bidders in the category multiplied by the number of Equity Shares applied for) multiplied by the inverse of the over-subscription ratio.

c) Number of Equity Shares to be Allotted to the successful Bidders will be arrived at on a proportionate basis, which is total number of Equity Shares applied for by each Bidder in that category multiplied by the inverse of the over-subscription ratio.

d) In all Bids where the proportionate Allotment is less than [•] Equity Shares per Bidder, the Allotment shall be made as follows:
   - The successful Bidders out of the total Bidders for a category shall be determined by draw of lots in a manner such that the total number of Equity Shares Allotted in that category is equal to the number of Equity Shares calculated in accordance with (b) above; and
   - Each successful Bidder shall be Allotted a minimum of [•] Equity Shares.

e) If the proportionate Allotment to a Bidder is a number that is more than [•] but is not a multiple of one (which is the market lot), the decimal would be rounded off to the higher whole number if that decimal is 0.5 or higher. If that number is lower than 0.5, it would be rounded off to the lower whole number. Allotment to all Bidders in such categories would be arrived at after such rounding off.

f) If the Equity Shares allocated on a proportionate basis to any category are more than the Equity Shares Allotted to the Bidders in that category, the remaining Equity Shares available for Allotment shall be first adjusted against any other category, where the Allotted shares are not sufficient for proportionate Allotment to the successful Bidders in that category. The balance Equity Shares, if any, remaining after such adjustment will be added to the category comprising Bidders applying for minimum number of Equity Shares.

PAYMENT OF REFUND

Bidders must note that on the basis of name of the Bidders, Depository Participant's name, DP ID, Beneficiary Account number provided by them in the Bid-cum-Application Form, the Registrar will obtain, from the Depositories, the Bidders' bank account details, including the nine digit Magnetic Ink Character Recognition ("MICR") code as appearing on a cheque leaf. Hence Bidders are advised to immediately update their bank account details as appearing on the records of the Depository Participant. Please note that failure to do so could result in delays in dispatch of refund order or refunds through electronic transfer of funds, as applicable, and any such delay shall be at the Bidders' sole risk and neither the Company, the Registrar, Escrow Collection Bank(s), Bankers to the Issue nor the BRLMs shall be liable to compensate the Bidders for any losses caused to the Bidder due to any such delay or liable to pay any interest for such delay.

Mode of making refunds

The payment of refund, if any, would be done through various modes as given hereunder:

1. ECS – Payment of refund would be done through ECS for applicants having an account at any of the centres where such facility has been made available. This mode of payment of refunds would be subject to availability of complete bank account details including the MICR code as appearing on a cheque leaf, from the Depositories. The payment of refunds is mandatory for applicants having a bank account at any of such centres, except where the applicant, being eligible, opts to receive refund through NEFT, direct credit or RTGS.
2. Direct Credit – Applicants having bank accounts with the Refund Banker(s), as mentioned in the Bid cum Application Form, shall be eligible to receive refunds through direct credit. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company.
3. RTGS – Applicants having a bank account at any of the centres where such facility has been made available and whose refund amount exceeds Rs. 10 lacs, have the option to receive refund through RTGS. Such eligible applicants who indicate their preference to receive refund through RTGS are required to provide the IFSC code in the Bid-cum-application Form. In the event the same is not provided, refund shall be made through ECS. Charges, if any, levied by the Refund Bank(s) for the same would be borne by the Company. Charges, if any, levied by the applicant's bank receiving the credit would be borne by the applicant.
4. NEFT (National Electronic Fund Transfer) – Payment of refund shall be undertaken through NEFT wherever the applicants' bank has been assigned the Indian Financial System Code (IFSC), which can be linked to a Magnetic Ink Character Recognition (MICR), if any, available to that particular bank branch. IFSC Code will be obtained from the website of RBI as on a date immediately prior to the date of payment of refund, duly mapped with MICR numbers. Wherever the applicants have registered their nine digit MICR number and their bank account number while opening and operating the demat account, the same will be duly mapped with the IFSC Code of that particular bank branch and the payment of refund will be made to the applicants through this method. The process flow in respect of refunds by way of NEFT is at an evolving stage and hence use of NEFT is subject to operational feasibility, cost and process efficiency.
5. For all other applicants, including those who have not updated their bank particulars with the MICR code, the refund orders will be dispatched under certificate of posting for value up to Rs. 1,500 and through Speed Post/ Registered Post for refund orders of Rs. 1,500 and above. Such refunds will be made by cheques, pay orders or demand drafts drawn on the Refund Banks and payable at par at places where Bids are received. Bank charges, if any, for cashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

Letters of Allotment or Refund Orders

The Company shall give credit to the beneficiary account with depository participants within two working days from the date of the finalisation of basis of allocation. Applicants residing at centres eligible for ECS credit where clearing houses are managed by the RBI and other banks, will get refunds through ECS only except where applicant is otherwise disclosed as eligible to get refunds through direct credit & RTGS. The Company shall ensure dispatch of refund orders, if any, of value up to Rs.1,500 by "Under Certificate of Posting", and shall dispatch refund orders above Rs.1,500, if any, by registered post or speed post at the sole or First Bidder's sole risk within 15 days of the Bid/ Issue Closing Date. Applicants to whom refunds are made through electronic transfer of funds will be send a letter through ordinary post intimating them about the mode of credit of refund within 15 days of closure of Bid/ Issue.

The Company will provide adequate funds required for dispatch of refund orders or allotment advice to the Registrar to the Issue.

Refunds will be made by cheques, pay-orders or demand drafts drawn on a bank appointed by us, as Refund Bank and payable at par at places where Bids are received. Bank charges, if any, for encashing such cheques, pay orders or demand drafts at other centres will be payable by the Bidders.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY

The Company shall ensure the dispatch of Allotment advice, refund orders (except for Bidders who receive refunds through electronic transfer of funds) and give benefit to the beneficiary account with Depository Participants and submit the documents pertaining to the Allotment to the Stock Exchanges within two working days of date of Allotment of Equity Shares.

In case of applicants who receive refunds through ECS, direct credit or RTGS, the refund instructions will be given to the clearing system within 15 days from the Bid/ Issue Closing Date. A suitable communication shall be sent to the bidders receiving refunds through this mode within 15 days of Bid/ Closing Date, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund.

The Company shall use best efforts to ensure that all steps for completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed, are taken within seven working days of Allotment.

In accordance with the Companies Act, the requirements of the Stock Exchanges and the SEBI Guidelines, the Company further undertakes that:

- Allotment of Equity Shares shall be made only in dematerialised form within 15 (fifteen) days of the Bid/ Issue Closing Date;
- Dispatch of refund orders or in a case where the refund or portion thereof is made in electronic manner, the refund instructions are given to the clearing system within 15 (fifteen) days of the Bid/ Issue Closing Date would be ensured; and
- The Company shall pay interest at 15% p.a. for any delay beyond the 15 (fifteen)-day time period as mentioned above, if Allotment is not made and refund orders are not dispatched or if, in a case where the refund or portion thereof is made in electronic manner, the refund instructions have not been given to the clearing system in the disclosed manner and/ or demat credits are not made to investors within the 15 (fifteen)-day time prescribed above as per the guidelines issued by the Government of India, Ministry of Finance pursuant to their letter No. F/ 8/ S/ 79 dated July 31, 1983, as amended by their letter No. F/ 14/ SE/ 85 dated September 27, 1985, addressed to the stock exchanges, and as further modified by SEBI's Clarification XXI dated October 27, 1997, with respect to the SEBI Guidelines.

UNDERTAKINGS BY OUR COMPANY

The Company undertakes the following:

- That the complaints received in respect of this Issue shall be attended to by us expeditiously;
- That all steps will be taken for the completion of the necessary formalities for listing and commencement of trading at all the Stock Exchanges where the Equity Shares are proposed to be listed within seven working days of finalisation of the basis of Allotment;
- That funds required for making refunds to unsuccessful applicants as per the mode(s) disclosed shall be made available to the Registrar to the Issue by the Issuer;
- That where refunds are made through electronic transfer of funds, a suitable communication shall be sent to the applicant within 15 days of the Bid/ Issue Closing Date, as the case may be, giving details of the bank where refunds shall be credited along with amount and expected date of electronic credit of refund;
- That the certificates of the securities/ refund orders to the non-resident Indians shall be dispatched within specified time; and
- That no further issue of Equity Shares shall be made till the Equity Shares offered through this Red Herring Prospectus are listed or until the Bid monies are refunded on account of non-listing, under-subscription etc.

The Company shall not have recourse to the Issue proceeds until the approval for trading of the Equity Shares from all the Stock Exchanges where listing is sought has been received.

Utilisation of Issue proceeds

Our Board certifies that:

- All monies received out of the Issue shall be credited/ transferred to a separate bank account other than the bank account referred to in sub-section (3) of Section 73 of the Companies Act;
- Details of all monies utilised out of Issue shall be disclosed under an appropriate head in our balance sheet indicating the purpose for which such monies have been utilised;
- Details of all unutilised monies out of the Issue, if any shall be disclosed under the appropriate head in the balance sheet indicating the form in which such unutilised monies have been invested;

The Board of Directors further certifies that:

(a) the utilisation of monies received under Promoter Contribution and the Employee Reservation Portion shall be disclosed under an appropriate head in the balance sheet of the Company, indicating the purpose for which such monies have been utilised; and

(b) the details of all unutilised monies out of the funds received under Promoter Contribution and the Reservation Portion shall be disclosed under a separate head in the balance sheet of the Company, indicating the form in which such unutilised monies have been invested.

Withdrawal of the Issue

Our Company, in consultation with the GCBRLM reserves the right not to proceed with the Issue at anytime, including after the Bid/Issue Closing Date but before the Board meeting for Allotment, without assigning any reason. Notwithstanding the foregoing, the Issue is also subject to obtaining the final listing and trading approvals of the Stock Exchanges, which the Company shall apply for after Allotment.

In terms of the SEBI Guidelines, QIB Bidders shall not be allowed to withdraw their Bid after the Bid/ Issue Closing Date.

EQUITY SHARES IN DEMATERIALISED FORM WITH NSDL OR CDSL

As per the provisions of Section 68B of the Companies Act, the Allotment of Equity Shares in this Issue shall be only in a de-materialised form, (i.e., not in the form of physical certificates but be fungible and be represented by the statement issued through the electronic mode).

In this context, two agreements have been signed among the Company, the respective Depositories and the Registrar to the Issue:

a) Agreement dated June 6, 2008 between NSDL, the Company and the Registrar to the Issue;

b) Agreement dated June 4, 2008 between CDSL, the Company and the Registrar to the Issue.

All Bidders can seek allotment only in dematerialised mode. Bids from any Bidder without relevant details of his or her depository account are liable to be rejected.

a) A Bidder applying for Equity Shares must have at least one beneficiary account with either of the Depository Participants of either NSDL or CDSL prior to making the Bid.

b) The Bidder must necessarily fill in the details (including the Beneficiary Account Number and Depository Participant's identification number) appearing in the Bid cum Application Form or Revision Form.

c) Allotment to a successful Bidder will be credited in electronic form directly to the beneficiary account (with the Depository Participant) of the Bidder.

d) Names in the Bid cum Application Form or Revision Form should be identical to those appearing in the account details in the Depository. In case of joint holders, the names should necessarily be in the same sequence as they appear in the account details in the Depository.

e) If incomplete or incorrect details are given under the heading 'Bidders Depository Account Details' in the Bid cum Application Form or Revision Form, it is liable to be rejected.

f) The Bidder is responsible for the correctness of his or her Demographic Details given in the Bid cum Application Form vis-à-vis those with his or her Depository Participant.

g) Equity Shares in electronic form can be traded only on the stock exchanges having electronic connectivity with NSDL and CDSL. All the Stock Exchanges where our Equity Shares are proposed to be listed have electronic connectivity with CDSL and NSDL.

h) The trading of the Equity Shares of the Company would be in dematerialised form only for all investors in the demat segment of the respective Stock Exchanges.

Communications

All future communications in connection with Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or first Bidder, Bid cum Application Form number, Bidders Depository Account Details, number of Equity Shares applied for, date of Bid cum Application Form, name and address of the member of the Syndicate where the Bid was submitted and cheque or draft number and issuing bank thereof and a copy of the acknowledgement slip.

Investors can contact the Compliance Officer or the Registrar to the Issue in case of any pre-Issue or post-Issue related problems such as non-receipt of letters of allotment, credit of allotted shares in the respective beneficiary accounts, refund orders etc.

Anchor Investor Portion

The Company may consider participation by Anchor Investor in the Net Issue for up to 52,857,366 Equity Shares in accordance with the applicable SEBI Guidelines. The Anchor Investor Bid/Issue Period shall be one day prior to the Bid/Issue Opening Date. The QIB Portion shall be reduced in proportion to the allocation under the Anchor Investor category. In accordance with the SEBI Guidelines, the key terms for participation in the Anchor Investor Portion are as follows:

(a) Anchor Investors shall be QIBs as defined in the SEBI Guidelines.

(b) The Bid must be for a minimum of such number of Equity Shares so that the Bid Amount exceeds Rs. 100 million and in multiples of [·] Equity Shares thereafter. A Bid cannot be submitted for more than 30% of the QIB Portion.

(c) One-third of the Anchor Investor Portion shall be reserved for allocation to domestic mutual funds.

(d) The Bidding for Anchor Investors shall open one day before the Bid/Issue Opening Date and shall be completed on the same day.

(e) The Company, in consultation with the GCBRLM, shall finalise Allocation to the Anchor Investors on a discretionary basis, subject to compliance with requirements regarding minimum number of allotees.

(f) The number of Equity Shares allocated to Anchor Investors and the price at which the allocation is made, shall be made available in public domain by the BRLMs before the Bid/Issue Opening Date.

(g) Anchor Investors shall pay Anchor Investor Margin Amount representing 25% on the Bid Amount at the time of submission of the Bid. Any difference between the amount payable by the Anchor Investor for Equity Shares Allocated and the Anchor Investor Margin Amount paid at the time of Bidding, shall be payable by the Anchor Investor within two days of the Bid/ Issue Closing Date.

(h) In case the Issue Price is greater than the price at which Equity Shares are allocated to Anchor Investors, the additional amount being the difference between the Issue Price and the price at which Equity Shares were allocated to the Anchor Investors shall be paid by the Anchor Investors. In the event the Issue Price is lower than the price at which Equity Shares are allocated to Anchor Investors, the allotment to Anchor Investors shall be at the higher price i.e. the price at which Equity Shares were allocated under the Anchor Investor Portion.

(i) The Equity Shares allotted in the Anchor Investor Portion shall be locked-in for a period of 30 days from the date of allotment in the Issue.

(j) The BRLMs or any person related to the BRLMs / Promoters/Promoter Group shall not participate in the Anchor Investor Portion.

(k) Bids made by QIBs under both the Anchor Investor Portion and the QIB Portion shall not be considered as multiple Bids.

(l) The payment instruments for payment into the Escrow Account should be drawn in favour of:

- In case of Resident Anchor Investors: "APL – Escrow Account – Anchor Investor"
- In case of Non-Resident Anchor Investor: "APL – Escrow Account – Anchor Investor - NR"

The Red Herring Prospectus, in so far as it relates to terms of the Issue should be read in conjunction with the aforestated paragraphs, to the extent applicable.

ISSUE PROCEDURE FOR ASBA BIDDERS

This section is for the information of investors proposing to subscribe to the Issue through the ASBA process. Our Company and the BRLMs are not liable for any amendments, modifications, or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. ASBA Bidders are advised to make their independent investigations and to ensure that the ASBA Bid cum Application Form is correctly filled up, as described in this section.

The list of banks who have been notified by SEBI to act as SCSB for the ASBA Process are provided on http://www.sebi.gov.in. For details on designated branches of SCSB collecting the ASBA Bid cum Application Form, please refer the above mentioned SEBI link.

ASBA Process

A Resident Retail Individual Investor shall submit his Bid through an ASBA Bid cum Application Form, either in physical or electronic mode, to the SCSB with whom the bank account of the ASBA Bidder or bank account utilised by the ASBA Bidder ("**ASBA Account**") is maintained. The SCSB shall block an amount equal to the Bid Amount in the bank account specified in the ASBA Bid cum Application Form, physical or electronic, on the basis of an authorisation to this effect given by the account holder at the time of submitting the Bid. The Bid Amount shall remain blocked in the aforesaid ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against the allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until withdrawal/rejection of the ASBA Bid, as the case may be. The ASBA data shall thereafter be uploaded by the SCSB in the electronic IPO system of the Stock Exchanges. Once the Basis of Allotment is finalized, the Registrar to the Issue shall send an appropriate request to the Controlling Branch of the SCSB for unblocking the relevant bank accounts and for transferring the amount allocable to the successful ASBA Bidders to the ASBA Public Issue Account. In case of withdrawal/failure of the Issue, the blocked amount shall be unblocked on receipt of such information from the BRLMs.

ASBA Bid cum Application Form

ASBA Bidders shall use the ASBA Bid cum Application Form bearing the code of the Syndicate Member and/or the Designated Branch of SCSB, as the case may be, for the purpose of making a Bid in terms of the Red Herring Prospectus. ASBA Bidders are required to submit their Bids, either in physical or electronic mode. In case of application in physical mode, the ASBA Bidder shall submit the ASBA Bid cum Application form at the Designated Branch of the SCSB. In case of application in electronic form, the ASBA Bidder shall submit the ASBA Bid cum Application Form either through the internet banking facility available with the SCSB, or such other electronically enabled mechanism for bidding and blocking funds in the ASBA account held with SCSB, and accordingly registering such Bids. The ASBA Bidders can submit only one Bid option in the ASBA Bid cum Application Form which shall be at Cut-off Price.

Upon the allocation of Equity Shares, dispatch of the CAN, and filing of the Prospectus with the RoC, the ASBA Bid cum Application Form shall be considered as the Application Form. Upon completing and submitting the ASBA Bid cum Application Form to the Designated Branch of the SCSB, the ASBA Bidder is deemed to have authorized our Company to make the necessary changes in the Red Herring Prospectus as would be required for filing the Prospectus with the RoC and as would be required by RoC after such filing, without prior or subsequent notice of such changes to the ASBA Bidder.

The prescribed colour of the ASBA Bid cum Application Form shall be white.

Who can Bid?

In accordance with the SEBI Guidelines, only Resident Retail Individual Investor can submit their application through ASBA process to Bid for the Equity Shares of our Company.

Maximum and Minimum Bid Size for ASBA Bidders

The ASBA Bid must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter. The maximum ASBA Bid cannot exceed [•] Equity Shares in order to ensure that the total Bid Amount blocked in respect of the ASBA Bidder does not exceed Rs. 100,000. The ASBA Bidders shall bid only at the Cut-off Price indicating their agreement to Bid and purchase Equity Shares at the final Issue Price as determined at the end of the Book Building Process.

Information for the ASBA Bidders:

(a) The BRLMs shall ensure that adequate arrangements are made to circulate copies of the Red Herring Prospectus and ASBA Bid cum Application Form to the SCSBs and the SCSBs will then make available such copies to investors applying under the ASBA process. Additionally, the BRLMs shall ensure that the SCSBs are provided with soft copies of the abridged prospectus and the ASBA Bid cum Application Form. SCSBs shall make the same available on their websites.

(b) ASBA Bidders, under the ASBA process, who would like to obtain the Red Herring Prospectus and/or the ASBA Bid cum Application Form can obtain the same from the Designated Branches of the SCSBs or the BRLMs. ASBA Bidders can also obtain a copy of the abridged prospectus and/or the ASBA Bid cum Application Form in electronic form on the websites of the SCSBs.

(c) The Bids should be submitted on the prescribed ASBA Bid cum Application Form if applied in physical mode. SCSBs may provide the electronic mode of Bidding either through an internet enabled bidding and banking facility or such other secured, electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors.

(d) ASBA Bid cum Application Forms should bear the code of the Syndicate Member and/or Designated Branch of the SCSB.

(e) ASBA Bidders shall Bid for Equity Shares only at the Cut-off Price, with a single Bid option as to the number of Equity Shares.

(f) ASBA Bidders shall correctly mention the bank account number in the ASBA Bid cum Application Form and ensure that funds equal to the Bid Amount are available in the bank account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch.

(g) If the ASBA Account holder is different from the ASBA Bidder, the ASBA Bid cum Application Form should be signed by the account holder as provided in the ASBA Bid cum Application Form.

(h) ASBA Bidders shall correctly mention their DP ID and Client ID in the ASBA Bid cum Application Form. For the purpose of evaluating the validity of Bids, the demographic details of ASBA Bidders shall be derived from the DP ID and Client ID mentioned in the ASBA Bid cum Application Form.

(i) ASBA Bidders shall not be allowed to revise their Bid and shall not Bid under any reserved category.

Method and Process of Bidding

(a) ASBA Bidders are required to submit their Bids, either in physical or electronic mode. ASBA Bidders submitting their Bids in physical mode should approach the Designated Branches of the SCSBs. ASBA Bidders submitting their Bids in electronic form shall submit their Bids either using the internet enabled bidding and banking facility of the SCSBs or such other electronically enabled mechanism for bidding and blocking funds in the accounts of the respective eligible investors, and accordingly registering such Bids. Every Designated Branch of the SCSB shall accept Bids from all such investors who hold accounts with them and desire to place Bids through them. Such SCSBs shall have the right to vet the Bids, subject to the terms of the SEBI Guidelines and Red Herring Prospectus.

(b) The Designated Branches of the SCSBs shall give an acknowledgment specifying the application number to the ASBA Bidders as a proof of acceptance of the ASBA Bid cum Application Form. Such acknowledgment does not in any manner guarantee that the Equity Shares Bid for shall be Allocated to the ASBA Bidders.

(c) Each ASBA Bid cum Application Form will give the ASBA Bidder only one option to Bid for the Equity Shares at the Cut-off Price i.e. at the cap price of the Price Band and specify the demand (i.e. the number of Equity Shares Bid for) in such option. After determination of the Issue Price, the number of Equity Shares Bid for by the ASBA Bidder at the Cut-off Price will be considered for allocation along with the Non-ASBA Retail Bidders who have Bid for Equity Shares at or above the Issue Price or at Cut-off Price.

(d) Upon receipt of the ASBA Bid cum Application Form, submitted whether in physical or electronic mode, the Designated Branch of the SCSB shall verify if sufficient funds equal to the Bid Amount are available in the ASBA Account, as mentioned in the ASBA Bid cum Application Form, prior to uploading such Bids with the Stock Exchanges.

(e) If sufficient funds are not available in the ASBA Account, the Designated Branch of the SCSB shall reject such Bids and shall not upload such Bids with the Stock Exchanges.

(f) If sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form. The Designated Branch shall thereafter enter the Bid details from the prescribed ASBA Bid cum Application Form, if submitted in physical mode, or the Bid information submitted through the electronic mode made available by the SCSBs, as the case may be, into the electronic bidding system of the Stock Exchanges and generate a Transaction Registration Slip ("**TRS**"). The TRS shall be furnished to the ASBA Bidder on request.

(g) An ASBA Bidder cannot Bid, either in physical or electronic mode, on another ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form after bidding on one ASBA Bid cum Application Form, either in physical or electronic mode, has been submitted to the Designated Branches of SCSBs or uploaded by the ASBA Bidder, as the case may be. Submission of a second ASBA Bid cum Application Form or a non-ASBA Bid cum Application Form to either the same or to another Designated Branch of the SCSB will be treated as multiple Bids and will be liable to be rejected either before entering the Bid into the electronic bidding system, or at any point of time prior to the Allocation or Allotment of Equity Shares in this Issue. **ASBA Bidders are cautioned that Bids for Equity Shares made in the Issue through the ASBA Bid cum Application Form cannot be revised.**

Bidding

(a) The Price Band and the minimum Bid lot size for the Issue will be decided by the Company in consultation with the GCBRLM and advertised in all editions of Financial Express in English and Gujarati languages and all editions of Jansatta in Hindi language at least two working days prior to the Bid/Issue Opening Date. The ASBA Bidders can submit only one Bid in the ASBA Bid cum Application Form, that is, at Cut-off Price with single option as to the number of Equity Shares.

(b) In accordance with the SEBI Guidelines, our Company reserves the right to revise the Price Band during the Bidding

Period. The cap on the Price Band should not be more than 20% of the floor of the Price Band. Subject to compliance with the immediately preceding sentence, the floor of the Price Band can move up or down to the extent of 20% of the floor of the Price Band.

(c) In case of revision in the Price Band, the Bid/Issue Period will be extended for three additional days after revision of Price Band subject to a maximum of 10 working days. Any revision in the Price Band and the revised Bid/Issue Period, if applicable, will be widely disseminated by notification to the BSE and the NSE, by issuing a public notice in two national newspapers (one each in English and Hindi) and a regional newspaper and also by indicating the change on the websites of the BRLMs, SCSBs and at the terminals of the members of the Syndicate.

(d) Our Company in consultation with the GCBRLM, can finalise the Issue Price within the Price Band in accordance with this clause, without the prior approval of, or intimation to, the ASBA Bidders.

(e) ASBA Bidders agree that they shall purchase the Equity Shares at any price within the Price Band. In the event the Bid Amount is higher than the subscription amount payable, the ASBA Account shall be unblocked to the extent to such excess of Bid Amount over the subscription amount payable.

(f) In case of an upward revision in the Price Band, announced as above, the number of Equity Shares Bid for shall be adjusted downwards (to the previous multiple lot) for the purpose of allotment, such that no additional amount is required to be blocked in the ASBA Account and the ASBA Bidder is deemed to have approved such revised Bid at Cut-off Price.

Mode of Payment

Upon submission of an ASBA Bid cum Application Form with the SCSB, whether in physical or electronic mode, each ASBA Bidder shall be deemed to have agreed to block the entire Bid Amount and authorized the Designated Branch of the SCSB to block the Bid Amount, in the bank account maintained with the SCSB.

Bid Amount paid in cash, by money order or by postal order or by stockinvest, or ASBA Bid cum Application Form accompanied by cash, draft, money order, postal order or any mode of payment other than blocked amounts in the SCSB bank accounts, shall not be accepted.

After verifying that sufficient funds are available in the ASBA Account, the SCSB shall block an amount equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form till the Designated Date. On the Designated Date, the SCSBs shall transfer the amounts allocable to the ASBA Bidders from the respective ASBA Account, in terms of the SEBI Guidelines, into the ASBA Public Issue Account. The balance amount, if any against the said Bid in the ASBA Accounts shall then be unblocked by the SCSBs on the basis of the instructions issued in this regard by the Registrar to the Issue.

The entire Bid Amount, as per the ASBA Bid cum Application Form submitted by the respective ASBA Bidders, would be required to be blocked in the respective ASBA Accounts until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount against allocated shares to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

Electronic registration of Bids by SCSBs

(a) In case of ASBA Bid cum Application Forms, whether in physical or electronic mode, the Designated Branch of the SCSBs will register the Bids using the online facilities of the Stock Exchanges. SCSB shall not upload any ASBA Application Form in the electronic bidding system of the Stock Exchange(s) unless;

  (i) it has received the ASBA Bid Cum Application Form in a physical or electronic form; and

  (ii) it has blocked the application money in the ASBA Account specified in the ASBA Bid cum Application Form or has systems to ensure that Electronic ASBAs are accepted in the system only after blocking of application money in the relevant bank account opened with it.

(b) The Stock Exchanges offer a screen-based facility for registering Bids for the Issue which will be available on the terminals of Designated Branches during the Bid/Issue Period. The Designated Branches can also set up facilities for offline electronic registration of Bids subject to the condition that they will subsequently upload the offline data file into the online facilities for book building on a regular basis. On the Bid/Issue Closing Date, the Designated Branches of the SCSBs shall upload the Bids till such time as may be permitted by the Stock Exchanges. ASBA Bidders are cautioned that high inflow of Bids typically received on the last day of the bidding may lead to some Bids received on the last day not being uploaded due to lack of sufficient uploading time, and such Bids that are not uploaded may not be considered for allocation.

(c) The aggregate demand and price for Bids registered on the electronic facilities of the Stock Exchanges will be displayed online on the websites of the Stock Exchanges. A graphical representation of consolidated demand and price would be made available on the websites of the Stock Exchanges during the Bidding Period.

(d) At the time of registering each Bid, the Designated Branches of the SCSBs shall enter the information pertaining to the investor into the online system, including the following details:

- Name of the Bidder(s);
- Application Number;
- Permanent Account Number;
- Number of Equity Shares Bid for;
- Depository Participant identification No.; and
- Client identification No. of the Bidder's beneficiary account.

In case of electronic ASBA, the ASBA Bidder shall himself fill in all the above mentioned details, except the application number which shall be system generated. The SCSBs shall thereafter upload all the abovementioned details in the electronic bidding system provided by the Stock Exchange(s).

(e) A system generated TRS will be given to the ASBA Bidder upon request as proof of the registration of the Bid. **It is the ASBA Bidder's responsibility to obtain the TRS from the Designated Branches of the SCSBs.** The registration of the Bid by the Designated Branch of the SCSB does not guarantee that the Equity Shares Bid for shall be Allocated to the ASBA Bidders.

(f) Such TRS will be non-negotiable and by itself will not create any obligation of any kind.

(g) It is to be distinctly understood that the permission given by the Stock Exchanges to use their network and software of the online IPO system should not in any way be deemed or construed to mean that the compliance with various statutory and other requirements by our Company or the BRLMs or the Designated Branches of the SCSBs are cleared or approved by the Stock Exchanges; nor does it in any manner warrant, certify or endorse the correctness or completeness of compliance with the statutory and other requirements; nor does it take any responsibility for the financial or other soundness of our Company, our management or any scheme or project of our Company.

(h) The SCSB may reject the ASBA Bid, if the ASBA Account maintained with the SCSB as mentioned in the ASBA Bid cum Application Form does not have sufficient funds equivalent to the Bid Amount. Subsequent to the acceptance of the Bid by the Designated Branch, our Company would have a right to reject the Bids only on technical grounds.

(i) Only Bids that are uploaded on the online IPO system of the Stock Exchanges shall be considered for allocation/ Allotment. In case of discrepancy of data between the BSE or NSE and the Designated Branches of the SCSBs, the decision of the Registrar, based on the physical records of the ASBA Bid cum Application Forms shall be final and binding on all concerned.

Build up of the book and revision of Bids

(a) Bids registered through the Designated Branches of the SCSBs shall be electronically transmitted to the BSE or the NSE mainframe on a regular basis.

(b) The book gets built up at various price levels. This information will be available with the BRLMs and the Stock Exchanges on a regular basis.

(c) ASBA Bidders shall not revise their Bids.

(d) The SCSBs shall provide aggregate information about the numbers of ASBA Bid cum Application Forms uploaded, total number of Equity Shares and total amount blocked against the uploaded ASBA Bid cum Application Form and other information pertaining to the ASBA Bidders. The Registrar to the Issue shall reconcile the electronic data received from the Stock Exchanges and the information received from the SCSBs. In the event of any error or discrepancy, the Registrar to the Issue shall inform the SCSB of the same. The SCSB shall be responsible to provide the rectified data within the time stipulated by the Registrar to the Issue.

(e) Only Bids that are uploaded on the online IPO system of the BSE and NSE shall be considered for allocation/ Allotment.

Price Discovery and Allocation

After the Bid/Issue Closing Date, the Registrar to the Issue shall aggregate the demand generated under the ASBA process and which details are provided to them by the SCSBs with the Retail Individual Investor applied under the non ASBA process to determine the demand generated at different price levels. For further details, refer to the section titled "Issue Procedure" beginning on page 399 of this Red Herring Prospectus.

Advertisement regarding Issue Price and Prospectus

After filing of the Prospectus with the RoC, a statutory advertisement will be issued by our Company in a widely circulated English national newspaper, Hindi national newspaper of wide circulation and a Gujarati newspaper with wide circulation at the place where the registered office of the issuer is situated. This advertisement, in addition to the information that has to be set out in the statutory advertisement, shall indicate the Issue Price. Any material updates between the date of Red Herring Prospectus and the date of Prospectus will be included in such statutory advertisement.

Issuance of CAN

(a) Upon approval of the Basis of Allotment by the Designated Stock Exchange, the Registrar to the Issue shall send to the Controlling Branches of the SCSBs, a list of the ASBA Bidders who have been allocated Equity Shares in the Issue. Investors should note that our Company shall endeavour to ensure that the demat credit of Equity Shares pursuant to Allotment shall be made on the same date to all investors in this Issue; and

(b) The ASBA Bidders shall directly receive the CAN from the Registrar. The dispatch of a CAN shall be deemed a valid, binding and irrevocable contract for the ASBA Bidder.

Unblocking of ASBA Account

On the basis of instructions from the Registrar to the Issue, the SCSBs shall transfer the requisite amount against each successful ASBA Bidder to the ASBA Public Issue Account and shall unblock excess amount, if any in the ASBA Account. However, the Bid Amount may be unblocked in the ASBA Account prior to receipt of intimation from the Registrar to the Issue by the Controlling Branch of the SCSB regarding finalisation of the Basis of Allotment in the Issue, in the event of withdrawal/ failure of the Issue or rejection of the ASBA Bid, as the case may be.

Allotment of Equity Shares

(a) Our Company will ensure that the Allotment of Equity Shares is done within 15 days of the Bid/Issue Closing Date. After the funds are transferred from the bank account of the ASBA Bidders to the ASBA Public Issue Account on the Designated Date, to the extent applicable, our Company would ensure the credit of the Allotted Equity Shares to the depository accounts of all successful ASBA Bidders' within two working days from the date of Allotment.

(b) As per the SEBI Guidelines, Equity Shares will be issued, transferred and allotted only in the dematerialised form to the Allottees. Allottees will have the option to re-materialise the Equity Shares so Allotted, if they so desire, as per the provisions of the Companies Act and the Depositories Act.

GENERAL INSTRUCTIONS

Do's:

(a) Check if you are a Resident Retail Individual Investor and eligible to Bid under ASBA process.

(b) Ensure that you use the ASBA Bid cum Application Form specified for the purposes of ASBA process.

(c) Read all the instructions carefully and complete the ASBA Bid cum Application Form (if the Bid is submitted in physical mode, the prescribed ASBA Bid cum Application Form is white in colour).

(d) Ensure that your Bid is at the Cut-off Price.

(e) Ensure that you have mentioned only one Bid option with respect to the number of Equity Shares in the ASBA Bid cum Application Form.

(f) Ensure that the details of your Depository Participant and beneficiary account are correct and that your beneficiary account is activated, as Equity Shares will be Allotted in dematerialised form only.

(g) Ensure that your Bid is submitted at a Designated Branch of an SCSB, with a branch of which the ASBA Bidder or a person whose bank account will be utilized by the ASBA Bidder for bidding has a bank account and not to the Bankers to the Issue/Collecting Banks (assuming that such Collecting Bank is not a SCSB), to the Company or Registrar or BRLMS to the Issue.

(h) Ensure that the ASBA Bid cum Application Form is signed by the account holder in case the applicant is not the account holder.

(i) Ensure that you have mentioned the correct bank account numbers in the ASBA Bid cum Application Form.

(j) Ensure that you have funds equal to the number of Equity Shares Bid for at Cut-off Price available in the ASBA Account maintained with the SCSB before submitting the ASBA Bid cum Application Form to the respective Designated Branch of the SCSB.

(k) Ensure that you have correctly checked the authorisation box in the ASBA Bid cum Application Form, or have otherwise provided an authorisation to the SCSB via the electronic mode, for the Designated Branch to block funds equivalent to the Bid Amount mentioned in the ASBA Bid cum Application Form in your ASBA Account maintained with a branch of the concerned SCSB.

(l) Ensure that you receive an acknowledgement from the Designated Branch of the concerned SCSB for the submission of your ASBA Bid cum Application Form.

(m) Ensure that you have mentioned your Permanent Account Number ("**PAN**") allotted under the I.T. Act.

(n) Ensure that the name(s) and PAN given in the ASBA Bid cum Application Form is exactly the same as the name(s) and PAN in which the beneficiary account is held with the Depository Participant. In case the ASBA Bid is submitted in joint names, ensure that the beneficiary account is also held in same joint names and such names are in the same sequence in which they appear in the ASBA Bid cum Application Form.

(o) Ensure that the Demographic Details are updated, true and correct, in all respects.

Don'ts:

(a) Do not submit an ASBA Bid if you are not a Resident Retail Individual Investor.

(b) Do not submit an ASBA Bid if you are applying under any reserved category, including Employee Reservation Portion.

(c) Do not revise your Bid.

(d) Do not Bid for lower than the minimum Bid size.

(e) Do not Bid on another ASBA or Non-ASBA Bid cum Application Form after you have submitted a Bid to a Designated Branch of the SCSB.

(f) Payment of Bid Amounts in any mode other than blocked amounts in the bank accounts maintained by SCSBs, shall not be accepted under the ASBA process.

(g) Do not send your physical ASBA Bid cum Application Form by post; instead submit the same to a Designated Branch of the SCSB only.

(h) Do not fill up the ASBA Bid cum Application Form such that the Bid Amount against the number of Equity Shares Bid for exceeds Rs. 100,000.

(i) Do not submit the GIR number instead of the PAN Number.

(j) Do not instruct your respective banks to release the funds blocked in the bank account under the ASBA process.

Bids by ASBA Bidders must be:

(a) Made only in the prescribed ASBA Bid cum Application Form, which is white in colour if submitted in physical mode, or electronic mode.

(b) In single name or in joint names (not more than three, and in the same order as their Depository Participant details).

(c) Completed in full, in BLOCK LETTERS in ENGLISH and in accordance with the instructions contained herein, in the ASBA Bid cum Application Form.

(d) The Bids must be for a minimum of [•] Equity Shares and in multiples of [•] Equity Shares thereafter subject to a maximum of [•] Equity Shares such that the Bid Amount does not exceed Rs. 100,000.

(e) Thumb impressions and signatures other than in the languages specified in the Eighth Schedule in the Constitution of India must be attested by a Magistrate or a Notary Public or a Special Executive Magistrate under official seal.

ASBA Bidder's depository account and bank details

ALL ASBA BIDDERS SHALL RECEIVE THE EQUITY SHARES ALLOTTED TO THEM IN DEMATERIALISED FORM. ALL ASBA BIDDERS SHOULD MENTION THEIR DEPOSITORY PARTICIPANT'S NAME, DEPOSITORY PARTICIPANT IDENTIFICATION NUMBER, BENEFICIARY ACCOUNT NUMBER AND PAN IN THE ASBA BID CUM APPLICATION FORM. ASBA BIDDERS MUST ENSURE THAT THE NAME GIVEN IN THE ASBA BID CUM APPLICATION FORM IS EXACTLY THE SAME AS THE NAME IN WHICH THE DEPOSITORY ACCOUNT IS HELD. ADDITIONALLY, PAN IN THE

ASBA BID CUM APPLICATION FORM SHOULD BE EXACTLY THE SAME AS PROVIDED WITH THE DEPOSITORY PARTICIPANT. IN CASE THE ASBA BID CUM APPLICATION FORM IS SUBMITTED IN JOINT NAMES, IT SHOULD BE ENSURED THAT THE DEPOSITORY ACCOUNT IS ALSO HELD IN THE SAME JOINT NAMES AND ARE IN THE SAME SEQUENCE IN WHICH THEY APPEAR IN THE ASBA BID CUM APPLICATION FORM.

ASBA Bidders should note that on the basis of name of the ASBA Bidders, PAN, Depository Participant's name and identification number and beneficiary account number provided by them in the ASBA Bid cum Application Form, the Registrar to the Issue will obtain from the Depository, demographic details of the ASBA Bidders including address, ("Demographic Details"). Hence, ASBA Bidders should carefully fill in their Depository Account details in the ASBA Bid cum Application Form.

As these Demographic Details would be used for all correspondence with the ASBA Bidders they are advised to update their Demographic Details as provided to their Depository Participants.

By signing the ASBA Bid cum Application Form, the ASBA Bidder is deemed to have authorised the Depositories to provide, upon request, to the Registrar to the Issue, the required Demographic Details as available on its records.

CAN/Allocation advice and letters intimating unblocking of bank account of the respective ASBA Bidder would be mailed at the address of the ASBA Bidder as per the Demographic Details received from the Depositories. ASBA Bidders may note that delivery of CAN/Allocation advice or letters intimating unblocking of bank account may be delayed if the same once sent to the address obtained from the Depositories are returned undelivered. Note that any such delay shall be at the sole risk of the ASBA Bidders and neither of the Designated Branches of the SCSBs, the members of the Syndicate, or the Company shall be liable to compensate the ASBA Bidder for any losses caused to the ASBA Bidder due to any such delay or be liable to pay any interest for such delay.

In case no corresponding record is available with the Depositories that matches three parameters, namely, names of the ASBA Bidders (including the order of names of joint holders), the DP ID and the beneficiary account number, then such Bids are liable to be rejected.

ASBA Bidders are required to ensure that the beneficiary account is activated, as Equity Shares will be Allotted in dematerialised form only.

Payment mechanism under ASBA

The ASBA Bidders shall specify the bank account number in the ASBA Bid cum Application Form and the SCSB shall block an amount equivalent to the application money in the bank account specified in the Bid cum Application Form. The SCSB shall keep the Bid Amount in the relevant bank account blocked until withdrawal/rejection of the ASBA Bid or receipt of instructions from the Registrar to the Issue to unblock the Bid Amount.

In the event of withdrawal or rejection of Bid cum Application Form or for unsuccessful Bid cum Application Forms, the Registrar to the Issue shall give instructions to the Controlling Branch of the SCSB to unblock the application money in the relevant bank account. The Bid Amount shall remain blocked in the ASBA Account until finalisation of the Basis of Allotment in the Issue and consequent transfer of the Bid Amount to the ASBA Public Issue Account, or until withdrawal/failure of the Issue or until rejection of the ASBA Bid, as the case may be.

ASBA Bids under Power of Attorney

In case of ASBA Bids made pursuant to a power of attorney, a certified copy of the power of attorney must be lodged along with the ASBA Bid cum Application Form. Failing this, our Company, in consultation with the BRLMs, reserves the right to reject such ASBA Bids.

Our Company, in its absolute discretion, reserves the right to relax the above condition of simultaneous lodging of the power of attorney along with the ASBA Bid cum Application Form, subject to such terms and conditions that we, in consultation with the BRLMs may deem fit.

OTHER INSTRUCTIONS

Withdrawal of ASBA Bids

In case an ASBA Bidder wants to withdraw the ASBA Bid cum Application Form during the Bid/Issue Period, the ASBA Bidder shall submit the withdrawal request to the SCSB, which shall do the necessary, including deletion of details of the withdrawn ASBA Bid Cum Application Form from the electronic bidding system of the Stock Exchange(s) and unblocking of funds in the relevant bank account.

In case an ASBA Bidder wants to withdraw the ASBA cum Application Form after the Bid/ Issue Closing date, the ASBA Bidder shall submit the withdrawal request to the Registrar to the Issue before finalization of Basis of Allotment. The Registrar to the Issue shall delete the withdrawn Bid from the Bid file. The instruction for and unblocking of funds in the relevant bank account, in such withdrawals, shall be forwarded by the Registrar to the Issue to the SCSB on finalization of the Basis of Allotment.

Joint ASBA Bids

ASBA Bids may be made in single or joint names (not more than three). In case of joint ASBA Bids, all communication will be addressed to the first Bidder and will be dispatched to his address.

Multiple ASBA Bids

An ASBA Bidder should submit only one Bid for the total number of Equity Shares desired. Two or more Bids will be deemed to be multiple Bids if the sole or first Bidder is one and the same. In this regard, the procedures which would be followed by the Registrar to the Issue to detect multiple applications are described in "***Issue Procedure - Multiple Bids***" on page 410 of Red Herring Prospectus.

Permanent Account Number

For details, see "***Permanent Account Number or PAN***" on page 411 of this Red Herring Prospectus.

Right to Reject ASBA Bids

The Designated Branches of the SCSBs shall have the right to reject ASBA Bids if at the time of blocking the Bid Amount in the Bidder's bank account, the respective Designated Branch ascertains that sufficient funds are not available in the Bidder's bank account maintained with the SCSB. Subsequent to the acceptance of the ASBA Bid by the SCSB, our Company would have a right to reject the ASBA Bids only on technical grounds.

Further, in case any DP ID, Client ID or PAN mentioned in the ASBA Bid cum Application Form does not match with one available in the Depository Participant's database, such ASBA Bid shall be rejected by the Registrar to the Issue.

GROUNDS FOR TECHNICAL REJECTIONS UNDER THE ASBA PROCESS

In addition to the grounds listed under "Grounds for Rejections" on page 411 of this Red Herring Prospectus, applications under the ASBA process are liable to be rejected on, *inter alia*, the following technical grounds:

1. Amount mentioned in the ASBA Bid cum Application Form does not tally with the amount payable for the value of Equity Shares Bid for;
2. Bids at a price other than at the Cut-off Price;
3. Age of first Bidder not given;
4. Bid made by categories of investors other than Resident Retail Individual Investors;
5. Bids by persons not competent to contract under the Indian Contract Act, 1872, including minors and persons of unsound mind;
6. Authorisation for blocking funds in the ASBA Bidder's bank account not ticked or provided;
7. ASBA Bids accompanied by stockinvest/ money order/ postal order/ cash;
8. Signature of sole and/or joint Bidders missing in case of ASBA Bid cum Application Forms submitted in physical mode;
9. ASBA Bid cum Application Form does not have the stamp of the SCSB and/or a member of the Syndicate;
10. ASBA Bid cum Application Form is not delivered, either in physical or electronic form, by the Bidder within the time prescribed and as per the instructions provided in the ASBA Bid cum Application Form and the Red Herring Prospectus;
11. Inadequate funds in the ASBA Account to block the Bid Amount specified in the ASBA Bid cum Application Form at the time of blocking such Bid Amount in the ASBA Account; and
12. If the ASBA Bid in the Issue is revised.

Bidders are advised that ASBA Bids not uploaded in the electronic book of the Stock Exchanges, due to any of the grounds mentioned above, would be rejected.

COMMUNICATIONS

All future communication in connection with ASBA Bids made in this Issue should be addressed to the Registrar to the Issue quoting the full name of the sole or first ASBA Bidder, ASBA Bid cum Application Form number, details of Depository Participant, number of Equity Shares applied for, date of ASBA Bid cum Application Form, name and address of the Designated Branch of the SCSB where the ASBA Bid cum Application Form was submitted, bank account number in which the amount equivalent to the Bid Amount was blocked and a copy of the acknowledgement slip. The Registrar to the Issue shall obtain the required information from the SCSBs for addressing any clarifications or grievances. The SCSB shall be responsible for any damage or liability resulting from any errors, fraud or wilful negligence on the part of any employee of the concerned SCSB, including its Designated Branches and the branches where the ASBA Accounts are held. The Company, the BRLMs, the Syndicate Members and the Registrar accept no responsibility for errors, omissions, commission or any acts of SCSBs including any defaults in complying with its obligations under applicable SEBI Guidelines.

ASBA Investors can contact the Compliance Officer, the Designated Branch of the SCSB where the ASBA Bid cum Application Form was submitted, or the Registrar to the Issue in case of any pre- or post-Issue related problems such as non-receipt of credit of Allotted Equity Shares in the respective beneficiary accounts, unblocking of excess Bid Amount, etc.

Disposal of Investor Grievances

All grievances relating to the ASBA process may be addressed to the Registrar to the Issue, with a copy to the SCSB, giving full details such as name, address of the applicant, number of Equity Shares applied for, Bid Amount blocked on application, bank account number and the Designated Branch or the collection centre of the SCSB where the ASBA Bid cum Application Form was submitted by the ASBA Bidders.

Impersonation

For details, see section titled "***Issue Procedure- Impersonation***" on page 412 of this Red Herring Prospectus.

DISPOSAL OF APPLICATIONS AND APPLICATION MONEYS AND INTEREST IN CASE OF DELAY IN INSTRUCTIONS TO SCSBs BY THE REGISTRAR TO THE ISSUE

In accordance with the Companies Act, the requirements of the Stock Exchanges and SEBI Guidelines, the Company undertakes that:

- Allotment and transfer shall be made only in dematerialised form within 15 days from the Bid/Issue Closing Date;
- Instructions for unblocking of the ASBA Bidder's Bank Account shall be made within 15 days from the Bid/Issue Closing Date; and
- If the instructions to SCSBs to unblock funds in the ASBA accounts are not given within 8 days after our Company becomes liable to repay all moneys received from the applicants in pursuance of this Red Herring Prospectus, i.e. within 7 days from the Bid/Issue Closing Date, then the Company and every Director of the Company who is an officer in default shall, on and from such expiry of 8 days, be liable to repay the money, with interest at the rate of 15% p.a. on application money, as prescribed under Section 73 of the Companies Act.

Basis of Allocation

Bids received from ASBA Bidders will be considered at par with Bids received from non-ASBA Bidders. The basis of allocation to such valid ASBA and non-ASBA Bidders will be that applicable to Retail Individual Bidders. For details, see section "***Issue Procedure- Basis of Allotment***" on page 414 of this Red Herring Prospectus.

Method of Proportionate basis of allocation in the Issue

ASBA Bidders, along with non-ASBA Bidders, will be categorized as Retail Individual Bidders. No preference shall be given vis-à-vis ASBA and non-ASBA Bidders.

Undertaking by our Company

In addition to our undertakings described under "***Issue Procedure - Undertaking by our Company***", with respect to the ASBA Bidders, the Company undertakes that adequate arrangement shall be made to consider ASBA Bidders similar to other Bidders while finalizing the basis of allocation.

Utilisation of Issue Proceeds

Our Board has provided certain certifications with respect to the utilization of Issue Proceeds. For details, see "***Issue Procedure- Utilisation of Issue Proceeds***" on page 420 of this Red Herring Prospectus.

RESTRICTIONS ON FOREIGN OWNERSHIP OF INDIAN SECURITIES

Foreign investment in Indian securities is regulated through the Industrial Policy, 1991 of GoI and FEMA. While the Industrial Policy, 1991 prescribes the limits and the conditions subject to which foreign investment can be made in different sectors of the Indian economy, FEMA regulates the precise manner in which such investment may be made. Under the Industrial Policy, unless specifically restricted, foreign investment is freely permitted in all sectors of Indian economy up to any extent and without any prior approvals, but the foreign investor is required to follow certain prescribed procedures for making such investment. Foreign investment limit is allowed up to 100% under automatic route in our Company.

By way of Circular No. 53 dated December 17, 2003, the RBI has permitted FIIs to subscribe to shares of an Indian company in a public offer without the prior approval of the RBI, so long as the price of the equity shares to be issued is not less than the price at which the equity shares are issued to residents.

Transfers of equity shares previously required the prior approval of the FIPB. However, vide a RBI circular dated October 4, 2004 issued by the RBI, the transfer of shares between an Indian resident and a non-resident does not require the prior approval of the FIPB or the RBI, provided that (i) the activities of the investee company are under the automatic route under the foreign direct investment (FDI) Policy and transfer does not attract the provisions of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 (ii) the non-resident shareholding is within the sectoral limits under the FDI policy, and (iii) the pricing is in accordance with the guidelines prescribed by the SEBI/RBI.

As per the existing policy of the Government of India, OCBs cannot participate in this Issue.

The Equity Shares have not been and will not be registered under the Securities Act or any state securities laws in the United States and may not be offered or sold within the United States, except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. Accordingly, the Equity Shares are only being offered and sold (i) in the United States to “qualified institutional buyers”, as defined in Rule 144A of the Securities Act in transactions exempt from the registration requirements of the Securities Act, and (ii) outside the United States in offshore transactions in reliance on Regulation S under the Securities Act.

The Equity Shares have not been and will not be registered, listed or otherwise qualified in any other jurisdiction outside India and may not be offered or sold, and Bids may not be made by persons in any such jurisdiction, except in compliance with the applicable laws of such jurisdiction.

The above information is given for the benefit of the Bidders. The Company and the BRLMs are not liable for any amendments or modification or changes in applicable laws or regulations, which may occur after the date of this Red Herring Prospectus. Bidders are advised to make their independent investigations and ensure that the number of Equity Shares Bid for do not exceed the applicable limits under laws or regulations.

MAIN PROVISIONS OF THE ARTICLES OF ASSOCIATION

Capitalised terms used in this section have the meaning given to such terms in the Articles of Association of the Company.

Pursuant to Schedule II of the Companies Act and the DIP Guidelines, the main provisions of the Articles of Association of the Company relating to voting rights, dividend, lien, forfeiture, restrictions on transfer and transmission of Equity Shares/ debentures and/or on their consolidation/splitting are detailed below:

Table "A" excluded

Article 1 provides that,

The Regulations contained in Table "A" in Schedule I of the Companies Act, 1956 shall not apply to the Company, except in so far as the same are repeated, contained or expressly made applicable in these Articles of Association by the said Act.

Amount of Capital

Article 2A provides that,

The Authorised Share Capital of the Company shall be as per paragraph V of the Memorandum of Association of the Company with powers to increase or reduce the Share Capital and to divide the shares in the capital for the time being into several classes and to attach thereto respectively such preferential, deferred or such other rights, privileges or conditions as may be determined in accordance with the regulations of the Company and to vary, modify, abrogate, any such rights, privileges or conditions, and to consolidate or sub-divide the shares and issue shares of higher of lower denomination in such manner as may be provided by the regulations of the Company.

Article 5 provides that

Except so far as otherwise provided by the conditions of issue or by these presents, any capital raised by the creation of new shares shall be considered as part of the original capital and shall be subject to the provisions herein contained with reference to the payment of calls, instalments, transfer, transmission, forfeiture, lien, surrender, voting and otherwise.

Redeemable Preference Shares

Article 3 provides that,

Subject to the provisions of Sections 80 and 80A of the Act, the Company is authorised to issue redeemable shares on such terms and conditions as the Company in General Meeting, any prescribe.

Buy back of shares

43A. Notwithstanding anything contained in any other Articles of the Association, but subject to the provisions of Sections 77A and 77B of the Act and Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 as may be in force at any time and from time to time, the Company may acquire, purchase, own, resale any of its own fully/partly paid or redeemable shares and any other security as may be specified under the Act, Rules and Regulations from time to time and may make payment thereof out of funds at its disposal or in any manner as may be permissible or in respect of such acquisition/purchase on such terms and conditions and at such time or times in one or more instalments as the board may in its discretion decided and deem fit. Such shares which are so bought back by the Company may either be extinguished and destroyed or reissued as may be permitted under the Act or the regulations as may be in force at the relevant time subject to such terms and conditions as may be decided by the Board and subject further to the rules & regulations governing such issue.

Reduction of Capital

Article 51 provides that

The Company may, by special resolution, reduce in any manner and with, and subject to any incident authorised any consent required by law:

(a) Its share capital

(b) Any capital redemption reserve account;

(c) Any share premium account.

Sub-division Consolidation and Cancellation of Shares

Article 12 provides that,

Subject to the provisions of Section 94 of the Act, the Company in General Meeting may, from time to time, sub-divide or consolidate its shares.

Modification of Rights

Article 7 provides that,

(1) If at any time the share capital is divided into different classes of shares, the rights attached to any class may, subject to the provisions of Sections 106 and 107 and whether or not the Company is being wound up, be varied with the consent in writing of the holders of three-fourths of the issue shares of that class or with the sanction of a special resolution passed at a separate meeting of the holders of the shares of that class.

(2) To every such separate meeting, the provisions of these Articles relating to general meeting shall mutatis mutandis apply, but so that the necessary quorum shall be two persons at least holding or representing by proxy one-third of the issue shares of the class in question.

Register and Index of Members

Article 51D provides that,

The Company shall cause to be kept at its Registered Office or at such other place as may be decided, Register and Index of Members in accordance with Sections 150 and 151 and other applicable provisions of the Act and the Depositories Act, 1996 with the details of shares held in physical and dematerialised forms in any media as may be permitted by law including in any form of electronic media.

The Register and Index of beneficial owners maintained by a depository under Section 11 of the Depositories Act, 1996, shall be deemed to be the Register and Index of Members for the purpose of this Act. The Company shall have the power to keep in any state or country outside India, a Register of Members for the resident in that state or country.

Further Issue of Capital

Article 4A provides that

(1) Where at any time after the expiry of two years from the formation of the company or at any time after the expiry of one year from the allotment of shares in the company made for the first time after its formation, whichever is earlier, it is proposed to increase the subscribed capital of the company by allotment of further shares then:

   (a) Such further shares shall be offered to the persons who, at the date of the offer, are holders of the equity shares of the company, in proportion, as nearly as circumstances admit, to the capital paid-up on those shares at that date;

   (b) The offer aforesaid shall be made by a notice specifying the number of shares offered and limiting a time not being less than fifteen days from the date of the offer within which the offer, if not accepted, will be deemed to have been declined;

   (c) The offer aforesaid shall be deemed to include a right exercisable by the person concerned to renounce the shares offered to him or any of them in favour of any other person and the notice referred to in sub-clause (b) shall contain a statement of this right;

   (d) After the expiry of the time specified in the notice aforesaid, or on receipt of earlier intimation from the person to whom such notice is given that he declines to accept the shares offered, the Board of Directors may dispose of them in such manner as they think most beneficial to the company.

(2) Notwithstanding anything contained in sub-clause (1) the further shares aforesaid may be offered to any persons (whether or not those persons include the persons referred to in clause (a) of sub-clause (1) hereof) in any manner whatsoever.

   (a) If a special resolution to that effect is passed by the company in general meeting, or

(b) Where no such resolution is passed, if the votes cast (whether on a show of hands or on a poll as the case may be) in favour of the proposal contained in the resolution moved in that general meeting (including the casting vote, if any, of the Chairman) by members who, being entitled so to do, vote in person, or where proxies are allowed, by proxy, exceed the votes, if any, cast against the proposal by members, so entitled and voting and the Central Government is satisfied, on an application made by the Board of Directors in this behalf, that the proposal is most beneficial to the company.

(3) Nothing in sub-clause (c) of (1) hereof shall be deemed:

(a) To extend the time within which the offer should be accepted; or

(b) To authorize any person to exercise the right of renunciation for a second time, on the ground that the person in whose favour the renunciation was first made has declined to take the shares comprised in the renunciation.

(4) Nothing in this Article shall apply to the increase of the subscribed capital of the company caused by the exercise of an option attached to the debentures issued by the company:

(i) To convert such debentures or loans into shares in the company; or

(ii) To subscribe for shares in the company

Provided that the terms of issue of such debentures or the terms of such loans include a term providing for such option and such term:

(a) Either has been approved by the central Government before the issue of debentures or the raising of the loans or is in conformity with Rules, if any, made by that Government in this behalf; and

(b) In the case of debentures or loans or other than debentures issued to, or loans obtained from the Government or any institution specified by the Central Government in this behalf, has also been approved by the special resolution passed by the company in General Meeting before the issue of the loans.

Share under control of Directors

Articles 2 provides that,

Subject to the provisions of these Articles and of the Act, the shares in the capital of the Company for the time being shall be under the control of the Board who may issue, allot or otherwise dispose of the same or any of them to such persons, in such proportion and on such terms and conditions, and either at a premium or at par or (subject to compliance with Section 79 of the Act) at a discount and at such times, as the Board think fit, and with sanction of the Company in General Meeting to give any person or persons the option or right to call of any shares either at par or at a premium during such time, and for such consideration as the Board think fit, provided that option or right to call of shares shall not be given to any person or persons without the sanction for the Company in General Meeting.

Articles 4 provides that

Subject to the provisions of the Act and these Articles, the Directors may issue and allot shares in the capital of the company on payment or part payment for any property or assets of any kind whatsoever sold or transferred, goods or machinery supplied or for services rendered to the company in the conduct of its business and any shares which may be so allotted may be issued as fully paid up or partly paid up otherwise than in cash, and if so issued, shall be deemed to be fully paid up or partly paid up shares as the case may be.

Acceptance of shares

Article 9 provides that,

An application signed by or on behalf of an applicant for shares in the company, followed by an allotment of any shares therein shall be acceptance of shares within the meaning of these Articles and every person who thus or otherwise accepts any shares and whose name is on the Register of Members shall for the purpose of these Articles be a member.

Share Certificates

Article 12 provides that,

Every member shall be entitled without payment to one or more certificates in marketable lots, for all the shares if each class or denomination registered in his name, or if the directors so approve (upon paying such fee as the Directors so time determine) to several certificates, each for one or more of such shares and the Company shall complete and have ready for delivery within three months from the date of allotment, unless the conditions of issue thereof otherwise provide, or within two months of the receipt of application of registration of transfer, transmission, sub-division, consolidation or renewal of any of its shares as the case may be. Every certificate of shares shall be under the seal of the Company and shall specify the number and distinctive numbers of shares in respect of which it is issued and amount paid-up thereon and shall be in such form as the directors may prescribe and approve, provided that in respect of a share or shares more than one certificate and delivery of a certificate of shares to one or several joint holders shall be sufficient delivery to all such holder.

The Company shall not be bound to register more than three persons as the joint holders of any shares.

Renewal of Share Certificates

Article 13 provides that,

If a share certificate is worn out, defaced, mutilated or torn or if there be no further space on the back thereof for endorsement of transfer, then upon production and surrender thereof to the Company, a new Certificate may be issued in lieu thereof, and if the certificate is lost or destroyed then upon proof thereof to the satisfaction of the Company and on the execution of such indemnity as the Company may deem adequate being given, a new certificate in lieu thereof shall be given to the party entitled to such lost or destroyed certificate. Every certificate under this Article shall be issued without the payment of fees of the Directors so decide, or on the payment of such fees (not exceeding Rs. 2/- for each certificate) as the Directors may prescribe. Provided that no fee shall be charged for issue of new certificates in replacement of those which are old, defaced or worn out or where there is no further space on the back thereof for endorsement of transfer.

Provided that notwithstanding what is stated above the Directors shall comply with such rules or regulation or requirements of any Stock Exchange or the rules made under the Act or rules made under Securities Contracts (Regulation) Act,1956 or any other Act, or rules applicable thereof in this behalf.

Company not bound to recognize any interest in share other than that of registered holder

Article 10 provides that,

Save as herein provided, the company shall be entitled to treat the person whose name appears on the Register of Members as the holder of any share as the absolute owner thereof, and accordingly shall not (except as ordered by a court of competent jurisdiction or as required by law) be bound to recognize any benami, trust of equity or equitable, contingent, future, or partial or other claim or claims or right to or interest in such on the part of any other person whether or not in shall have express or implied notice thereof and the provisions of Section 153 of the Act shall apply.

Funds of the Company may not be applied in the purchase of the shares of the Company

Article 43A provides that

Notwithstanding anything contained in any other Articles of the Association, but subject to the provisions of Section 77A and 77B of the Act and Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998 as may be in force at any time and from time to time, the Company may acquire, purchase, own, resale any of its own fully/partly paid or redeemable shares and any other security as may be specified under the Act, Rules and Regulations from time to time and may make payment thereof out of funds at its disposal or in any manner as may be permissible or in respect of such acquisition/purchase on such terms and conditions and at such time or times in one or more instalments as the board may in its discretion decided and deem fit. Such shares which are so bought back by the Company may either be extinguished and destroyed or reissued as may be permitted under the Act or the regulations as may be in force at the relevant time subject to such terms and conditions as may be decided by the Board and subject further to the rules & regulations governing such issue.

Interest may be paid out of capital

Article 108 provides that,

(a) The Company shall pay dividends in proportion to the amounts paid up or credited as paid up on each share, when a larger amount is paid up or credited as paid up on some shares than on others. Nothing in this Article shall be deemed to affect in any manner the operation of Section 208 of the Act.

(b) Provided always that any Capital paid up on a share during the period in respect of which a dividend is declared, shall unless the terms of issue otherwise provide, only entitle the holder of such share to an apportioned amount of such dividend proportionate to the capital from time to time paid during such period on such share.

Directors may make the call

Article 19 provides that,

19. (1) Subject to the terms and conditions of issue, the Board may, from time to time, make calls upon the members in respect of any moneys unpaid on their shares (whether on account of the nominal value of the share or by way of premium).

(2) Each member shall, subject to receiving a notice specifying the time or times and place of payment, pay to the Company, at the times and place so specified, the amount called on his shares.

(3) A call may be revoked or postponed at the discretion of the Board.

Calls to date from resolution

Article 20 provides that,

A call shall be deemed to have been made at the time when the resolution of the Board authorising the Call was passed and may be required to be paid by instalments.

Calls to carry interest

Article 22 provides that

(1) If a sum called in respect of a share is not paid before or on the date appointed for payment thereof, the person from whom the sum is due shall pay interest thereon from the date appointed for payment thereof to the time of actual payment at such rate, as the Board may determine.

(2) The Board shall be at liberty to waive payment of any such interest wholly or in part.

Payment in anticipation of calls may carry interest

Article 24 provides that

The Board:

(a) May, if it thinks fit, subject to Section 92 of the Act, agree to and receive from any member willing to advance the same, all or any part of the moneys due upon the shares held by him beyond the sums actually called for; and

(b) Upon all the moneys so paid or advanced, or so much thereof as from time to time exceeds the amount of the calls then made upon the shares in respect of which such advance has been made, may pay interest at such rate, as may be agreed upon between the Board and the member paying the sum in advance. Provided that the amount paid in advance of calls shall not confer a right to dividend or to participate in profits.

(c) May repay at any time the moneys so advanced until the same would but for such advance, become presently payable.

The members shall not be entitled to any voting rights in respect of the moneys so paid by him until the same would but for such payment, become presently payable.

Company to have lien on shares

Article 15 provides that,

The Company shall have first and paramount lien upon all the shares/debentures (other than fully paid up shares/debentures) registered in the name of each member holder (whether solely or jointly with others) and upon the proceeds of sale thereof for all moneys (whether presently payable or not) called or payable at a fixed time in respect of such shares and no equitable interest in any shares shall be created except upon the footing and condition that this Article 15 hereof will have full effect and such lien shall extend to all dividends and bonuses from time to time declared in respect of such shares/debentures. Unless otherwise agreed the registration of a transfer of shares shall operate as a waiver of the Company’s lien if any on such shares/ debentures. The Directors may at any time declare any shares/debentures wholly or in part to be exempt from the provisions of this Clause.

Form of Transfer

Article 26 provides that,

The instrument of transfer shall be in writing and subject to the provisions of Section 108 the shares in the company shall be transferred in the form prescribed in sub-section (1-A) and statutory modification thereof for the time being shall be duly complied with in respect of all transfer of shares and registration thereof.

Article 26A provides that,

The Company shall use a common form of transfer.

Directors may refuse to register transfer

Article 27 provides that,

Subject to the provision of Section 111A of the Act, these Articles and other applicable provisions of the Act or any other law for the time being in force, the Board may refuse whether in pursuance of any power of the Company under these Articles or otherwise to register the transfer of, or the transmission of operation of law of the right to, any shares or interest of a member in or debentures of the Company. The Company shall within one month from the date on which the instrument of transfer, or the intimation of such transmission, as the case may be, was delivered to Company, send notice of the refusal to the transferee and the transferor or to the person giving intimation of such transmission, as the case may be, giving reasons for such refusal. Provided that registration of a transfer shall not be refused on the ground that the transferor is, either alone or jointly with any other persons or persons, indebted to the Company on any account whatsoever except where the Company has a lien on the shares.

Nomination of Shares

Article 31A provides that,

(1) Every shareholder or debenture holder of the Company, may at any time, nominate a person to whom his shares or debentures shall vest in the event of his death in such manner as may be prescribed under the Act.

(2) Where the shares or debentures of the Company are held by more than one person jointly, joint holders may together nominate a person to whom all the rights in the shares or debentures, as the case may be shall vest in the event of death of all the joint holders in such manner as may be prescribed under the Act.

(3) Notwithstanding anything contained in any other law for the time being in force or in any disposition, whether testamentary or otherwise, where a nomination made in the manner aforesaid purpose to confer on any person the right to vest the shares or debentures, the nominee shall, on the death of the shareholder or debenture holder or, as the case may be on the death of the joint holders become entitled to all the rights in such shares or debentures or, as the case may be, all the joint holders, in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the manner as may be prescribed under the Act.

(4) Where the nominee is a minor, it shall be lawful for the holder of the shares of debentures, to make the nomination to appoint any person to become entitled to shares in, or debentures of, the Company in the manner prescribed under the Act, in the event of his death, during the minority.

Fee on transfer or transmission of shares

Article 31 provides that,

No charge will be made for registration of transfer, transmission, probate, succession certificate and Letters of administration, Certification of Death or Marriage or similar other documents.

Payment or repayment of moneys borrowed

Article 82 provides that,

The Director may borrow, raise and secure the payment of such sum or sums in such manner and upon such terms and conditions in all respects as they may think fit and in particular by the issue of bonds, perpetual or redeemable, debenture or debenture-stock or any mortgage or charge or other security on the undertaking of the whole of any part of the property of the Company (both present and future) including its uncalled capital for the time being.

Shares may be converted into stock

Article 45 provides that,

The Company may, by ordinary resolution:

(a) Convert any paid up share into stock; and

(b) Reconvert any stock into paid up share of any denomination.

Article 46 provides that,

The holders of stock may transfer the same or any part thereof in the same manner as, and subject to the same regulations under which, the shares from which the stock arose might before the conversion have been transferred, or as near thereto as circumstances admit.

Annual General Meeting

Article 52 provides that,

All General Meetings other than Annual General Meetings shall be called Extraordinary General Meetings.

Extra- ordinary General Meeting

Article 53 provides that,

(1) The Board may, whenever it thinks fit, call an Extraordinary General Meeting.

(2) If at any time there are not within India, Directors capable of acting who are sufficient in number to form a quorum, any Director or any two members of the Company may call an Extraordinary General Meeting in the same manner, as nearly as possible, as that in which such a meeting may be called by the Board.

Quorum at General Meeting

Article 54 provides that,

(1) No business shall be transacted at any General Meeting unless a quorum of members is present at the time when the meeting proceeds to business.

(2) Save as herein otherwise provided, five members present in person, shall be quorum.

Chairman of the General Meeting

Article 55 provides that,

The Chairman, if any, of the Board shall preside as Chairman at every General Meeting of the Company.

Article 56 provides that,

If there is no such Chairman, or if he is not present within fifteen minutes after the time appointed for holding the meeting, or is unwilling to act as Chairman of the meeting, the Directors present shall elect one of their member to be Chairman of the meeting.

Article 57 provides that,

If at any meeting no Director is willing to act as Chairman or if no Director is present within fifteen minutes after the time appointed for holding the meeting, the members present shall choose one of their members to be Chairman of the meeting.

Question in General Meeting how decided

Article 62 provides that,

Subject to any rights of restrictions for the time being attached to any class or classes of shares:

(a) On a show of hands, every member present in person shall have one vote; and

(b) On a poll, the voting rights of members shall be as laid down in Section 87 of the Act.

Polls to be taken, if demanded

Article 66 provides that,

Any business other than that upon which a poll has been demanded may be proceeded with, pending the taking of the poll.

Voting in person or proxy

Article 63 provides that,

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders.

For this purpose, seniority shall be determined by the order in which the names stand in the Register of Members.

Article 64 provides that,

A member of unsound mind, or in respect of whom an order has been made by any court having jurisdiction in lunacy, may vote, whether on a show of hands or on a poll, by his committee or other legal guardian, and any such committee or guardian may, on a poll, vote by proxy.

Article 67 provides that,

The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed or a notarially certified copy of that power or authority, shall be deposited at the registered office of the Company not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument propose to vote, or in the case of a poll, not less than 24 hours before the time appointed for the taking of the poll, and in default the instrument of proxy shall not be treated as valid.

Article 68 provides that,

An instrument appointing a proxy shall be in either of the forms, as in Schedule IX to the Act or a form as near thereto as circumstances admit. Proxy forms shall be sent by the Company to the shareholders and debentures holders, as the case may be, in all cases.

Article 69 provides that,

A vote given in accordance with the terms of an instrument of proxy shall be valid, not withstanding the previous death or insanity of the authority under which the proxy was executed, or the transfer of the shares in respect of which the proxy is given.

Article 70 provides that,

Provided that no intimation in writing of such death, insanity, revocation or transfer shall have been received by the Company at its office before the commencement of the meeting or adjourned meeting at which the proxy is used.

Number of Directors

Article 71 provides that,

(1) Until otherwise determined by a General Meeting of the Company and subject to the provisions of the Act, the Number of Directors shall not be less than three nor more than twelve.

(2) The First Directors of the Company shall be:

1. Gautam S. Adani
2. Rajesh S. Adani
3. Vasant S. Adani

Alternate director

Article 78 provides that,

(a) Subject to the provisions of the Act, particularly of Section 313, the Board may appoint an Alternate Director to act for a Director during his absence for a period of not less than three months from the State in which the meetings of the Board are ordinarily held.

(b) One person may be appointed as an Alternate Director for two or more Directors.

Director's power to add to the Board

Article 78 provides that,

(1) The Board shall have power at any time, and from time to time, so appoint a person as an additional Director, provided the number of the Directors and Additional Directors together shall not at any time exceed the maximum strength fixed for the Board by these Articles.

(2) Such person shall hold office only up to the date of the next Annual General Meeting of the Company but shall be eligible for appointment by the Company as a Director at the Meeting subject to the provisions of the Act.

Remuneration of directors

Article 72 provides that,

(1) Any Director willing may be called upon to perform extra service or to make any special exertion in going or residing elsewhere or otherwise for any of the purposes of the Company. The Company may, subject to the provisions of the Act, remunerate such Director, either by way of a fixed sum or by way of percentage of profits, or otherwise as may be determined by the Board and such remuneration may be either in addition to or in substitution of other fees and allowances mentioned in these Articles.

(2) In addition to the remuneration payable to them in pursuance of the Act, the Director be paid all travelling hotel and other expenses property incurred by them:

(a) In attending and returning from meetings of the Board of Directors or any Committee thereof or General Meetings of the Company; or

(b) In connection with the business of the company.

When office of the Directors to become vacant

Article 86 provides that,

A Director may resign from his office upon giving notice in writing to the Company.

Directors may contract with the Company

Article 83 provides that,

Subject to the provisions of the Act, the Company may enter into any contract, arrangement or agreement in which a Director or Directors of the Company are, in any manner, interested.

Disclosure of Interest

Article 84 provides that,

A Director, Managing Director, officer or employee of the Company may be or become a Director, of any company promoted by the Company or in which it may be interested as a vendor, member or otherwise, and no such Director shall be accountable for any benefits received as Director or member of such company except to the extent and under the circumstances as may be provided in the Act.

Board may appoint Managing Director or Managing Directors etc.

Article 98 provides that,

(1) Subject to the provisions of the Act and of these Articles the Board shall have power to appoint from time to time any of its members as Managing Director or Managing Directors and/or Wholetime Directors and/or Special Director like Technical Director, Financial Director, etc. of the Company for a fixed term not exceeding five years at a time and upon such terms and conditions as the Board thinks fit, and the Board may by resolution vest in such Managing Director or Managing Directors/Wholetime Director(s), Technical Director(s), Financial Director(s) and Special Director(s) such of the power hereby vested in the Board generally as it thinks fit, and such powers may be made exercisable for such period or periods, and upon such condition and subject to such restriction as it may determine, the remuneration of such

Directors may by way of monthly remuneration and/or fee for each meeting and/or participation in profits, or by any or all of those modes, or of any other mode not expressly prohibited by the Act.

(2) The Directors may whenever they appoint more than one Managing Director, designate one or more of them as "Joint Managing Director" or "Joint Managing Directors" or "Deputy Managing Directors" as the case may be.

(3) Subject to the provisions of Sections 198, 269, 309, 310 and 311 of the Act, the appointment and payment of remuneration to the above Director shall be subject to approval of the members in general meeting and of the Central Government.

Meetings of the Board

Article 87 provides that,

(1) The Board of Directors may meet for the despatch of business, adjourn and otherwise regulate its meetings, as it thinks fit.

(2) A Director may and the Manager or Secretary on the requisition of a Director shall, at any time summon a meeting of the Board.

Division of profits

Article 104 provides that,

The profits of the Company subject to any special rights relating thereto created or authorised to be created by these presents shall be divisible among the members in proportion to the amount of Capital paid up or credited as paid up on the shares held by them respectively.

The Company in the General Meeting may declare the dividends

Article 109 provides that,

The Company in annual general meeting may declare a dividend to be paid to the members according to their respective rights and interests in the profits and may fix the time for payment.

Interim Dividends

Article 113 provides that,

The Directors may, from time to time, pay to the members such interim dividends as in their judgement the position of the Company justifies.

No interest on dividends

Article 115 provides that,

Subject to the provisions of the Act, no member shall be entitled to receive payment of any interest or dividend in respect of his share(s) whilst any money may be due or owing from him to the Company in respect of such share(s) or debenture(s) or otherwise however either alone or jointly with any other person or persons and the Directors may deduct from the interest or dividend payable to any member, all sums of moneys so due from him to the Company.

Capitalisation

Article 122 states that:

(1) The company in General Meeting may, upon the recommendation of the Board, resolve:

   (a) That it is desirable to capitalise any part of the amount for the time being standing to the credit of any of the company's reserve accounts, or to the credit of the profit and loss account, or otherwise available for distribution; and

   (b) That such sum be accordingly set free for distribution in the manner specified in Clause (2) amongst the members who would have been entitled thereto, if distributed by way of dividend and in the same proportions.

(2) The sum aforesaid shall not be paid in cash but shall be applied, subject to the provision contained in Clause (3), either in or towards:

(i) Paying up any amounts for the time being unpaid on any shares held by such members respectively;

(ii) Paying up in full, unissued shares of the company to be allotted and distributed and credited as fully paid up, to and amongst such members in the proportions aforesaid; and

(iii) Partly in the way specified in sub-clause (i) and partly in the way specified in sub clause (ii)

(3) A share premium account and (a capital redemption reserve account) may, for the purposes of this Article, only be applied in the paying up of unissued shares to be issued to members of the company as fully paid bonus shares.

(4) The Board shall give effect to the resolution passed by the company in pursuance of this Article.

Article 123 provides that,

(1) Whenever such a resolution as aforesaid shall have been passed, the Board shall:

(a) Make all appropriations and applications of the undivided profits resolved to the capitalised thereby, and all allotments and issues of full paid shares, if any; and

(b) Generally do all acts and things required to give effect thereto.

(2) The Board shall have full power:

(a) To make such provisions, by the issue of fractional certificates or by payment in cash or otherwise, as it thinks fit, for the case of shares or debentures becoming distributable in fractions; and also

(b) To authorise any person to enter, on behalf of all the members entitled thereto, into an agreement with the company providing for the allotment to them respectively. Credited as fully paid up, of any further shares to which they may be entitled upon such capitalisation or (as the case may require) for the payment up by the company on their behalf, by the application thereto of their respective proportions of the profits resolved to be capitalised, of the amounts or any part of the amounts remaining unpaid on their existing shares.

(3) Any agreement made under such authority shall be effected and bind on all such members.

As to the inspection of Accounts or books by Members

Article 121 provides that,

(1) The Board shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the company, or any of them, shall be open to the inspection of members not being Directors.

(2) No member (not being a Director) shall have any right to inspect any accounts or books or documents of the company except as conferred by law or authorised by the Board or by the company in General Meeting

OTHER INFORMATION

MATERIAL CONTRACTS AND DOCUMENTS FOR INSPECTION

The following Contracts (not being contracts entered into in the ordinary course of business carried on by our Company or entered into more than two years before the date of this Red Herring Prospectus) which are or may be deemed material have been entered or to be entered into by our Company. These Contracts, copies of which have been attached to the copy of this Red Herring Prospectus, delivered to the Registrar of Companies, Mumbai for registration and also the documents for inspection referred to hereunder, may be inspected at the registered office of our Company from 10.00 am to 4.00 pm on working days from the date of the Red Herring Prospectus until the Bid/Issue Closing Date.

Material Contracts of the Company

1. Investment Agreement between the Company, Adani Enterprises Limited and 3i Power Investments A1 Limited dated September 28, 2007.
2. Letter Agreement between the Company, Adani Enterprises Limited and 3i Power Investments A1 Limited dated June 25, 2009.
3. Shareholders' Agreement between the Company and Millennium Developers Private Limited dated January 15, 2008.
4. Investment Agreement between the Company, Adani Enterprises Limited and Ventura Power dated November 24, 2008.
5. Subscription Share Agreement between the Company, APML and Somerset Emerging Opportunities Fund dated March 27, 2009.
6. Co-Developer Agreement dated January 8, 2009 between Mundra Port and Special Economic Zone Limited ("MPSEZL") and the Company.
7. Power Purchase Agreement between Gujarat Urja Vikas Nigam Limited and the Company dated February 6, 2007.
8. Supplemental Power Purchase Agreement between Gujarat Urja Vikas Nigam Limited and the Company dated April 18, 2007.
9. Power Purchase Agreement between Gujarat Urja Vikas Nigam Limited and the Company dated February 2, 2007.
10. Supplemental Power Purchase Agreement between the Company and Gujarat Urja Vikas Nigam Limited dated April 18, 2007.
11. Bulk Power Transmission Agreement between Powergrid Corporation of India Limited and Adani Power Limited dated March 3, 2009.
12. PPA between the Company and AEL dated March 24, 2008.
13. PPA dated August 7, 2008 between the Company and Dakshin Haryana Bijli Vitran Nigam Limited.
14. PPA dated August 7, 2008 between the Company and Uttar Haryana Bijli Vitran Nigam Limited.
15. PPA dated September 8, 2008 between APML and Maharashtra State Electricity Distribution Company Limited.
16. Common loan agreement dated January 30, 2009 between the Company and State Bank of India and consortium of lenders for a loan amount of Rs 49,200 million for phase I of Tiroda Power Project.
17. Subordinate loan agreement dated January 30, 2009 between the Company and State Bank of India and consortium of lenders for a loan amount of Rs 3,280 million for phase I of Tiroda Power Project.
18. Sanction letter dated February 24, 2009 issued by the UCO Bank for loan of Rs. 3,050 million in respect of phase II of Tiroda Power Project.
19. Sanction letter dated January 5, 2009 issued by the Rural Electrification Corporation for loan of Rs. 3,000 million in respect of phase II of Tiroda Power Project.
20. Sanction letter dated January 29, 2009 issued by the IDBI Bank for loan of Rs. 2,720 million in respect of phase II of Tiroda Power Project.

21. Sanction letter dated February 4, 2009 issued by the State Bank of Travancore for loan of Rs. 750 million in respect of phase II of Tiroda Power Project.
22. Common loan agreement between the Company and State Bank of India and consortium of lenders dated June 24, 2009 for a loan amount of Rs. 67,200 million in respect of Mundra Phase IV Power Project.
23. Subordinate Rupee facility agreement between the Company and State Bank of India and consortium of lenders dated June 24, 2009 for a loan amount of Rs. 4,480 million in respect of Mundra Phase IV Power Project.
24. The shareholders' resolution passed at the Extra Ordinary General Meeting of the Company held on April 25, 2008 appointing Mr. R. K. Gupta as Whole Time Director of the Company.
25. The shareholders' resolution passed at the Extra Ordinary General Meeting of the Company held on April 25, 2008 appointing Mr. Rajesh S. Adani as Managing Director of the Company.
26. Information Memorandum dated December 2008 by SBI Capital Markets Limited for Mundra Phase IV Power Project.
27. Information Memorandum dated November 2007 by SBI Capital Markets Limited for Tiroda Power Project – Phase I.
28. Information Memorandum dated January 2008 by SBI Capital Markets Limited for Tiroda Power Project - Phase II.
29. In-principle letter of assurance dated June 25, 2009 issued to the Company by Mahanadi Coalfields Limited assuring supply of coal.
30. In-principle letter of assurance dated June 1, 2009 issued to the Company by Western Coalfields Limited assuring supply of coal.
31. In-principle letter of assurance dated June 6, 2009 issued to the Company by Southern Coalfields Limited assuring supply of coal.

Material Contracts to the Issue

1. Engagement letter dated April 15, 2009 from our Company appointing the GCBRLM.
2. Memorandum of Understanding between our Company and the GCBRLM dated April 15, 2009.
3. Addendum to the BRLM MOU dated July 8, 2009 between the Company and the BRLMs.
4. Memorandum of Understanding between our Company and the Registrar to the Issue dated April 26, 2008, as amended through letter agreement dated July 6, 2009
5. Escrow Agreement dated [•] between the Company, the BRLMs, the Escrow Banks and the Registrar to the Issue.
6. Syndicate Agreement dated [•] between the Company, the BRLMs and the Syndicate Members.
7. Underwriting Agreement dated [•] between the Company, the BRLMs and the Syndicate Members.
8. Letter dated June 22, 2009 by the Monitoring Agent accepting appointment as Monitoring Agency.

Material Documents

1. Our Memorandum and Articles of Association as amended from time to time.
2. Our certification of incorporation.
3. Board resolution and Shareholders' resolution dated February 27, 2009 and April 4, 2009, respectively authorising the Issue.
4. Board and Shareholders' resolutions dated March 31, 2008 and April 25, 2008, respectively in relation to the appointment of Managing Director and Whole-time Director.
5. Managing Director Agreement dated April 1, 2008 between the Company and Mr. Rajesh S. Adani
6. Auditor's report dated June 29, 2009 on the restated, consolidated and unconsolidated financial statements of the company by Deloitte Haskins & Sells, Chartered Accountants.

7. Auditor's report dated May 18, 2009 on the financial statements of Adani Power Maharashtra Limited by C.C. Choksi & Co., Chartered Accountants.
8. Statement of Tax Benefits dated July 2, 2009 by Deloitte Haskins & Sells, Chartered Accountants.
9. Consent of Deloitte Haskins & Sells, Chartered Accountants, our Auditors for inclusion of their report on restated financial statements in the form and context in which they appear in the Red Herring Prospectus.
10. Consent of C.C. Choksi & Co., Chartered Accountants, auditors of Adani Power Maharashtra Limited for inclusion of their report on financial statements of Adani Power Maharashtra Limited in the form and context in which they appear in the Red Herring Prospectus.
11. Copies of annual reports of our Company for the last five financial years.
12. Consents of Auditors, the auditors of Adani Power Maharashtra Limited, Bankers to the Company, Bankers to the Issue, BRLMs, IPO Grading Agency, Syndicate Members, Registrar to the Issue, Domestic Legal Counsel to the Company, Domestic Legal Counsel to the Underwriters, International Legal Counsel to the Underwriters, Directors of the Company, Company Secretary and Compliance Officer, as referred to, in their respective capacities.
13. IPO Grading report dated July 2, 2009 by ICRA Limited.
14. Due Diligence certificate from the GCBRLM dated April 20, 2009.
15. Due Diligence certificate dated July 8, 2009 from Enam, IDFC, I-Sec, JM Financial, Kotak, Morgan Stanley and SBICAPS.
16. Initial listing applications dated April 20, 2009 filed with BSE and NSE respectively.
17. In-principle listing approval dated May 18, 2009 and May 29, 2009 from BSE and NSE, respectively.
18. Tripartite Agreement between NSDL, our Company and the Registrar dated June 6, 2008.
19. Tripartite Agreement between CDSL, our Company and the Registrar dated June 4, 2008.

Any of the contracts or documents mentioned in this Red Herring Prospectus may be amended or modified at any time if so required in the interest of the Company or if required by the other parties, without reference to the shareholders subject to compliance of the provisions contained in the Companies Act and other relevant statutes.

DECLARATION

All relevant provisions of the Companies Act, 1956, and the guidelines issued by the Government of India or the guidelines issued by Securities and Exchange Board of India, established under Section 3 of the Securities and Exchange Board of India Act, 1992, as the case may be, have been complied with and no statement made in this Red Herring Prospectus is contrary to the provisions of the Companies Act, 1956, the Securities and Exchange Board of India Act, 1992 or rules made thereunder or guidelines issued, as the case may be. We further certify that all the statements in this Red Herring Prospectus are true and correct.

Signed by the Directors of the Company

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Mr. Gautam S. Adani

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Mr. Rajesh S. Adani

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Mr. R. K. Gupta

____

Mr. Ameet H. Desai

____

Mr. Vijay Ranchan

____

Mr. Surendra Kumar Tuteja

____

Mr. B.B. Tandon

____

Mr. Chinubhai R. Shah

____

Signed by Sr. Vice President (Finance)

Date: July 14, 2009
Place: Ahmedabad

I C R A Limited
An Associate of Moody's Investors Service

CONFIDENTIAL

Ref: A/RTG/2009-10/48
July 2, 2009

Mr. K Venugopal
Senior Vice President - Finance
M/s Adani Power Limited
Sikhar, 9th Floor
Near Mitthakhali Six Roads
Navrangpura,
Ahmedabad – 380 009

Dear Sir,

Re : ICRA Grading of Initial Public Offer of 337.7 million nos. of Equity Shares of Rs. 10 each to be issued by ADANI POWER LIMITED to the Public ("IPO")

Please refer to your mandate letter dated June 17, 2008 for grading the IPO of 337.7 million equity shares of Rs. 10 each of your company. The Rating Committee of ICRA, after due consideration, has assigned the "**IPO Grade 3**" (pronounced Initial Public Offer Grade three) grading to the captioned IPO programme. This grading indicates average fundamentals.

In any of your publicity material or other document wherever you are using the above grading, it should be stated as "IPO Grade 3". We would appreciate if you can sign on the duplicate copy of this letter and send it to us as a token of your acceptance of this letter. The rationale for assigning the above grading will be sent to you in due course.

Notwithstanding anything to the contrary: An ICRA IPO Grade is a statement of current opinion of ICRA and is not a statement of appropriateness of the graded security for any of the investors. Such grade is assigned with due care and caution on the basis of analysis of information and clarifications obtained from the issuer concerned and also other sources considered reliable by ICRA. However, ICRA makes no representation or warranty, express or implied as to the accuracy, authenticity, timelines, or completeness of such information. An ICRA IPO Grade is not (a) a comment on the present or future price of the security concerned (b) a certificate of statutory compliance and/or (c) a credit rating. Further the ICRA IPO Grade is not a recommendation of any kind including but not limited to recommendation to buy, sell, or deal in the securities of such Issuer nor can it be considered as an authentication of any of the financial statements of the company and ICRA shall not be liable for any losses incurred by users from any use of the grade in any manner. It is advisable that the professional assistance be taken by any prospective investor in the securities of the company including in the fields of investment banking, tax or law while making such investment. All services and information provided by ICRA is provided on an "as is" basis, without representations and warranties of any nature.

This grading is specific to the terms and conditions of the proposed IPO issue as was indicated to us by you and any change in the terms or size of the IPO would require the grading to be reviewed by us. If there is any change in the terms and conditions or size of the rated IPO, as above, the same must be brought to our notice before the issue of the IPO. If there is any such change after the grading is assigned by us, it would be subject to our review and may result in change in the grading assigned.

ICRA reserves the right to suspend, withdraw or revise the above grading at any time on the basis of new information or unavailability of information or such other circumstances, which ICRA believes, may have an impact on the aforesaid grading assigned to you.

..2/-

- Accepted -
For Adani Power Limited
Authorised Signatory

907 - 908, SAKAR II
Ellisbridge
Ahmedabad 380006

Telefax : +91 79 2658 4924
+91 79 2658 5494 / 5049

website: www.icraindia.com
email :ahmedabad@icraindia.com

Regd.Office:Kailash Building,11th Floor, 26, Kasturba Gandhi Marg, New Delhi 110 001

The grading, as aforesaid, however, should not be treated as a recommendation to buy, sell or hold the Equity Shares to be issued by you. If the instrument rated, as above, is not issued by you within a period of 2 months from date of this letter communicating the grading, the same would stand withdrawn unless revalidated before the expiry of 2 months.

You are required to keep us forthwith informed of any developments (including any default or delay in repayment of interest or principal amount of any debt instruments/ borrowing or proposal for re-schedulement or postponement of the repayment programmes of the dues/ debts) which may have a direct or indirect impact on the grading assigned to the aforesaid IPO programme.

We thank you for your kind co-operation extended during the course of the grading exercise. Should you require any clarification, please do not hesitate to get in touch with us.

With kind regards,

Yours sincerely,
for ICRA Limited

L. Shivakumar

Senior Group Vice President &
Head Western Region

Anjan Ghosh

Senior Group Vice President &
Head - Corporate Sector Ratings

- Accepted -

For Adani Power Limited

Authorised Signatory
(K. VENU GOPAL)