



Growth
with
Goodness

Adani Enterprises Limited
Annual Report 2018-19

Enhancing Value. Building India.



Inside the Report



"Our nation is expected to see an investment of a trillion dollars in infrastructure, split evenly between public and private sector resources and is on its way to becoming a five trillion dollar economy over the next five years."

Gautam S Adani
Chairman



"The economy witnessed a growth of 6.8% during FY19 on the back of firm industrial development, improvement in monetary and fiscal policies, growth in private investments and stabilization in GST implementation."

Rajesh S Adani
Managing director

Corporate Overview

002	About Adani Group
004	About Adani Enterprises Limited
006	Our Businesses
008	Chairman's Message
010	Managing Director's Message
012	Review by Chief Financial Officer
013	Shaping a stronger AEL
014	Our Value Creation Story
016	Performance Highlights
017	Our Core Competitiveness
018	Profile of Board of Directors
020	Adapting an Integrated Approach
025	Awards & Recognition

Statutory Reports

026	Corporate Information
027	Directors' Report
059	Management Discussion and Analysis Report
072	Corporate Governance Report
096	Business Responsibility Report

Financial Statements

104	Independent Auditors Report
114	Balance Sheet
115	Statement of Profit and Loss
117	Statement of Cash Flow
119	Notes to Financial Statements
186	Independent Auditor's Report on Consolidated Financial Statements
194	Consolidated Balance Sheet
195	Consolidated Statement of Profit and Loss
199	Consolidated Statement of Cash Flow
201	Notes to Consolidated Financial Statements
288	Salient Features of the Financial Statements of Subsidiaries / Associate / Joint Ventures

Notice

298	Notice of the 27 th Annual General Meeting
------------	---


The cover design is thoughtfully created to summarise all the businesses of Adani Enterprises. The illustration showcases all the stakeholders that are part of the overall philosophy at Adani Group of 'Growth with Goodness'. Because at Adani Group, we intend to emerge as India's largest goodness creators.



Scan this code with a QR reader app on your smartphones or tablets and know more about us



www.adanienterprises.com



An august infrastructural or industrial development does contribute to the growth of a nation, but what truly “builds” a nation is the value that is created in the lives of the people living in it.

This has always been the core line of thought at Adani, which has led to value creation being our primary point of focus, as we move across various industries and strategically contribute to its development. We have left our footprint in areas that have helped accelerate India's potential growth, and thereby we have created value – for our employees, our stakeholders, and our fellow Indians!

Our priorities are simple – to create value, consistently. Our goal is singular – to empower the nation!

Incubating Business Highlights

6

Airport Bids won which will serve 35 million passengers in India

1

HAM Water project

1 GW

Capacity Data Centre

3

HAM Road projects

Key Financial Highlights FY 2018-19

40,379

Revenues (₹ in Crores)

2,541

EBITDA (₹ in Crores)

About Adani Group

Adani Group is one of the leading business conglomerates and the largest integrated player in infrastructure and energy space in India. Over three decades, the group has emerged as a global player with business operations spread across key sectors like energy, resources, logistics, and agro, amongst others. Since inception, the group has focused on serving the diverse needs of people, deliver strong value propositions and contribute to nation building.

Vision

To be a world class leader in businesses that enrich lives and contribute to nations in building infrastructure through sustainable value creation.

Values



Courage



Trust



Commitment

Culture



Performing with enthusiasm and energy

Passion



Consistently achieving goals

Results



Working across functions and businesses to create synergies

Integration



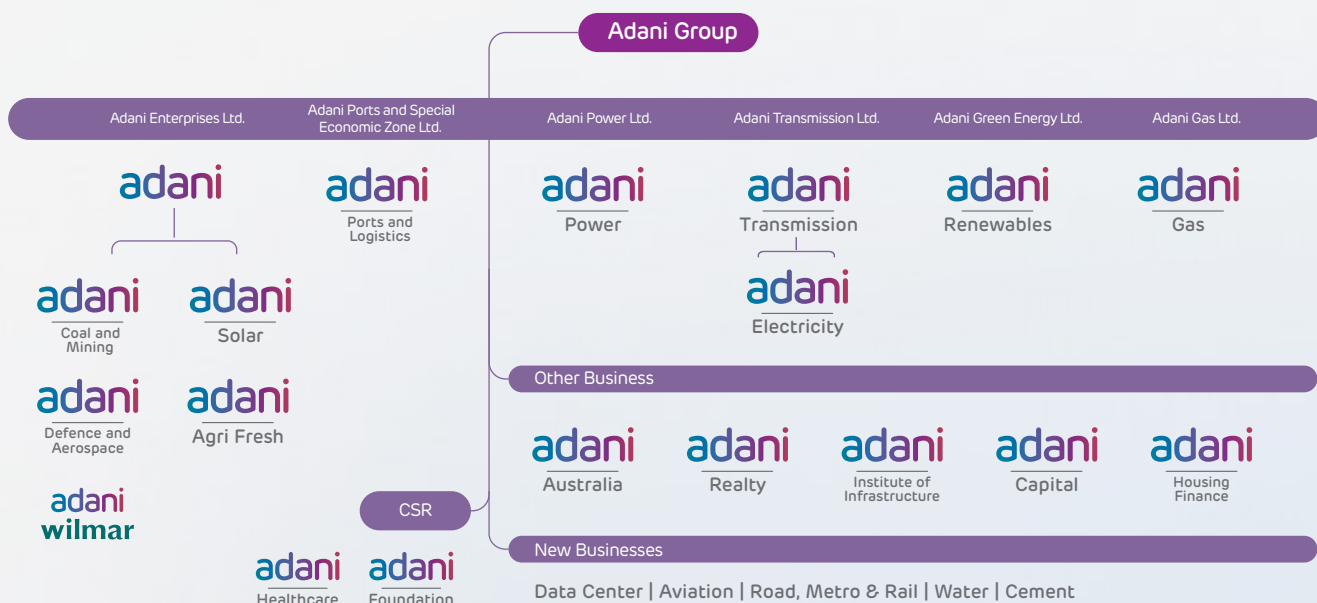
Seizing new opportunities with initiative and ownership

Entrepreneurship



Working with commitment in the pursuit of our aims

Dedication



Adani Group – Global Scale Infrastructure Developer, Owner and Operator

- Massive Scale across Infrastructure verticals (\$29bn+ of assets under management contract)
- Operational Excellence with productivity, low-cost operations (Focus on margins and shareholder returns)
- Deep Management Experience in regulated environments (Sponsor Family supported by Professional management team)
- Proven Execution Capabilities and track record (Delivered India's largest single location port, thermal & solar manufacturing plant)
- Successful Track Record of integrating acquisitions (Acquired, turned around and integrated \$2.5b+ assets)
- Strong and consistent Financial Performance (2 Investment Grade Rated Companies)



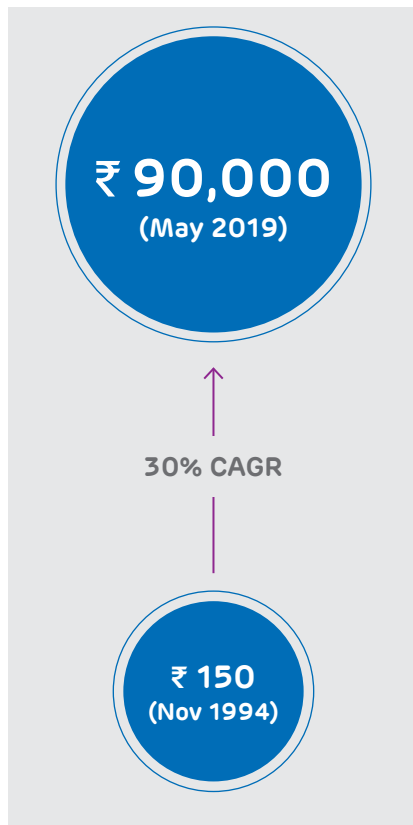
About Adani Enterprises Limited

Adani Enterprises is an incubator focusing on establishing new businesses in infrastructure and energy sector. It has done this consistently since 1994, when it was first established and listed.

In over 29 years of existence, AEL has positioned itself to nurture businesses that address national importance and creates value for stakeholders. It has diversified business interests across key industries, emerging as a market leader and participating actively in nation building. Businesses like APSEZ, Adani Power, Adani Transmissions and other businesses were demerged from Adani Enterprises and/or independently listed on the stock exchanges. In the last two years, consistent with the same model we have demerged Adani Green Energy Limited and Adani Gas Limited from Adani Enterprises which were respectively listed in June 2018 and November 2018.

Adani Enterprises – Delivering value creation

At AEL, we believe we are in the business of creating value. Our shareholder value enhancement is possibly one of the largest on the Indian stock exchanges. Our focused value-creation philosophy and implementation of sound business strategies centered on nation building are result of this outperformance. Consider this, an investor who bought shares of AEL on listing in 1994 at ₹ 150 stands at an appreciation of ~599% to ₹ 90,000 per share as on May 2019.



Core business

Mine Developer & Operator (MDO)



Integrated Coal Management (ICM)



Adani Wilmar Limited



Specialty business

Agri



Solar Manufacturing



Defense & Aerospace



Incubating business

Airports

Adani will be involved in designing, engineering, financing, construction and development of essential infrastructure to facilitate the needs of the flyers



Roads, Metro & Rail

We will use our superior project management skills, resource raising and execution capabilities, ability to deliver complex & mammoth infrastructure projects to operate and maintain them in an efficient manner

Water

The company would undertake development and rehabilitation of sewage treatment plants and its associated infrastructure on HAM mode basis at Prayagraj (Allahabad)



Data Centre

World's first 100% renewable powered data center parks to be created in Visakhapatnam making India a data hub of the region

Our Businesses

67 MMT

Coal managed



Integrated Coal Management (ICM)

Global Player in Integrated Coal Management

- India continues to meet its total demand for high & mid GCV Coal for Power, Cement and Steel Sector through imported coal
- AELs integrated presence in complete supply chain with embedded technology provides sustainable competitive advantage.
- We continue to be the leader in India and we are replicating our success in overseas geographies

Mining

Pioneer of Mine Developer & Operator (MDO) Concept in India

- Largest MDO in India with annual contracted capacity of 67 million tons and projects in hand where we are declared L1 of 63.6 MMT
- Focus on building a Globally Admired Leading Responsible Mining Company by leveraging best in class technology practices



15 MMT

Coal produced

Defense & Aerospace

Focused on building technologies through collaboration to assert India's defence and military competence

- Committed to develop platforms, aero-structures, technologies and solution in line with our nation's military requirement & 'Make in India' programme
- Provides services and solutions to Elbit Systems, ISRO, HAL, BDL, ECIL, DRDO, ADE, RCI, DRDL, DARE and NSTL
- The Company inaugurated India's first 50,000 sq. ft. state-of-the-art UAV manufacturing facility in Telangana, Hyderabad in partnership with Elbit Systems of Israel in December 2018. It is the first facility to manufacture the Hermes 900 Medium Altitude Long Endurance UAV outside Israel.



3

MSMEs investment for development of Critical Capabilities

1.2

Manufacturing capacity of Solar PV (in GW)



Solar Manufacturing

Committed to playing a pivotal role in making solar energy affordable and accessible

- Awarded most reliable PV module manufacturer
- Only Indian manufacturer to be awarded Top Performer by DNV-GL PVEL Global reliability testing for two consecutive years (2018 & 2019)
- Market leader with world's largest single manufacturing plant and in-house technologies
- Partnering with leading players to enter into retail distribution

23,000

Storage capacity across 3 locations in India (in tons)



Agri

Introduce advanced technologies and storage facilities to enhance the agri-infrastructure in the country

- Pioneer to introduce Controlled Atmosphere (CA) technology in India for the fruit storage
- Presence across major cities in India through a wide distribution network of retail chain
- Introduced first-of-its-kind modern and scientific storage facilities in India, ensuring negligible losses

13,800

Refining capacity (in throughput per day)

Adani Wilmar Limited

India's leading consumer edible oil and fast growing food entity

- Largest market leader in edible oil sector in India with 'Fortune' brand
- Expanding into Food business with a diverse product portfolio of Rice, Soya, Pulses, Besan and more
- Pan India network of manufacturing, marketing, sales and distribution



Incubating business

3

No. of projects in hand as on 31st March, 2019



Roads, Metro & Rail

Partnering in nation building through road infrastructure

- Target select projects under BOT, TOT, Hybrid Annuity Mode (HAM) model
- Inorganic growth through M&A
- Focus on projects across India by NHAI & MORTH

Airports

Aim to scale up the airport infrastructure to set the standards on par with global standards

- Set up a hybrid revenue model with aero and non-aero revenue structure
- Bagged the highest and most diversified portfolio of airports in India handling more than 30 million passengers annually
- Significant expansion potential with a robust concession structure



6*

Bids won for Airports

*3 projects are awarded and 3 projects are in final evaluation stage for being awarded

Chairman's Message



The portfolio of companies in the AEL basket has never been stronger and each of these next generation businesses holds tremendous potential for the future.



Dear Shareholders,

Greetings! We live in interesting times. India continues to be the world's fastest growing economy. We are expected to become the world's fifth largest nation by the end of this year. Our nation is expected to see an investment of a trillion dollars in infrastructure, split evenly between public and private sector resources and is on its way to becoming a five trillion dollar economy over the next five years.

India at an Inflection Point

In the recent elections, the mandate received by the Government is an indication that the citizens of our country have voted for stability in support of a vision that addresses large segments of the society

in a fashion and scale that will radically change India's development trajectory. In an analysis published earlier this year, the World Economic Forum predicted that India would have lifted 2.5 crore more households out of poverty over the next decade thereby reducing the share to households below the poverty line to 5%. For a size of our nation, these are staggering statistics and a harbinger of hope and optimism for the entire nation. Undoubtedly, there will be challenges and not all programs may get executed to perfection but there cannot be any denying the fact that the ambitions of our nation are taking shape in a fashion that is transformative and exciting and India is at an inflexion point.

The Transformation of the Adani Group

For the Adani Group FY18-19 has also been a year of inflexion. Each one of our six publicly traded Group companies delivered record financial performance and made tangible progress in further consolidating their positions as industry leaders in every segment we operate in. Each of the Group companies are now growth platforms that, while mutually independent, draw upon the management and leadership synergies that exist in the Group.