

## DIRECTORS' REPORT

To,  
The Shareholders  
IL&FS Wind Energy Limited

Your Directors have pleasure in presenting the Third Annual Report along with the Audited Accounts for the Financial Year ended March 31, 2017

## FINANCIAL RESULTS

The financial results of the Company as per Ind-As are as under:

(Rs.in Lakhs)

Particulars	For the Financial Year ended 31.03.2017	For the Financial Year ended 31.03.2016
Total Income	12.23	Nil
Total Expenses	7137.95	259.25
Profit / (Loss) Before Tax	(7125.72)	(259.25)
Profit/ (Loss) After Tax	(7125.72)	(259.25)
Balance Profit / (Loss) brought forward from previous year	(260.30)	(1.05)
Balance Profit / (Loss) carried forward to Balance Sheet	(7435.02)	(260.30)

Your Company has adopted IND AS with effect from 1<sup>st</sup> April 2016 pursuant to Ministry of Corporate Affairs notification dated 16<sup>th</sup> February 2015 notifying the Companies (Indian Accounting Standard) Rules, 2015. Your Company has prepared IND AS Financials for the year ended March 31, 2017 along with comparable as on March 31, 2016

## DIVIDEND

Your Directors have not recommended dividend for the year under review

## TRANSFER TO RESERVE

In view of the losses incurred during the year under review and losses of earlier year, the Company does not propose to carry any amount to its reserves during the year under review

## SHARE CAPITAL

During the year under review, there was no change in the Share Capital of the Company

## **DEBENTURES:**

### **Optionally Fully Convertible Debentures**

Your Company had raised Rs. 4710.42 million by issue of 471,042,000 Optionally Fully Convertible Debentures (OFCDs) of Rs. 10/- each to IL&FS Energy Development Limited at Par. During the year under review, the Company has repaid OFCDs of 300,224,200 @ 10/- each with Principal and Interest to IL&FS Energy Development Company Limited. Post redemption, the balance OFCDs are 170,817,800 as on March 31, 2017

### **Non-Convertible Debentures**

During the year under review the Company had raised funds by issue of fully paid, rated, listed, unsecured, redeemable Non-Convertible Debentures (NCDs), as “Green Bond”, on a private placement basis for an amount up to Rs. 2,000 million by issue of 2,000 NCDs of Rs. 10,00,000/- (Rupees Ten Lakh only) each

## **OPERATIONS**

Your Company has investment in the equity and/or covered warrants having underlying economic benefit equivalent to 51% of stake in 5 Wind SPVs having erected capacity of 775.2 MW out of which revenue generating was 745.6 MW as on March 31, 2017

During the FY 2017, your Company has successfully commissioned Wind Power Projects aggregating to 19.2 MW

The operational wind farms are spread across States of Rajasthan (149.6 MW), Tamil Nadu (24 MW), Gujarat (185.6 MW), Andhra Pradesh (81.6 MW), Maharashtra (80.8 MW), Madhya Pradesh (80 MW) and Karnataka (144 MW) and are housed in five different subsidiaries

During FY 2017, the Wind projects generated around 1,228 MUs of power and the total billing was approximately Rs 6,495 million

## **SUBSIDIARIES, ASSOCIATE OR JOINT VENTURE COMPANIES**

As on March 31, 2017, the Company had following Subsidiaries:

- (1) Wind Urja India Private Limited
- (2) Ratedi Wind Power Private Limited
- (3) Lalpur Wind Energy Private Limited
- (4) Tadas Wind Energy Private Limited
- (5) Khandke Wind Energy Private Limited

The Company does not have any associate or Joint Venture Company

In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared a consolidated financial statement of the Company and all its subsidiary companies, which is forming part of the Annual Report. A statement containing salient features of the financial statements of the subsidiary companies in Form AOC-I pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 and Rule 5 of Companies (Accounts) Rules, 2014 is attached as Annexure - I to this Report

### **EXTRACT TO ANNUAL RETURN**

An extract of the Annual Return as provided under sub-section (3) of Section 92 of the Companies Act, 2013, in the prescribed Form MGT- 9 is annexed to this report as Annexure II

### **CORPORATE GOVERNANCE**

Six Meetings of the Board of Directors of the Company were held during the year under review. The Meetings were held on June 24, 2016, September 12, 2016, September 19, 2016, September 30, 2016, December 14, 2016, and March 09, 2017. The attendance at the above mentioned Board Meetings and the previous Annual General Meeting (AGM) held on September 26, 2016 are listed below:

<b>Name of the Director</b>	<b>(DIN)</b>	<b>Number of Board Meetings Attended</b>	<b>AGM attendance</b>
Mr Ateesh Samant*	01875732	3	No
Mr Anand Nair*	03460600	2	No
Mr Hemant Thanvi	03103866	4	No
Mrs Varsha Sawant*	07018824	3	No
Mr Rajendra Desai **	00403784	2	No
Mr Nilmani Narayan Poddar**	01729013	2	No
Mr Akhil Agarwal***	03381864	3	Yes
Mr Ajai Nirula***	06886344	3	No

\* Appointed with effect from September 27, 2016

\*\* Appointed with effect from September 30, 2016

\*\*\* Resigned with effect from September 28, 2016

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013

### **COMMITTEES OF THE BOARD**

Following Committees have been constituted to ensure focused attention on the affairs of the Company in the respective areas, viz:

- Audit Committee

- Nomination & Remuneration Committee (NRC)
- Committee of Directors (COD)

### **Audit Committee**

The Audit Committee of the Board of Directors of the Company was constituted on December 14, 2016. Currently the Committee comprises of Mr Rajendra Desai (DIN - 00403784), Mr Nilmani Narayan Poddar (DIN - 01729013) and Mr Hemant Thanvi (DIN – 03103866). The Audit Committee met two times during the year under review. The Meetings were held on December 14, 2016 and March 09, 2016

The Internal Auditors as well as Statutory Auditors of the Company are invited for all the Audit Committee Meetings. The attendance status of the Members at the Audit Committee Meetings is provided below:

<b>Name of the Director</b>	<b>(DIN)</b>	<b>Number of Audit Committee Meetings Attended</b>
Mr Rajendra Desai	00403784	2
Mr Nilmani Narayan Poddar	01729013	2
Mr Hemant Thanvi	03103866	2

The duties and responsibilities of the Audit Committee are as defined under provisions of the Companies Act, 2013

### **Nomination & Remuneration Committee**

The Nomination & Remuneration Committee of the Board of Directors of the Company was constituted on December 14, 2016. Currently the Committee comprises of Mr Nilmani Narayan Poddar (DIN – 01729013), Mr Rajendra Desai (DIN - 00403784) and Mrs Varsha Sawant (DIN - 07018824) as Members of the Committee as on March 31, 2017. The Committee met one time during the year under review. The Meeting was held on March 09, 2016. The attendance status of the Members at the Committee Meeting is provided below:

<b>Name of the Director</b>	<b>(DIN)</b>	<b>Number of Board Meetings Attended</b>
Mr Nilmani Narayan Poddar	01729013	1
Mr Rajendra Desai	00403784	1
Mrs Varsha Sawant	07018824	1

The Board had adopted Managerial Remuneration Policy, Selection Criteria for Directors and Performance Evaluation Policy of the Board of Director of the Company. The Policies are attached as Annexure – III

The Nomination and Remuneration Committee shall deal with the matters as are prescribed under the Companies Act, 2013 and any other matters as may be requested by the Board of Directors of the Company from time to time

### **Committee of Director**

In addition to the foregoing, your Company has constituted Committee of Directors of the Company, to supervise the operations of the Company in the ordinary course of business and to exercise all such powers and to do all such acts and deeds subject to relevant Statutory provisions, limits specified and direction provided by the Board of Directors of the Company from time to time. The current composition of the Committee of Directors comprises of the Company Mr Hemant Thanvi (DIN - 03103866), Mr Anand Nair (DIN – 003460600) and Mr Ateesh Samant (DIN – 01875732)

There was no meeting of the Committee of Directors held during the year under review

Your Company in order to ensure better Corporate Governance has instituted quarterly compliance reporting in respect of major department/ functions

### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, (Act) the Board of Directors of the Company, on the basis of representation received from operating management and after due enquiry, it is hereby state and confirm that:

- (1) in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made therefrom;
- (2) the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company for the end of financial year ended and of the Profit and Loss of the Company for that period
- (3) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (4) the directors have prepared the annual accounts on a going concern basis;
- (5) proper internal financial controls were in place and that the financial controls are adequate and were operating effectively, the Company ensures as part of Good Governance and Best Practice followed;

- (6) the directors have devised proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively

### **DECLARATION BY INDEPENDENT DIRECTOR**

The Independent Directors of the Company had submitted their Declaration of Independence, as required under the provisions of Section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in Section 149 (6) of the Act

### **PARTICULARS OF LOAN, GURARANTEE AND INVESTMENT OF THE COMPANY**

The Company being an infrastructure Company, is exempted under Section 186 of the Companies Act, 2013(the Act), with respect to loan and guarantees given. The Company has complied with Section 186 of the Act in relation of the investments made, if any, during the year under review. However, the details of Loan, Investment and Guarantee provided is mentioned in the financial statement of the Company

### **RELATED PARTY TRANSACTION**

The transaction entered into with the Related Parties as defined under the Companies Act, 2013, during the financial year were in the ordinary course of business and on an arm's length pricing basis and do not attract the provisions of Section 188 of the Companies Act, 2013. The disclosure required in form AOC -2 in terms of Section 134(3)(h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 is given in Annexure IV

### **MATERIAL CHANGES AND COMMITMENTS**

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this report

### **RISK MANAGEMENT POLICY**

Risks are such situations, circumstances, events, happenings, etc which may have a negative impact on business of the Company. Hence, mitigation and management of risks is a structured approach to manage uncertainty

Your Company has formulated and put in place Risk Management Policy, which outlines and summarizes the practices of Risk Management. The Company has in place a mechanism to inform the Board about the risk assessment and minimization procedures and periodical review to ensure that management controls risk through means of a properly defined

framework. In the opinion of the Board, there are no material risk which may threaten the existence of the Company

### **PREVENTION OF SEXUAL HARASSMENT POLICY**

The Company has in place a prevention of Sexual Harassment Policy in line with the requirement of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. An internal Complaints Committee has been set up to redress complaints received related to the sexual harassment at the IEDCL level. All employee (permanent, contractual, temporary) are covered under this policy

The status of complaints received and resolved during the year under review, is as follow:

- Number of complaints received	Nil
- Number of complaints disposed	Nil
- Number of complaints pending for more than 90 days	Nil
- Number of awareness workshops conducted	1*
- Nature of action taken by the District Officer	Nil

\*online awareness workshop was conducted by IL&FS for all its Group Companies

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS & OUTGO**

Since the Company does not have any Manufacturing facility, the provision of Section 134(m) of the Companies Act, 2013 read along with rule 8 (3) of the Companies (Accounts) Rule 2014 do not apply to the Company. However, disclosures as required under the provisions of the Act are as follow:

(1) Conservation of Energy

The Company has used most power efficient equipment's to ensure minimum consumption of energy

The Company is focusing on development of environment friendly, cleaner and cheaper ways of generating power. In this regard, the Company is developing Wind Power Projects on a pan India basis

(2) Technology Absorption

Your Company has not imported any technology during the year under review

(3) Foreign exchange earnings and outgo

There was no foreign exchange expenditure or earnings during the year under review

### **FIXED DEPOSITS**

The Company has not invited, accepted or renewed any deposits within the meaning of the provisions of Sections 2(31) and 73 of the Companies Act 2013 read with the Companies (Acceptance of Deposit) Rules, 2014, during the year under review

### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There were no significant and material orders passed by the Regulators and Courts or Tribunals during the year under review which would impact the going concern status of the Company and its future operations

### **VIGIL MECHANISM**

The Company believes in the conduct of the affairs of its constituents in a fair and transparent manner by adopting highest standards of professionalism, honesty, integrity and ethical behavior

As per Section 177 of the Companies Act, 2013, your Company has formulated and adopted the Whistle Blower and Vigil Mechanism for employees and Directors of the Company at the Board Meeting held on March, 2017

### **PERFORMANCE EVALUTATION OF THE BOARD**

The Board had adopted Performance Evaluation Policy in the Board Meeting of the Company held on December 14, 2016. Accordingly, the performance evaluation of all the Directors, Committees and the Board was carried out by the Nomination & Remuneration Committees, Independent Directors and Board at their respective meetings

### **ADEQUACY OF INTERNAL FINANCIAL CONTROL**

Your Company has a proper and adequate system of Internal Controls, to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposal and that transaction are authorized, recorded and reported correctly. All the transaction are properly authorized, recorded and reported to the Management

The Company also follows the systems of periodic compliance reporting by the Management. The Audit Committee reviews the reports and findings of the Internal and Statutory Auditors, keeping a close watch on compliance and internal control systems. The Audit Committee satisfied itself of adequacy and effectiveness of the internal financial control system as required under section 177

## **DIRECTORS AND KEY MANAGERIAL PERSONNEL**

Pursuant to Section 161(1) and other applicable provision of the Companies Act 2013, Mr. Anand Nair (DIN: 03460600), Mr Ateesh Samant (DIN: 01875732) had been appointed as an Additional Directors and Ms Varsha Sawant (DIN : 07018824) as an Additional Woman Director of the Company at the Meeting of the Board of Directors of the Company held on September 19, 2016 with effect from September 27, 2016, subject to the shareholders' approval in the ensuing General Meeting of the Company

Mr Hemant Thanvi, Director of the Company, retires by rotation at the forthcoming Annual General Meeting of the Company and being eligible offers himself for reappointment. The Board recommends his reappointment

Mr Ajai Nirula (DIN – 06886344) and Mr Akhil Aggarwal (DIN - 03381864), Non-Executive Directors of the Company has submitted their resignation from the Board of Director of the Company with effect from September 28, 2016. The Board places on record its deep appreciation for the valuable contribution made by Mr Ajai Nirula (DIN – 06886344) and Mr Akhil Aggarwal (DIN - 03381864) , during their tenure of office as Director of the Company

Pursuant to Section 203 of the Companies Act, 2013, Mr. Ritendra Bhattacharjee, Mr Amit Shinde, Mr Arun Purohit, were appointed as the Manager, Chief Financial Officer and Company Secretary of the Company w.e.f. September 12, 2016

As on 31st March 2017, the Board of Directors of the Company consisted of Six Directors, of whom two were non-executive Independent and four were non-executive and non-Independent (including one Woman Director). The details of Directors and KMPs are given in the table below:

	<b>Name of the Director and KMPs</b>	<b>Category</b>
1	Mr Ateesh Samant* (DIN – 01875732)	Non-Executive
2	Mr Hemant Thanvi (DIN – 03103866)	Non - Executive
3	Mr Anand Nair* (DIN – 03460600)	Non - Executive
4	Mrs Varsha Sawant* (DIN – 07018824)	Non - Executive & Woman
5	Mr Nilmani Narayan Poddar** (DIN – 01729013)	Non - Executive & Independent
6	Mr Rajendra Desai** (DIN – 00162746)	Non - Executive & Independent
7	Mr Alhil Agarwal*** (DIN – 03381864)	Non - Executive
8	Mr Ajui Nirulu*** (DIN – 06886344)	Non - Executive
9	Mr Ritendra Bhattacharjee	Manager
10	Mr Amlt Shinde	Chief Financial Officer
11	Mr Arun Purohit	Company Secretary

\* Appointed with effect from September 27, 2016

\*\* Appointed with effect from September 30, 2016

\*\*\* Resigned with effect from September 28, 2016

## **PARTICULARS OF EMPLOYEES**

There were no employees drawing a remuneration in excess of the limits prescribed required under the provisions of Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

## **AUDITORS:**

- (1) **Statutory Auditors:** M/s Deloitte Haskins & Sells, Gurugram LLP, Chartered Accountants, Statutory Auditors of the Company, hold office till date of ensuring Annual General Meeting of the Company. M/s Deloitte Haskins & Sells, Gurugram LLP, Mumbai, have provided their unwillingness for re-appointment as Statutory Auditor of the Company. Accordingly, pursuant to the provision of section 139(8) of the Companies Act, 2013, the Rules framed thereunder, it is proposed to appoint M/s S R B C & Co. LLP, Chartered Accountants, as Statutory Auditors of the Company in place of M/s Deloitte Haskins & Sells, Gurugram LLP for a period of 1 year i.e. for FY 2018 and they shall hold the office till the conclusion of the next Annual General Meeting, subject to ratification by the Members, at the ensuring Annual General Meeting

There were no qualifications, reservation or adverse remark in the Auditors Report for the F.Y. 2016-17

- (2) **Secretarial Auditors:** Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s Mayekar & Associates, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for FY 2018. The Report of the Secretarial Auditor is annexed as "Annexure – V

There were no qualifications, reservation or adverse remark in the Secretarial Auditors Report for the F.Y. 2016-17

### ACKNOWLEDGEMENTS

Relationships with Shareholders and other Bank and Financial Institutions as well as regulatory authorities remained excellent during the period under review. Your Directors are grateful for the co-operation support extended by them, and look forward to receiving their continued support and encouragement

For and on behalf of the Board

Director

Director

Date :  
Place :



**Annexure - I**  
**Form AOC-I**



(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

		1	2	3	4	5
S No.						
Name of the Subsidiary	Wind Urja India Private Limited (WUIPL)	*Ratedi Wind Power Private Limited (RWPPPL)	*Lalpur Wind Energy Private Limited (LWEPL)	*Tadas Wind Energy Private Limited (TWEPL)	Khandke Wind Energy Private Limited (KWEPL)	
Reporting period for the subsidiary Company	01.4.2016 to 31.03.2017	01.4.2016 to 31.03.2017	01.4.2016 to 31.03.2017	01.4.2016 to 31.03.2017	01.4.2016 to 31.03.2017	
Reporting Currency	INR	INR	INR	INR	INR	
Share capital	994.08	2,114.10	4,463.07	3,748.98	2,315.71	
Equity Component & OCI	-	-	-	-	-	
Reserves & surplus	(277.40)	(588.38)	(1,180.08)	(1,627.15)	138.68	
Total assets	2,351.92	7,141.58	14,541.00	12,997.80	8,455.40	
Total Liabilities Investments	1,635.24	5,615.86	11,258.01	10,875.97	6,001.01	
Turnover	-	0.03	0.03	-	0.03	
Profit before taxation	356.00	1,053.41	1,737.70	2,073.56	1,272.21	
Provision for taxation	(19.48)	43.96	12.46	47.34	260.46	
Profit after taxation	-	8.97	-	9.65	43.81	
Proposed Dividend	(19.48)	34.99	12.46	37.69	216.65	
% of shareholding	51%	51%	51%	51%	51%	51%

\*As on March 31, 2017, the Company holds Covered Warrants (CWs) issued by IL&FS Renewable Energy Limited with an Underlying economic interest equivalent to 26% stake in RWEL, LWEPL, and TWEPL. The said CWs were initially subscribed by IEDCL which in turn sold the same to the Company

For and on behalf of the Board

  
Director



<b>A2FORM NO. MGT 9</b>	<b>Annexure - II</b>
<b>EXTRACT OF ANNUAL RETURN</b>	
<b>as on financial year ended on 31.03.2017</b>	
<b>Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management &amp; Administration ) Rules, 2014.</b>	

**1**

**I REGISTRATION & OTHER DETAILS:**

i	CIN	U40106GJ2013PLC077520
ii	Registration Date	15-Nov-13
iii	Name of the Company	IL&FS WIND ENERGY LIMITED
iv	Category/Sub-category of the Company	Public Limited
v	Address of the Registered office & contact details	301- 303, Kaivanna Complex, Panchwati Ahmedabad Gujarat
vi	Whether listed company	NA
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	NA

**2 PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated

SL No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover
1	Consultancy Income	70200	65.41%
2	Interest income	64200	34.59%

**3 PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES**

SI No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	IL&FS Energy Development Company Limited	U40300DL2007PLC1	Holding Co.	100%	
2	Wind Urja India Private Limited	U40104MH2012PTC	Subsidiary Co.	51%	2(46)
3	Ratedi Wind Power Private Limited	U40102MH2007PTC	Subsidiary Co.	51%	2(87)
4	Lalpur Wind Energy Private Limited	U40300MH2011PTC	Subsidiary Co.	51%	2(87)
5	Khandke Wind Energy Private Limited	U40300MH2012PTC	Subsidiary Co.	51%	2(87)
6	Tadas Wind Energy Private Limited	U40300MH2011PTC	Subsidiary Co.	51%	2(87)

4 i SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category wise Share holding Pattern

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
(1) Indian									
a) Individual/HUF									
b) Central Govt.or State Govt.									
c) Bodies Corporates	490,050,000.00	490,050,000.00	490,050,000.00	100%	490,050,000.00	490,050,000.00	490,050,000.00	100%	NA
d) Bank/Fl									
e) Any other									
<b>SUB TOTAL:(A) (1)</b>		490,050,000.00	490,050,000.00	100%		490,050,000.00	490,050,000.00	100%	NA
<b>(2) Foreign</b>									
a) NRI- Individuals	NA								NA
b) Other Individuals									
c) Bodies Corp.									
d) Banks/Fl									
e) Any other...									
<b>SUB TOTAL (A) (2)</b>									NA
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>		490,050,000.00	490,050,000.00	100%		490,050,000.00	490,050,000.00	100%	NA



(ii) SHARE HOLDING OF PROMOTERS

SI No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		NO of shares	% of total shares	% of shares pledged encumbered	NO of shares	% of total shares	% of shares pledged	
1	IL&FS Energy Development Co. Ltd.	490,049,994	99.99%	NA	490,049,994	99.99%	NA	NA
2	IEDCL and Other	6	0.01%	NA	6	0.01%	NA	NA
3								
4								
	Total							

(iii) CHANGE IN PROMOTERS' SHAREHOLDING ( SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of	No of shares	% of total shares of the company
	At the beginning of the	490,050,000	100.00%	490,050,000	100.00%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year	490,050,000	100.00%	490,050,000	100.00%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
-1	At the beginning of the year	490,050,000	100.00%	490,050,000	100.00%
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)	490,050,000	100.00%	490,050,000	100.00%

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Shareholding at the end of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	NA			NA

5 INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>					
i) Principal Amount			36,071.10		36,070.10
ii) Interest due but not paid			-		-
iii) Interest accrued but not due			1.29		1.29
<b>Total (i+ii+iii)</b>			36,071.39		36,071.39
<b>Change in Indebtedness during the financial year</b>					
Additions		33,095.09	1,200.00	-	34,295.09
Addition - Interest & Other Financial Liabilities		1,306.23	2,750.15		4,056.38
Reduction - Principal		-	19178.43		19278.43
Reduction - Interest & Other Financial Liabilities			0.82		0.82
<b>Net Change</b>		34,401.32	-15,229.10		19,072.21
<b>Indebtedness at the end of the financial year</b>		34,401.32	20,742.28		55,143.60
i) Principal Amount		33,095.09	17,191.56		51,086.75
ii) Interest due but not paid					
iii) Interest accrued but not due		1,306.23	2,750.52		4,056.85
<b>Total (i+ii+iii)</b>		34,401.32	20,742.28		55,143.60

6 REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager: NIL

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	
2	Stock option	
3	Sweat Equity	
4	Commission as % of profit others (specify)	
5	Others, please specify	
	<b>Total (A)</b>	
	<b>Ceiling as per the Act</b>	

Remuneration to other directors:

B.	Particulars of Remuneration		Name of the Directors		
	Independent Directors		Rajendra Desai	Nilmani Narayan Poddar	
Sl.No	(a) Fee for attending board committee meetirgs		20,000	20,000	
1	(b) Commission				
	(c ) Others, please specify(Audit and other Committee fee)		30000	30,000	
	<b>Total (1)</b>		50,000	50,000	
	Other Non Executive Directors		Hemant Thanv	Ateesh Samant	Ananad Nai-
	(a) Fee for attending board committee meetings		20,000	20,000	10,000
2	(b) Commission				
	(c ) Others, please specify.	Audit and other comitee	20000		
	<b>Total (2)</b>		40,000	20,000	10,000
	<b>Total (B)=(1+2)</b>				30,000
	<b>Total Managerial Remuneration</b>				
	<b>Overall Cieling as per the Act.</b>				

REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD : MIL

C.	Particulars of Remuneration		Key Managerial Personnel		
	Gross Salary		CEO	Company Secretary	CFO
Sl. No.	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.				
1	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961				
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961				
	Stock Option				
	Sweat Equity				
2	Commission				
3	as % of profit				
4	others, specify				
	Others, please specify				
5	Total				

7 PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

NIL

Type	Section of the Companies Act	Brief Description	Details of Penalty/Punishment/Compounding fees imposed	Authority (RD/NCLT/Court)	Appeal made if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

For and on behalf of the Board

  
Director

  
Director

Date :

Place : Mumbai

## Managerial Remuneration Policy

(based on IL&FS Energy Development Company Ltd approved Policy Framework)

(I) Preamble :

- (1) IL&FS Wind Energy Limited (IWEL), a subsidiary of IL&FS Energy Development Company Limited (IEDCL), is engaged in the power sector as a sponsor, developer and investor of wind power projects. The wind power projects portfolio of IWEL are diverse in geographic location and power sale mix.
- (2) The wind power projects portfolio of IWEL is implemented through 5 nos of Special Purpose Vehicles, thereby enabling efficient operational and financial performance.
- (3) Since our businesses are people centric, Human Resource Development (HRD) assumes great significance in facilitating the organisation to meet this objective. The HRD strategy is to :
  - (a) Attract and retain competent resources
  - (b) Provide competitive performance based compensation and benefits
  - (c) Facilitate and provide growth opportunities within the Group by encouraging movement of personnel across businesses
  - (d) Inculcate a common culture at the IWEL level (consistent with IL&FS group level) which brings consistency and transparency in our approach
  - (e) Ensure clear communication of vision and business plans

(II) Compensation Forums :

**Nomination and Remuneration Committee:** In terms of provisions of Section 178 of the Companies Act, 2013, IWEL is required to constitute Nomination and Remuneration Committee (NRC) consisting of three or more Non-Executive Directors of which half are Independent Directors. The NRC has been mandated to deal with the matters as are prescribed under the Companies Act, 2013 and review and approve Human Resources, personnel related policies/matters of the Company as well as other matters as may be requested by the Board of Directors of the Company from time to time. This, inter-alia, includes following:

- (1) To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommend to the Board their appointment and/or removal and shall carry out evaluation of every Director's performance
- (2) To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees
- (3) To endorse the methodology and distribution of Performance Related Pay to the employees of the Company
- (4) While formulating the policy, NRC needs to ensure that :
  - (a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully
  - (b) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks
  - (c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals

**(III) Statutory Provisions :**

Pursuant to the notification of the Companies Act 2013 effective April 01, 2013, the following provisions thereof have been considered while formulating the Remuneration Policy at IWEL:

- (1) Remuneration for Whole-time, Non-Executive Directors, Key Management Personnel and Senior Management
- (2) Role of the Nomination and Remuneration Committee
- (3) Disclosures in the Directors' Report

**(IV) Objective :**

- (1) The key objective of the Managerial Remuneration Policy is to enable a framework that allows competitive and fair rewards for the achievement of key deliverables

(2) While deciding remuneration for the Whole-time Directors' various factors such as the market scenario, business performance of IWEL and the remuneration practices in power sector are considered

(3) Rationale for Remuneration Framework :

(a) Internal Ratios : The Compensation package for Managerial Personnel at level/s lower than Whole-time Director is revised annually in the form of performance increments, structural improvements and Cost of Living Adjustments. This has led to a compressing of the compensation differential between the lowest and highest levels of executive management

(b) Compliance & Risk Parameters : In view of Company law regulations, the compliance roles of Whole-time Directors far outweigh that of any other level, and consequently the risk parameters associated with these jobs are of a significantly higher level as compared to the junior levels

(V) Key Management Personnel :

(1) The Key Management Personnel (KMP) in IWEL are the Manager, Chief Financial Officer and Company Secretary (CS)

(2) The KMPs have operational responsibilities in addition to the responsibilities specified by the Companies Act, 2013

(VI) Whole Time Directors:

Whole time Directors are designated with mandate of guidance and supervision of the business goals. Remuneration of Whole-time Directors would consist of various factors such as the key requirements of the job, market scenario, business performance of the Company and the remuneration practices in the domain sector.

Currently Company has no Whole-time Director/s

(VII) Non-Whole Time Directors :

Non Whole-Time Directors are paid Sitting Fees for attending the Board / Board Committee/s Meetings in accordance with the Companies Act, 2013. The Board is responsible for setting policy in relation to the remuneration of the Non-Whole Time Directors

**(VIII) Remuneration Mix :**

The total remuneration package of Directors and KMPs is designed to provide an appropriate balance between fixed and variable components with focus on Performance Related Pay so that outstanding performance is incentivized but without encouraging excessive risk taking

**Other Employees:**

The remuneration of employees other than covered in the foregoing shall be as decided by the Competent Authority as per the company's Employee Handbook (EHB) which is updated from time to time

**(IX) Disclosures:**

Under the provisions of Companies Act, 2013, the Board of Directors would have to disclose the details of the managerial remuneration in the Director's Report to the Shareholders

**(X) Review and Modification :**

Effectiveness of the Managerial Remuneration Policy is ensured through periodical review. The Board of Directors may amend or modify this Policy in whole or in part at any time

Policy - Performance Evaluation of the Board of Directors

(based on IL&FS Energy Development Company Ltd approved Policy Framework)

(I) Objective:

The objective is to facilitate the individual Directors and the Board as a whole to review the efficacy of the directives with respect to the Group performance. The Board will undertake the following activities annually :

- (1) The Chairperson will meet with each Non-Executive Director separately to discuss individual performance and ideas for improvement
- (2) The Board as a whole will discuss and analyse its own performance during the year including suggestions for improvement

(II) Performance Evaluation Areas:

- (1) Review Strategy and Performance :
  - (a) Review Company Strategy annually
  - (b) Following strategy review above, the Board will set the organization performance objectives based on qualitative and quantitative measures
  - (c) Review the strategic objectives and ensure that they are in line with the Company's priorities and the changing nature of the Company's business
  - (d) Review performance of Executive Directors annually and have it reflect in the remuneration review
  - (e) Review performance of Independent Directors annually
- (2) Performance of the Committees constituted under the Board :

- (a) Review the necessity of establishing any Committees and delegating certain of its responsibilities to the Committee
- (b) Review the Committees achievements during the year based on their duties
- (c) Review the charters of the Committees once a year to ensure that they are up to date

(3) Financial Controls and Reporting :

Ensuring the integrity of the Company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for risk management, financial and operational control, and compliance with the law and relevant standards

(4) Corporate Governance :

Ensure that all the corporate governance policies are drafted and followed in spirit

**(III) Evaluation of Independent Directors:**

Schedule IV of the Companies Act, 2013 prescribes the Code for Independent Directors (Code). The Companies are required to formally adopt the Code. Going forward role, responsibilities, appointment and evaluation of the Independent Directors will be governed by the Code

**Performance Assessment Process and Parameters**

(1) Self-Assessment

(i) Assessment Process : The Director will conduct annual self-assessment and submit the filled assessment form to Board of Directors. The self-assessment shall be conducted on the below mentioned evaluation parameters

(ii) Assessment Criteria for Member of the Board of Directors

Sr. No.	Evaluation Criteria	Performance Rating 1 – 5 (5 being the highest.)
1	Achievement of business goals under purview	
2	Rating on Behavioral Competencies a. Strategic Orientation b. Effective Decision Making	
3	Quality of financial controls and reporting	
4	Key Talent Management	
5	Contribution in furthering business for other group companies	

(iii) Assessment Criteria for Independent Directors

Sr. No.	Evaluation Criteria	Performance Rating 1 – 5 (5 being the highest.)
1	Contribution / Guidance on business strategy	
2	Validating Management performance reported	
3	Upholding of the statutory compliance /corporate governance	
4	Exercising independent Judgement	
5	Ensuring integrity of financial controls / risk management measures	
6	Management of committees (of which he / she is member)	
7	Effective deployment of expertise in furthering business	

(2) Assessment of Committee’s performance

(i) Assessment Process

Each Director on the board will conduct annual performance evaluation for various committees by filling up the assessment formally. This assessment will be filed for record and future reference. The performance evaluation parameters are as mentioned below:

(ii) Assessment Criteria for Committee

Sr. No.	Evaluation Criteria	Performance Rating 1 – 5 (5 being the highest.)
1	Meetings, attendance	
2	Executing Terms of Reference in an efficient manner	
3	Initiatives	
4	Processes followed	
5	Resolving Audit Queries	

(3) Assessment of Individual Director's Performance

(i) Assessment Process:

Performance Rating for Independent and Executive Directors is done by peer group resulting in n-1 directors. Each assessment will be formally recorded.

(ii) Assessment Criteria for Member of Board of Directors

Sr. No.	Evaluation Criteria	Performance Rating 1 – 5 (5 being the highest.)
1	Achievement of business goals under purview	
2	Rating on Behavioral Competencies a. Strategic Orientation b. Effective Decision Making	
3	Quality of financial controls and reporting	
4	Key Talent Management	
5	Contribution in furthering business for other group companies	

(iii) Assessment Criteria for Independent Directors

Sr. No.	Evaluation Criteria	Performance Rating 1 – 5 (5 being the highest.)
1	Contribution / Guidance on business strategy	

2	Validating Management performance reported	
3	Upholding of the statutory compliance /corporate governance	
4	Exercising independent Judgment	
5	Ensuring integrity of financial controls / risk management measures	
6	Management of committees (of which he / she is member)	
7	Effective deployment of expertise in furthering business	



Policy : Selection Criteria for Directors at IWEL

(based on IL&FS Energy Development Company Ltd approved Policy Framework)

(I) The following Selection Criteria are proposed for hiring of a Member of the Board / Director

(1) Experience / Know how :

For IWEL and IWEL Group Companies (Wind Energy Group): The candidate must meet at least two of the below mentioned four criteria:

- (a) Must have served as a CEO in a related organisation
- (b) Must have preferably served on other Boards
- (c) Functional Head or Senior role for a considerable period with an existing network to tap into
- (d) Could be an independent specialist

(2) Behavioral Competencies (as per the prevailing IEDCL Group Competency Framework):

- (a) Results and Achievement Orientation
- (b) Strategic Orientation
- (c) Ability to Influence and Inspire
- (d) Effective Decision Making
- (e) Champions Change
- (f) Intra-Group Coordination
- (g) Integrity ("Fit & Proper")



**ANNEXURE – IV**

**FORM NO. AOC.2**

*(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)*

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto**

1. Details of contracts or arrangements or transactions not at arm's length basis - Nil
2. Details of material contracts or arrangement or transactions at arm's length basis -

Sl.No	Name(s)of the related party and nature of relationship	Duration of the contract / arrangements transactions	Nature of contracts/arrangements/ Transactions	Salient terms of the arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any	Amount paid as advances, if any:
(a)	(b)	(c)	(d)	(e)	(f)	(g)
1	IL&FS Financial Services Limited	Long Term	Long Term Loan availed	1,35,00,00,000		
2	IL&FS Energy Development company Limited	Short Term	Short term Loan availed	12,00,00,000		
3	IL&FS Energy Development company Limited	Repaid	Optionally Fully Convertible Debentures redeemed	3,00,22,42,000		
4	IL&FS Energy Development company Limited	Repaid	Short Term Loan availed	85,00,000		
5	IL&FS Financial Services Limited	Completed	Inter Corporate Deposits ICD given (Assets)	90,00,000		
6	IL&FS Financial Services Limited	Received back	ICD received back	90,00,000		
7	Infrastructure & Leasing Financial Services Limited	One time	Reimbursement of Expenses	28,376		
8	Wind Urja India Private Limited	Completed	Security Deposit given	1,00,000		

9	Wind Urja India Private Limited	Repaid	Security Deposit Received back	2,00,000	
10	IL&FS Energy Development Company Limited	Completed	Security Deposit Received	2,00,000	
11	IL&FS Energy Development Company Limited	Repaid	Security Deposit Repaid	2,00,000	
12	Mahidad Wind Energy Limited	One time	Services provided	8,00,000	
13	IL&FS Financial Services Limited	Completed	Interest Income	4,22,532	
13	IL&FS Energy Development company Limited	Ongoing	Interest on Loan	1,20,03,583	
13	IL&FS Energy Development company Limited	Ongoing	Interest on OFCD	56,89,57,674	
15	IL&FS Financial Services Limited	Ongoing	Interest on Loan	5,73,288	

For and on behalf of the Board

  
Director

  
Director



# MAYEKAR & ASSOCIATES

Company Secretaries

Partners  
Anil V. Mayekar  
Ketki M. Save  
Jatin P. Patil

Mumbai : Nidhi Apartment No. 1, Flat No. 51/54, 5th Floor, Liberty Garden Rd No. 3, Malad (West), Mumbai - 400 064.  
Tel.: +91-022-28890688 Office Mob.: +91-8452046339 Email: office@csmayekar.com

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2017

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**IL&FS Wind Energy Limited**  
(CIN - U40106GJ2013PLC077520)  
301- 303, Kaivanna Complex,  
Panchwati Ahmedabad, Gujarat - 380006

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **IL&FS Wind Energy Limited** (CIN - U40106GJ2013PLC077520) (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2017** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the company for the financial year ended on **31<sup>st</sup> March, 2017** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (*Not Applicable to the Company during audit period*);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (*Not Applicable to the Company during audit period*);
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (*Applicable to the Company w.e.f 18<sup>th</sup> October, 2016*);



(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (*Applicable to the Company w.e.f 18<sup>th</sup> October, 2016*);

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (*Not Applicable to the Company during audit period*);

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (*Applicable to the Company w.e.f 18<sup>th</sup> October, 2016*);

(f) The Securities and Exchange Board of India (Registrars to Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client (*Applicable to the Company w.e.f 18<sup>th</sup> October, 2016*);

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, (*Not Applicable to the Company during audit period*) and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (*Not Applicable to the Company during audit period*);

(vi) No other law is applicable specifically to the Company.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards (SS - 1 and SS - 2) issued by The Institute of Company Secretaries of India;

(ii) The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (*Applicable to the Company w.e.f 18<sup>th</sup> October, 2016*);

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. as mentioned above.

**We further report that -**

The Board of Directors of the Company is duly constituted. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

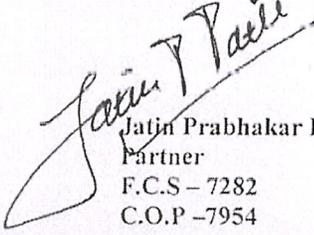
**We further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.



We further report that during the audit period the Company has allotted 2,000 (Two thousand) Rated, Listed, unsecured, redeemable, non-convertible debentures having nominal value of Rs. 10.00.000 (Ten Lakh only) each.

For Mayekar & Associates  
Company Secretaries  
Firm U.I.N - P2005MH007400

Date - 27<sup>th</sup> July, 2017  
Place - Mumbai

  
Jatin Prabhakar Patil  
Partner  
F.C.S - 7282  
C.O.P - 7954



This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

**Annexure A**

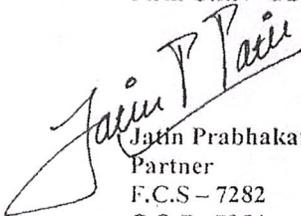
To,  
The Members,  
**IL&FS Wind Energy Limited**  
(CIN - U40106GJ2013PLC077520)  
301- 303, Kaivanna Complex,  
Panchwati Ahmedabad, Gujarat – 380006

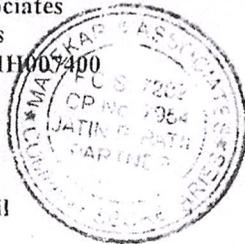
Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Mayekar & Associates  
Company Secretaries  
Firm U.I.N - P2005MH007400

Date -- 27<sup>th</sup> July, 2017  
Place - Mumbai

  
Jatin Prabhakar Patil  
Partner  
F.C.S – 7282  
C.O.P – 7954



**INDEPENDENT AUDITOR'S REPORT  
TO THE MEMBERS OF IL&FS WIND ENERGY LIMITED  
(formerly MANDVI LNG TERMINAL LIMITED)**

**Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying standalone Ind AS financial statements of **IL&FS WIND ENERGY LIMITED (formerly MANDVI LNG TERMINAL LIMITED)** ("the Company"), which comprise the Balance Sheet as at 31 March, 2017, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Standalone Ind AS Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

In conducting our audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2017, and its loss, total comprehensive loss, its cash flows and the changes in equity for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by Section 143(3) of the Act, based on our audit, we report that:
  - a) We have sought and 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 Profit and Loss including Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account.
  - d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e) On the basis of the written representations received from the directors as on 31 March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company, and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.



- g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company does not have any pending litigations which would impact its financial position (Refer note 23(a) to standalone Ind AS financial statements).
  - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses (Refer note 29 to standalone Ind AS financial statements).
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company (Refer note 28 to standalone Ind AS financial statements).
  - iv. The Company did not have any holdings or dealings in Specified Bank Notes as defined in the Notification S.O. 3407(E) dated the 8 November, 2016 of the Ministry of Finance, during the period from 8 November, 2016 to 30 December, 2016 (Refer note 27 to standalone Ind AS financial statements)
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order" / "the CARO 2016") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No.015125N)



A handwritten signature in blue ink, appearing to read "Satpal Singh Arora".

**Satpal Singh Arora**  
Partner  
(Membership No: 098564)

Place: Gurugram  
Date: 29 May, 2017

**ANNEXURE "B" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. The Company does not have any fixed assets and hence reporting under clause (i) of the CARO 2016 is not applicable.
- ii. The Company does not have any inventory and hence reporting under clause (ii) of the CARO 2016 Order is not applicable.
- iii. The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of grant of loans, making investments and providing guarantees and securities, as applicable.
- v. According to the information and explanations given to us, the Company has not accepted any deposits during the year and does not have any unclaimed deposits as at 31 March, 2017 and therefore, reporting under clause (v) of CARO 2016 is not applicable to the Company
- vi. The maintenance of cost records has not been specified by the Central Government under section 148(1) of the Companies Act, 2013.
- vii. According to the information and explanations given to us, in respect of statutory dues:
  - a. The Company has been regular in depositing undisputed statutory dues, including Income-tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There were no undisputed amounts payable in respect of these statutory dues which have remained outstanding as at 31 March, 2017 for a period of more than six months from the date they became payable.

We are informed that the provisions of Employees' Provident Funds and Miscellaneous Provisions Act, 1952 and Employees' State Insurance Act, 1948 are not applicable to the Company and the operations of the Company during the year did not give rise to any liability for Sales Tax, Customs Duty, Excise Duty and Value Added Tax.
  - b. There are no dues of Income-tax and Service Tax which have not been deposited as on 31 March, 2017 on account of disputes. We are informed that the Company's operations do not give rise to Sales Tax, Customs Duty, Excise Duty and Value Added Tax.
- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions and dues to debenture holders. The Company has not taken loans or borrowings from banks and government.



**Deloitte  
Haskins & Sells**

- ix. The Company has not raised moneys by way of initial public offer or further public offer (including debt instruments) and the term loans have been applied by the Company during the year for the purposes for which they were raised.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. The Company has not paid / provided any managerial remuneration and accordingly reporting under this clause (xi) of CARO 2016 is not applicable.
- xii. The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- xiii. In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- xiv. During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures and hence reporting under clause (xiv) of CARO 2016 Order is not applicable to the Company.
- xv. In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its directors or directors of its holding, subsidiary or associate company, as applicable, or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- xvi. In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)



A handwritten signature in blue ink, appearing to read "Satpal Singh Arora".

**Satpal Singh Arora**  
Partner  
(Membership No. 098564)

Place: Gurugram  
Date: 29 May, 2017

**ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph 1 (f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date)

**Report on the Internal Financial Controls Over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of **IL&FS WIND ENERGY LIMITED (formerly MANDVI LNG TERMINAL LIMITED)** ("the Company") as of 31 March, 2017 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **Deloitte Haskins & Sells**  
Chartered Accountants  
(Firm's Registration No. 015125N)



A handwritten signature in blue ink, appearing to read "Satpal Singh Arora".

**Satpal Singh Arora**  
Partner  
(Membership No. 098564)

Place: Gurugram  
Date: 29 May, 2017

**IL&FS WIND ENERGY LIMITED**  
(formerly MANDVI LNG TERMINAL LIMITED)  
**BALANCE SHEET AS AT 31 MARCH, 2017**

	Note Ref.	As at 31.03.2017 (Rs. in lacs)	As at 31.03.2016 (Rs. in lacs)	As at 01.04.2015 (Rs. in lacs)
<b>ASSETS</b>				
<b>Non-current assets</b>				
a. Financial assets - Investments	5	96,912.80	96,912.80	-
b. Non current tax assets	10	1.22	-	-
c. Other non-current assets	9	0.10	-	-
<b>Total non-current assets</b>		<b>96,914.12</b>	<b>96,912.80</b>	<b>-</b>
<b>Current assets</b>				
a. Financial assets				
(i) Trade receivables	6	7.20	-	-
(ii) Cash and cash equivalents	7	8.10	82.75	4.42
(iii) Other financial assets	8	-	1.00	-
b. Other current assets	9	0.03	-	-
<b>Total current assets</b>		<b>15.33</b>	<b>83.75</b>	<b>4.42</b>
<b>Total assets</b>		<b>96,929.45</b>	<b>96,996.55</b>	<b>4.42</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
a. Equity share capital	11	49,005.00	49,005.00	5.00
b. Other equity	12	(7,435.02)	10,773.79	(1.05)
<b>Total equity</b>		<b>41,569.98</b>	<b>59,778.79</b>	<b>3.95</b>
<b>LIABILITIES</b>				
<b>Non-current liabilities</b>				
a. Financial liabilities				
(i) Borrowings	13	33,095.09	36,070.10	-
(ii) Other financial liabilities	14	1,301.07	-	-
<b>Total non-current liabilities</b>		<b>34,396.16</b>	<b>36,070.10</b>	<b>-</b>
<b>Current liabilities</b>				
a. Financial liabilities				
(i) Borrowings	15	1,115.00	-	-
(ii) Trade payables	16	118.69	1.11	0.45
(iii) Other financial liabilities	14	19,632.44	1,046.29	-
b. Other current liabilities	17	97.18	100.26	0.02
<b>Total current liabilities</b>		<b>20,963.31</b>	<b>1,147.66</b>	<b>0.47</b>
<b>Total liabilities</b>		<b>55,359.47</b>	<b>37,217.76</b>	<b>0.47</b>
<b>Total equity and liabilities</b>		<b>96,929.45</b>	<b>96,996.55</b>	<b>4.42</b>

See accompanying notes forming part of the Ind AS financial statements 1-32

In terms of our report attached

For Deloitte Haskins & Sells  
Chartered Accountants

Satpal Singh Arora  
Partner



For and on behalf of the Board of Directors

Anand Nair  
Director  
Amit Shinde  
Chief Financial Officer

Ateesh Samant  
Director  
Arun Purohit  
Company Secretary

Place: Gurugram  
Date: 29 May, 2017

Place: Mumbai  
Date: 29 May, 2017

**IL&FS WIND ENERGY LIMITED**  
(formerly MANDVI LNG TERMINAL LIMITED)  
**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2017**

	Notes Ref.	Year ended 31.03.2017 (Rs. in lacs)	Year ended 31.03.2016 (Rs. in lacs)
<b>1. INCOME</b>			
(a) Revenue from operations	18	8.00	-
(b) Other income	19	4.23	-
<b>Total income</b>		<b>12.23</b>	<b>-</b>
<b>2. EXPENSES</b>			
(a) Finance costs	20	7,116.44	3.64
(b) Other expenses	21	21.51	255.61
<b>Total expenses</b>		<b>7,137.95</b>	<b>259.25</b>
<b>3. Loss before tax</b>		<b>(7,125.72)</b>	<b>(259.25)</b>
<b>4. Tax expense</b>		-	-
<b>5. Loss for the year</b>		<b>(7,125.72)</b>	<b>(259.25)</b>
<b>6. Other comprehensive income</b>		-	-
<b>7. Total comprehensive loss for the year</b>		<b>(7,125.72)</b>	<b>(259.25)</b>
Earnings / (Loss) per equity share (Face value of Rs. 10 per share)			
Basic (in Rs.)	24	(1.45)	(23.05)
Diluted (in Rs.)	24	(1.45)	(23.05)

See accompanying notes forming part of the Ind AS financial statements

1-32

In terms of our report attached

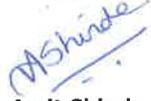
For **Deloitte Haskins & Sells**  
Chartered Accountants

  
**Satpal Singh Arora**  
Partner



For and on behalf of the Board of Directors

  
**Anand Nair**  
Director

  
**Amit Shinde**  
Chief Financial Officer

  
**Ateesh Samant**  
Director

  
**Arun Purohit**  
Company Secretary

Place: Gurugram

Date: 29 May, 2017

Place: Mumbai

Date: 29 May, 2017

**IL&FS WIND ENERGY LIMITED**  
(formerly MANDVI LNG TERMINAL LIMITED)  
**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH, 2017**

**(a) Equity share capital**

	Number of Shares	Amount (Rs. in lacs)
<b>Balance as at 01.04.2015</b>	50,000.00	5.00
Changes in equity share capital during the year - shares issued	4,900,000,000	49,000.00
<b>Balance as at 31.03.2016</b>	<b>4,900,050,000</b>	<b>49,005.00</b>
Changes in equity share capital during the year	-	-
<b>Balance as at 31.03.2017</b>	<b>4,900,050,000</b>	<b>49,005.00</b>

**(b) Other equity**

Particulars	Equity component of compounding financial instruments (Rs. in lacs)	Reserves and surplus	Total other Equity (Rs. in lacs)
		Retained earnings (Rs. in lacs)	
<b>Balance as at 01.04.2015</b>	-	(1.05)	(1.05)
Loss for the year	-	(259.25)	(259.25)
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	<b>(260.30)</b>	<b>(260.30)</b>
Issue of optionally fully convertible debentures	11,034.09	-	11,034.09
<b>Balance as at 31.03.2016</b>	<b>11,034.09</b>	<b>(260.30)</b>	<b>10,773.79</b>
Loss for the year	-	(7,125.72)	(7,125.72)
Other comprehensive income	-	-	-
<b>Total comprehensive income for the year</b>	-	<b>(7,125.72)</b>	<b>(7,125.72)</b>
Equity component reclassified to debt during the year	(11,034.09)	-	(11,034.09)
Share issue expenses	-	(49.00)	(49.00)
<b>Balance as at 31.03.2017</b>	-	<b>(7,435.02)</b>	<b>(7,435.02)</b>

See accompanying notes forming part of the Ind AS financial statements

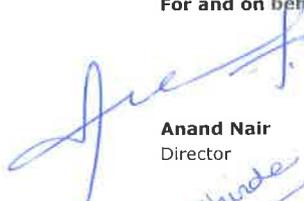
In terms of our report attached

For **Deloitte Haskins & Sells**  
Chartered Accountants

  
**Satpal Singh Arora**  
Partner



For and on behalf of the Board of Directors

  
**Anand Nair**  
Director

  
**Ateesh Samant**  
Director

  
**Amit Shinde**  
Chief Financial Officer

  
**Arun Purohit**  
Company Secretary

Place: Gurugram  
Date: 29 May, 2017

Place: Mumbai  
Date: 29 May, 2017

**IL&FS WIND ENERGY LIMITED**  
(formerly MANDVI LNG TERMINAL LIMITED)  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2017**

	For the Year ended 31.03.2017 (Rs. in lacs)	For the Year ended 31.03.2016 (Rs. in lacs)
<b>Cash flow from operating activities:</b>		
Loss after tax for the year	(7,125.72)	(259.25)
Adjustment for:		
Tax expense	-	-
Finance costs	7,116.44	3.64
Interest income	(4.23)	-
<b>Operating loss before working capital changes</b>	<b>(13.51)</b>	<b>(255.61)</b>
<b>Movements in working capital:</b>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade receivables	(7.20)	-
Other financial assets	1.00	(1.00)
Other assets	(0.13)	-
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Trade payables	117.58	0.66
Other financial liabilities	1,301.07	-
Other liabilities	(3.09)	100.25
<b>Cash generated from / (used in) operations</b>	<b>1,395.72</b>	<b>(155.70)</b>
Net income tax paid (including tax deducted at source)	(1.22)	-
<b>Net cash from / (used in) operating activities</b>	<b>A 1,394.50</b>	<b>(155.70)</b>
<b>Cash flow from investing activities:</b>		
Payments for purchase of investments	(1,045.00)	(95,867.80)
Interest received	4.23	-
<b>Net cash used in investing activities</b>	<b>B (1,040.77)</b>	<b>(95,867.80)</b>
<b>Cash flow from financing activities:</b>		
Proceeds from issue of equity shares	-	49,000.00
Payment of share issue cost	(49.00)	-
Proceeds from borrowings	34,210.09	47,104.17
Repayment of borrowings	(30,227.51)	-
Interest paid	(4,361.95)	(2.35)
<b>Net cash from / (used in) financing activities</b>	<b>C (428.37)</b>	<b>96,101.82</b>
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(A+B+C) (74.64)</b>	<b>78.32</b>
Cash and cash equivalents at the beginning of the year (see note 7)	82.74	4.42
Cash and cash equivalents at the end of the year (see note 7)	8.10	82.74
<b>Net increase / (decrease) in cash and cash equivalents</b>	<b>(74.64)</b>	<b>78.32</b>

See accompanying notes forming part of the Ind AS financial statements

In terms of our report attached

**For Deloitte Haskins & Sells**  
Chartered Accountants



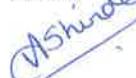
**Satpal Singh Arora**  
Partner



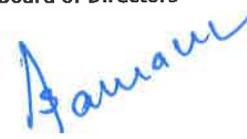
**For and on behalf of the Board of Directors**



**Anand Nair**  
Director



**Amit Shinde**  
Chief Financial Officer



**Ateesh Samant**  
Director



**Arun Purohit**  
Company Secretary

Place: Gurugram

Date: 29 May, 2017

Place: Mumbai

Date: 29 May, 2017

**IL&FS Wind Energy Limited**  
**(formerly MANDVI LNG TERMINAL LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENT**

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**1. Corporate Information.**

IL&FS Wind Energy Limited (herein after referred to as "the Company" or "IWEL") was incorporated on 15 November, 2013 in the name of Mandvi LNG Terminal Limited and changed its name to IL&FS Wind Energy Limited w.e.f. 23rd March, 2016. The Company is engaged in development and operations of wind power projects.

The address of its registered office is The IL&FS Financial Centre, Plot No. C-22 G Block, Bandra - Kurla Complex, Bandra- East Mumbai, Maharashtra 400051.

**2. Application of new and revised Indian Accounting Standards (Ind AS)**

All the Ind AS issued and notified by the Ministry of Corporate Affairs under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) till the financial statements are authorised for issue have been considered in preparing these financial statements.

**Standards / Amendments issued but not yet effective**

In March 2017, the Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS 7, 'Statement of cash flows' and Ind AS 102, 'Share-based payment.' These amendments are in accordance with the recent amendments made by International Accounting Standards Board (IASB) to IAS 7, 'Statement of cash flows' and IFRS 2, 'Share-based payment,' respectively. The amendments are applicable to the Company from 1 April, 2017.

**Amendment to Ind AS 7:**

The amendment to Ind AS 7 requires the entities to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement.

The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

**Amendment to Ind AS 102:**

The amendment to Ind AS 102 provides specific guidance to measurement of cash settled awards, modifications of cash settled awards and awards that include a net settlement feature in respect of withholding taxes.

As the Company has not issued any stock option plans, hence this amendment will have no effect on the Ind AS financial statements.



**IL&FS Wind Energy Limited**  
**(formerly MANDVI LNG TERMINAL LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENT**

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**3. Significant accounting policies**

**3.1 Statement of compliance**

In accordance with the notification dated 16 February, 2015, issued by the Ministry of Corporate Affairs, the Company has adopted Indian Accounting Standards (referred to as "Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) with effect from 1 April, 2016

The Financial Statements of the Company have been prepared in accordance with the Indian Accounting Standards (referred to as Ind AS) notified under the companies (Indian Accounting Standards) Rules 2015 (as amended) read with Section 133 of the Companies act, 2013. These are Company's first Ind AS financial statements. The date of transition to Ind AS is 1<sup>st</sup> April, 2015. The mandatory exceptions and optional exemptions availed by the Company on first time adoption have been detailed in note 3.14.

Previous year figures in the financial statements have been restated in compliance to Ind AS.

Up to the year ended March 31, 2016, the Company had prepared the financial statements under the historical cost convention on accrual basis in accordance with the Generally Accepted Accounting Principles ('Previous GAAP') applicable in India and the applicable accounting standards as prescribed under the provisions of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014.

In accordance with Ind AS 101-'First time adoption of Indian Accounting Standards' ('Ind AS 101'), the Company has presented a reconciliation of Shareholders' equity under Previous GAAP and Ind AS as at March 31, 2016, and April 1, 2015 and of the Profit after tax as per Previous GAAP and Total Comprehensive Income under Ind AS for the year ended March 31, 2016.

**3.2 Basis of preparation and presentation**

These financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.



**IL&FS Wind Energy Limited**  
**(formerly MANDVI LNG TERMINAL LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENT**

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### **Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions.

The Company categorizes assets and liabilities measured at fair value into one of three levels depending on the ability to observe inputs employed in their measurement which are described as follows:

- a) Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- b) Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.
- c) Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

### **3.3 Other income**

Interest income from financial assets is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

### **3.4 Borrowing Costs**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Interest income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

### **3.5 Taxation**

Income tax expense represents the sum of the tax currently payable and deferred tax.



**IL&FS Wind Energy Limited**  
**(formerly MANDVI LNG TERMINAL LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENT**

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**Current tax**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible.

The Company's Current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

**Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets (including unused tax credits such as MAT credit and unused tax losses such as carried forward business loss and unabsorbed depreciation) are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred taxes are recognised in respect of temporary differences which originate during the tax holiday period but reverse after the tax holiday period. For this purpose, reversal of temporary difference is determined using first in first out method.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

**Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.



**IL&FS Wind Energy Limited**  
**(formerly MANDVI LNG TERMINAL LIMITED)**  
**NOTES TO THE FINANCIAL STATEMENT**

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### **3.6 Provisions, contingent liabilities and contingent asset**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

Contingent assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

Contingent liabilities are disclosed in the financial statements by way of notes to accounts, unless possibility of an outflow of resources embodying economic benefit is remote.

### **3.7 Cash flow statement**

Cash flows are reported using the indirect method, whereby profit/ (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

### **3.8 Segment reporting**

The Company identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.



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### **3.9 Earning per share**

Basic earnings per share is computed by dividing the profit / (loss) for the year attributable to the shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year attributable to the shareholders of the Company as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

### **3.10 Operating cycle**

Based on the nature of services/ activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

### **3.11 Financial instruments**

Financial assets and financial liabilities are recognised when the Company entity becomes a party to the contractual provisions of the instruments.

Except for trade receivables, financial assets and financial liabilities are initially measured at fair value. Trade receivables are measured at the transaction price. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit or Loss.

### **3.12 Financial assets**

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.



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**Cash and cash equivalents**

The Company considers all highly liquid financial instruments, which are readily convertible into known amounts of cash that are subject to an insignificant risk of change in value and having original maturities of three months or less from the date of purchase, to be cash equivalents. Cash and cash equivalents consist of balances with banks which are unrestricted for withdrawal and usage.

**Financial assets at amortised cost**

Financial assets are subsequently measured at amortised cost using the effective interest method if these financial assets are held within a business whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Financial assets at fair value through other comprehensive income**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business whose objective is achieved by both selling financial assets and collecting contractual cash flows, the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Investment in subsidiaries**

Investments in equity instruments of Subsidiaries are accounted for as per Ind AS 27 i.e "Separate Financial Statement" which allows provides to account for these investments at cost or in accordance with Ind AS 109 for each category of investments.

Accordingly, the Company has accounted investment in Subsidiaries at cost.

**Financial assets at fair value through profit or loss ('FVTPL')**

Financial assets are measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through other comprehensive income on initial recognition.

**Foreign Exchange Gain and Losses**

The fair value of financial assets denominated in a foreign currency is determined in that foreign currency and translated at the spot rate at the end of each reporting period.

For foreign currency denominated financial assets measured at amortised cost and FVTPL, the exchange differences are recognised in profit or loss except for those which are designated as hedging instruments in a hedging relationship.



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**Impairment of financial assets**

The Company assesses at each Balance Sheet date whether a financial asset or a group of financial assets is impaired. Ind AS 109 requires expected credit losses to be measured through a loss allowance. The Company recognises lifetime expected losses for trade receivables that do not constitute a financing transaction. For all other financial assets, expected credit losses are measured at an amount equal to 12 month expected credit losses or at an amount equal to lifetime expected losses, if the credit risk on the financial asset has increased significantly since initial recognition.

**Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party.

On derecognition of a financial asset in its entirety, the difference between the asset's carrying amount and the sum of the consideration received and receivable is recognised in the statement of profit and loss.

**3.13 Financial liabilities and equity instruments**

**Classification as debt or equity**

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

**Equity Instruments**

An Equity instrument is any contract that evidence a residual interest in the assets of the entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

**Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method.

**Financial liabilities subsequently measured at amortised cost**

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortised cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortised cost are determined based on the effective interest method. Interest expense that is not capitalised as part of costs of an asset is included in the 'Finance costs' line item.



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The effective interest method is a method of calculating the amortized cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Company assumes that the Company will re-finance its loans within 36 months from the date of entering into the common loan agreement as defined in respective loan agreements with the lenders. Accordingly, a shorter period of the expected life of the financial liability is considered for EIR accounting as compared to longer period of the initial loan arrangements.

**Derecognition of financial liabilities**

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

**3.14 First-time adoption-mandatory exceptions, optional exemptions**  
**Overall principle**

The Company has prepared the opening balance sheet as per Ind AS as of 1 April, 2015 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exceptions and certain optional exemptions availed by the Company as detailed below.

**Classification of debt instruments**

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVOCI criteria based on the facts and circumstances that existed as of the transition date.

**Impairment of financial assets**

The Company has applied the impairment requirements of Ind AS 109 'Financial Instruments' retrospectively; however, as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards', it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101 'First-time Adoption of Indian Accounting Standards'.



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**Investment in Subsidiaries**

The Company has elected to carry its investments in subsidiaries at deemed cost being carrying amount under previous GAAP on the transition date.

**4. Critical accounting judgements and key sources of estimation uncertainty**

**4.1 Use of estimates**

The preparation of the Financial Statements in conformity with Ind AS requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

**4.2 Key Source of estimation uncertainty**

The following are the key assumptions concerning the future, and other key sources of estimations uncertainty at the end of the reporting period that may have the significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year.

**Provisions and contingencies**

A provision is recognised when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes. Contingent assets are not recognised in the financial statements.

**Impairment of Investment**

The Company reviews carrying value of its investments annually, or more frequently when there is an indication of impairment. If the recoverable amount is less than its carrying amount, the impairment loss is accounted for in statement of profit and loss.



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	Units	(Rs. in lacs)	Units	(Rs. in lacs)	Units	(Rs. in lacs)
<b>Note 5- Investments</b>						
<b>Investment - Non Current (unquoted)</b>						
<b>Investment at cost - In Subsidiaries</b>						
<b>(a) Equity Instruments</b>						
(i) Khandke Wind Energy Private Limited	118,101,225	18,011.81	57,892,787	8,829.32	-	-
(ii) Lalpur Wind Energy Private Limited	111,576,730	13,061.82	111,576,730	13,061.82	-	-
(iii) Ratedi Wind Power Private Limited	52,852,500	5,522.75	52,852,500	5,522.75	-	-
(iv) Tadas Wind Energy Private Limited	93,724,377	18,420.13	93,724,377	18,420.13	-	-
(v) Wind Urja India Private Limited	50,698,080	3,411.40	50,698,080	3,411.40	-	-
<b>(b) Covered warrants</b>						
(i) Khandke Wind Energy Private Limited	-	-	60,208,498	9,182.49	-	-
(ii) Lalpur Wind Energy Private Limited	116,039,799	13,584.29	116,039,799	13,584.29	-	-
(iii) Ratedi Wind Power Private Limited	54,966,600	5,743.66	54,966,600	5,743.66	-	-
(iv) Tadas Wind Energy Private Limited	97,473,352	19,156.94	97,473,352	19,156.94	-	-
		<b>96,912.80</b>		<b>96,912.80</b>		<b>-</b>

**Note:**

The Board of Directors of the Company on 8 February, 2016 resolved to purchase 329,772,002 covered warrants from its holding Company IL&FS Energy Development Company Limited ('IEDCL'), in consideration of which the Company shall be entitled to exercise voting rights in respect of Equity Shares held by the IL&FS Renewable Energy Limited ('IREL') in Khandke Wind Energy Private Limited ('KWEPL'), Lalpur Wind Energy Private Limited ('LWEPL'), Tadas Wind Energy Private Limited ('TWEPL') and Ratedi Wind Power Private Limited ('RWPPPL') (collectively called as 'Wind SPVs'). The covered warrants shall be redeemable within 3 years from date of issuance (redemption value will be equal to fair market value of Equity Shares of Wind SPVs). The covered warrants shall be freely transferrable and shall be entitled to variable coupon value based on the dividend amount declared and paid by 'Wind SPVs' on its Equity Shares held by the IREL.

In the current year, the Company has purchased the equity shares of KWEL from IREL at cost.

**Additional information**

The information about the place of business for significant investments in subsidiaries are as follows:

Particulars	Registered office	31.03.2017	31.03.2016	01.04.2015
(i) Khandke Wind Energy Private Limited	Mumbai	51%	51%	-
(ii) Lalpur Wind Energy Private Limited	Mumbai	51%	51%	-
(iii) Ratedi Wind Power Private Limited	Mumbai	51%	51%	-
(iv) Tadas Wind Energy Private Limited	Mumbai	51%	51%	-
(v) Wind Urja India Private Limited	Mumbai	51%	51%	-



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	As at 31.03.2017 (Rs. in lacs)	As at 31.03.2016 (Rs. in lacs)	As at 01.04.2015 (Rs. in lacs)
<b>Note 6- Trade receivables</b>			
<b>(Unsecured, considered good)</b>			
<b>Current</b>			
Trade receivables	7.20	-	-
<b>Notes</b>			
Trade receivable are due as per contractual terms. Interest is charged on trade receivables as per contractual terms, if any. But the same accounted on actual receipts			
<b>Provision for doubtful debts (including expected credit loss allowance)</b>			
The Company closely monitors the credit quality of its trade receivables. Accordingly, there is no significant credit risk pertaining to the receivable and no expected credit loss allowance is recognised in books.			
<b>Age of receivables</b>			
(i) within the credit period	7.20	-	-
(ii) 1-30 days past due	-	-	-
(iii) 31-90 days past due	-	-	-
(iv) 91-180 days past due	-	-	-
(v) More than 180 days past due	-	-	-
	<b>7.20</b>	<b>-</b>	<b>-</b>
<b>Notes:</b>			
Receivables from customers, each of which individually represents more than 5% of the total balances, aggregated to Rs 7.20 lacs as at 31.03.2017 (as at 31.03.2016: Rs Nil and as at 1.04.2015: Rs Nil ). Details are as follow:			
Customer 1	7.20	-	-
<b>Note 7- Cash and cash equivalents</b>			
(a) Balance with banks - in current accounts	8.10	82.51	4.42
(b) Cheques on hand	-	0.24	-
	<b>8.10</b>	<b>82.75</b>	<b>4.42</b>
<b>Note 8- Other financial assets</b>			
<b>(Unsecured, considered good)</b>			
<b>Current</b>			
Other deposits	-	1.00	-
<b>Note 9- Other assets</b>			
<b>Non Current</b>			
Prepaid expenses	0.10	-	-
<b>Current</b>			
Prepaid expenses	0.03	-	-
<b>Note 10 - Tax assets and liabilities</b>			
<b>(a) Non- Current tax assets</b>			
Taxes paid (including tax deducted at sources)	1.22	-	-
<b>(b) Non- Current tax liabilities</b>			
Provision for taxation	-	-	-
	<b>1.22</b>	<b>-</b>	<b>-</b>



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	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number of shares	(Rs. in lacs)	Number of shares	(Rs. in lacs)	Number of shares	(Rs. in lacs)
<b>Note 11- Equity share capital</b>						
<b>SHARE CAPITAL</b>						
<b>(a) AUTHORISED</b>						
Equity shares of Rs. 10 (Previous period Rs. 10) each with voting rights	2,000,000,000	200,000.00	2,000,000,000	200,000.00	50,000.00	5.00
<b>(b) ISSUED, SUBSCRIBED AND FULLY PAID UP</b>						
Equity shares of Rs. 10 (Previous period Rs. 10) each with voting rights	490,050,000	49,005.00	490,050,000	49,005.00	50,000.00	5.00

See notes (i) to (iv) below

**Notes:**

- (i) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportionate to the number of equity shares held by the shareholders.
- (ii) Details of shares held by each shareholder holding more than 5% shares:

	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number of shares	% holding in that class of shares	Number of shares	% holding in that class of shares	Number of shares	% holding in that class of shares
IL&FS Energy Development Company Limited, Holding Company	490,050,000	100%	490,050,000	100%	0.50	100%

- (iii) Details of shares held by the holding company

Particulars	As at 31.03.2017	As at 31.03.2016	As at 01.04.2015
Fully paid up equity shares with voting rights			
IL&FS Energy Development Company Limited, Holding Company	490,050,000	490,050,000	50,000

- (iv) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	As at 31.03.2017		As at 31.03.2016		As at 01.04.2015	
	Number	Rs. in lacs	Number	Rs. in lacs	Number	Rs. in lacs
Share outstanding at the beginning of the year	490,050,000	49,005.00	50,000	5.00	-	-
Share issued during the year	-	-	490,000,000	49,000.00	50,000	5.00
Share outstanding at the end of the year	490,050,000	49,005.00	490,050,000	49,005.00	50,000	5.00



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	As at 31.03.2017 (Rs. in lacs)	As at 31.03.2016 (Rs. in lacs)	As at 01.04.2015 (Rs. in lacs)
<b>Note 12- Other Equity</b>			
Equity Component of compounding financial Instruments (see note below)	-	11,034.09	-
Retained earnings	(7,435.02)	(260.30)	(1.05)
	<u>(7,435.02)</u>	<u>10,773.79</u>	<u>(1.05)</u>
<b>12.1 Equity Component of compounding Financial Instruments</b>			
Opening balance	11,034.09	-	-
Add: Equity component restated during the year	-	11,034.09	-
Less: Equity component reclassified to debt during the year	(11,034.09)	-	-
Balance at the end of the year	<u>-</u>	<u>11,034.09</u>	<u>-</u>
<b>12.2 Retained earnings</b>			
Balance at the beginning of the year	(260.30)	(1.05)	-
Add: Loss for the year	(7,125.72)	(259.25)	-
Less: Share issue expenses	(49.00)	-	-
Balance at the end of the year	<u>(7,435.02)</u>	<u>(260.30)</u>	<u>-</u>
<b>Note:</b>			
Equity component of compounding financial instruments pertains to deemed equity portion of Optionally Fully Convertible Debentures (OFCDs) issued to IL&FS Energy Development Company Limited. On initial recognition, net present value of the contractual cashflows has been recognised as debt and the residual as equity. During the current year, the terms of OFCDs were amended pursuant to which the equity component has been reclassified as debt (see note 13).			
<b>Note 13- Financial liabilities</b>			
<b>Non-current borrowings (At amortised cost)</b>			
<b>(a) Debentures - Unsecured</b>			
(i) Related Parties (see note (I))			
-15.5% Optionally fully convertible debentures	-	36,070.10	-
(ii) Others (see note (II))			
Redeemable Non-Convertible Debentures (Green Bond) (see note (II))			
(a) Series I-A 2016	7,348.10	-	-
(b) Series I-B 2016	1,959.66	-	-
(c) Series I-C 2016	10,287.33	-	-
<b>(b) Term loan from related parties (see note (III))</b>			
-IL&FS Financial Services Limited	13,500.00	-	-
<b>Total non- current borrowings</b>	<u>33,095.09</u>	<u>36,070.10</u>	<u>-</u>
<b>Current maturities of long term borrowings</b>			
<b>(a) Debentures - Unsecured</b>			
Related Parties (see note (I))			
-15.5% Optionally fully convertible debentures	16,876.66	-	-
<b>Less: Reclassified to other financial liabilities</b>	<u>16,876.66</u>	<u>-</u>	<u>-</u>

**Notes:**

**(I) Details of debentures issued to related party**

(a) Effective rate of interest - 14.58% p.a. (31.03.2016 - 1.33% p.a. and 01.04.2015: Not applicable)

(b) Terms and conditions

The debenture holders are having right to either convert OFCDs into fully paid equity shares of Rs. 10 each or redeem the OFCDs at any time on or before the maturity period.  
The OFDC will be converted into equity shares in 1:1 ratio at face value of Rs 10 each.

(c) Term of repayment

During the Financial Year 2016, the Company had issued 471,042,000, Optionally Fully Convertible Debentures ('OFCDs') of Rs. 10 each at face value to IL&FS Envergy Development Company Limited. Debentures along with interest shall be repaid on completion of 24 months from the date of allotment which 31 March, 2016.



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**(II) Details of debentures issued to other party**

- (a) Effective rate of interest - 12.83% to 13.24% p.a. (31.03.2016 and 01.04.2015: Not applicable)
- (b) Terms and conditions  
The NCDs shall be redeemed with a redemption premium such that the overall yield to the subscriber is equivalent to 11% p.a. Redemption premium is payable at the time of each redemption payment. No coupon amount is payable in the interim period
- (c) Term of repayment  
Debentures along with interest shall be repaid as follows:

Series	Date of Redemption	Principal amount (Rs. in lacs)	Redemption Premium (Rs. in lacs)
I-A	15.04.2019	7,500.00	2,276.10
I-B	15.04.2021	2,000.00	1,212.98
I-C	30.09.2021	10,500.00	7,198.17
		<b>20,000.00</b>	<b>10,687.25</b>

**(III) Details of loan from related party**

**IL&FS Financials Service Limited**

- (a) Effective rate of interest - 15.5% p.a. (31.03.2016 and 01.04.2015: Not applicable)
- (b) Term of repayment  
Repayment at the end of 36 Months from the date of first disbursement which is 31.03.2017.

**Note 14- Other financial liabilities**

**Non current**

(i) Premium payable on redemption of debentures	1,192.69	-	-
(ii) Debentures subscription fee payable	108.38	-	-
	<b>1,301.07</b>	<b>-</b>	<b>-</b>

**Current**

(i) Current maturities of long-term borrowings (see note 13)	16,876.66	-	-
(ii) Payable on purchase of investments	-	1,045.00	-
(iii) Interest accrued	2,755.78	1.29	-
	<b>19,632.44</b>	<b>1,046.29</b>	<b>-</b>

**Note 15- Current borrowings**

**Unsecured - at amortised cost**

Loan from related party (see note below) -IL&FS Energy Development Company Limited	<b>1,115.00</b>	-	-
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**Notes:**

**Details of loan from related party**

**IL&FS Energy Development Company Limited**

- (a) Effective rate of interest - 15.5% p.a. (31.03.2016 and 1.04.2015: Not applicable)
- (b) Repayment Terms  
Repayment at the end of 12 Months from the date of first disbursement. The tranche of loan availed is as under:

Date	As at 31.03.2017 (Rs. in lacs)
27.04.2016	1,050.00
22.08.2016	65.00
	<b>1,115.00</b>



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**Note 16- Trade Payable**

Other than Acceptances

(i) Total outstanding dues of micro enterprises and small enterprises (see note below)	-	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	118.69	1.11	0.45
	<u>118.69</u>	<u>1.11</u>	<u>0.45</u>

Note:

**i. Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.**

- |  |   |   |   |
|--|---|---|---|
| (a) (i) the principal amount remaining unpaid to any supplier  | - | - | - |
| (ii) interest due thereon  | - | - | - |
| (b) Interest paid in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 and the amount of payment made to the supplier beyond the appointed day.   | - | - | - |
| (c) interest due and payable for the period of delay in making payment other than the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006   | - | - | - |
| (d) interest accrued and remaining unpaid  | - | - | - |
| (e) further interest remaining due and payable even in the succeeding years for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - | - |

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management. This has been relied upon by the auditors.

- ii. The average credit period is upto 30 days for the Company.

**Note 17- Other liabilities**

**Current**

Statutory dues - Withholding tax	<u>97.18</u>	<u>100.26</u>	<u>0.02</u>
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	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 1.04.2015</b>
	<b>(Rs. Million)</b>	<b>(Rs. Million)</b>	<b>(Rs. Million)</b>
<b>Note 17 A - Deferred tax balances</b>			
The following is the analysis of deferred tax assets / (liabilities) presented in the balance sheet:			
(i) Deferred tax asset	-	-	-
(ii) Deferred tax liability	-	-	-
	-	-	-

**A. Unrecognised deductible temporary differences, unused tax losses and unused tax credit**

	<b>As at 31.03.2017</b>	<b>As at 31.03.2016</b>	<b>As at 1.04.2015</b>
	<b>(Rs. Million)</b>	<b>(Rs. Million)</b>	<b>(Rs. Million)</b>
Deductible temporary differences, unused tax losses and unused tax credits for which no deferred tax assets have been recognised are attributable to the following:			
- tax losses (revenue in nature)	2,282.28	80.43	0.32
	2,282.28	80.43	0.32



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	<b>Year ended 31.03.2017</b>	<b>Year ended 31.03.2016</b>
	<b>(Rs. in lacs)</b>	<b>(Rs. in lacs)</b>
<b>Note 18- Revenue from operations</b>		
Consultancy income	<u>8.00</u>	<u>-</u>
<b>Note 19- Other income</b>		
Interest income on financial assets that are not designated as at fair value through profit or loss:		
- Other financial assets carried at amortised cost	<u>4.23</u>	<u>-</u>
<b>Note 20- Finance costs</b>		
Interest expenses on borrowings	<u>7,116.44</u>	<u>3.64</u>
<b>Note 21- Other expenses</b>		
(a) Rates and taxes	0.71	254.91
(b) Payment to auditors	11.50	0.57
(c) Legal and professional expenses	2.57	0.13
(d) Director sitting fees	2.30	-
(e) Miscellaneous expenses	4.43	-
	<u>21.51</u>	<u>255.61</u>
<b>Note:</b>		
Payments to the auditors comprises (inclusive of service tax):		
- For audit	5.75	0.57
- For other services	5.75	-
	<u>11.50</u>	<u>0.57</u>



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**Note 22 - Tax expense**

	Year ended 31.03.2017	Year ended 31.03.2016
<b>a. Income tax recognised in profit or loss</b>		
<b>i. Current tax</b>		
In respect of current year	-	-
<b>ii. Deferred tax</b>		
In respect of the current year	-	-
Total income tax expense recognised in the current year	-	-
<b>b. The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
i. Profit before tax	(7,125.72)	(259.25)
ii. Enacted tax rate in India	30.90%	30.90%
iii. Income tax expenses calculated at enacted tax rate	(2,201.85)	(80.11)
iv. Effect of unused tax losses not recognised as deferred tax assets	(2,201.85)	(80.11)
<b>Income tax expense recognised in profit or loss</b>	-	-

**Note 23- Contingent liabilities and commitments**

**a) Contingent liabilities**

The Company does not have any pending litigations which would impact its financial position.

**b) Commitments**

Particulars	As at 31.03.2017	As at 31.03.2016
(i) Estimated amount of contracts remaining to be executed on property, plant and equipment (net of advances) and not provided for	-	-
(ii) Other commitments	-	-

**Note 24 - Earning per share**

Basis / diluted earnings per shares has been computed by dividing net profit after tax by the weighted-average number of equity shares outstanding for the year.

Particulars	Units	Year ended 31.03.2017	Year ended 31.03.2016
a. Loss after tax	(Rs. in lacs)	(7,125.72)	(259.25)
b. Weighted average number of equity shares used in computing the basic and diluted earnings per share	No. of shares	490,050,000	1,124,671
c. Basic earnings per share	(In Rs.)	(1.45)	(23.05)
d. Potential dilutive equity shares on optionally fully convertible debentures	No. of shares	170,817,800	471,042,000
e. Weighted average of number of equity shares used in computing diluted earnings per share	No. of shares	175,312,724	2,157,658
f. Diluted earnings per share (a/e)*	(In Rs.)	(1.45)	(23.05)

\* Since the effect of potential equity shares is anti-dilutive and has not been considered for calculation of diluted earnings per share



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**Note 25 - Segment Information**

The Company is mainly engaged in the business of developing and operating wind power projects in India. Based on the information reported to the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and assessment of performance, there are no reportable segments in accordance with the requirements of Ind AS 108 -'Operating Segment Reporting', notified under the Companies (Indian Accounting Standards) Rules, 2015.

**25.1. Geographical**

- (a) The Company is domiciled in India. The amount of its revenue from external customers broken down by location of customers is tabulated below:

<b>Particulars</b>	<b>Year ended 31.03.2017 (Rs. in lacs)</b>	<b>Year ended 31.03.2016 (Rs. in lacs)</b>
India	8.00	-
Outside India	-	-
	<b>8.00</b>	<b>-</b>

- (b) Information regarding geographical non-current assets is as follows:

<b>Particulars</b>	<b>As at 31.03.2017 (Rs. in lacs)</b>	<b>As at 31.03.2016 (Rs. in lacs)</b>	<b>As at 01.04.2015 (Rs. in lacs)</b>
India	96,912.90	96,912.80	-
Outside India	-	-	-
	<b>96,912.90</b>	<b>96,912.80</b>	<b>-</b>

**25.2. Information about major customers contributing more than 10% for revenue from**

<b>Particulars</b>	<b>Year ended 31.03.2017 (Rs. in lacs)</b>	<b>Year ended 31.03.2016 (Rs. in lacs)</b>
Customer 1	<b>8.00</b>	<b>-</b>



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**Note 26 - Related party relationship, transactions and balances**

<b>i. Ultimate Holding Company</b>	Infrastructure Leasing & Financial Services Limited (IL&FS)
<b>ii. Holding Company</b>	IL&FS Energy Development Company Limited (IEDCL)
<b>iii. Subsidiaries</b>	Khandke Wind Energy Private Limited (KWEPL) Lalpur Wind Energy Private Limited (LWEPL) Wind Urja India Private Limited (WUIPL) Tadas Wind Energy Private Limited (TWEPL) Wind Urja India Private Limited (WUIPL)
<b>iv. Fellow Subsidiaries</b>	IL&FS Financial Services Limited (IFIN) IL&FS Capital Advisors Private Limited (ICAP) Mahidad Wind Energy Private Limited (MWEPL) IL&FS Renewable Energy Limited (IREL)

**b) Related parties transactions and balances as on 31.03.2017**

(Rs. in lacs)

Sr No.	Particulars	Ultimate Holding company	Holding company	Subsidiaries	Fellow Subsidiaries
<b>A</b>	<b>Transactions during the year</b>				
1	Revenue from operations	-	-	-	8.00
	- MWEL	-	-	-	8.00
2	Interest income	-	-	-	4.23
	- IFIN	-	-	-	4.23
3	Finance cost	-	5,809.64	-	-
	- IEDCL	-	5,809.64	-	-
	- IFIN	-	-	-	5.73
4	Optionally Fully Convertible Debentures (15.50%) redeemed	-	30,022.42	-	-
	- IEDCL	-	30,022.42	-	-
5	Loan/Inter corporate deposit received (liability)	-	1,200.00	-	-
	- IEDCL	-	1,200.00	-	-
	- IFIN	-	-	-	13,500.00
6	Inter corporate deposit repaid (liability)	-	85.00	-	-
	- IEDCL	-	85.00	-	-
7	Loan/Inter corporate deposit given (asset)	-	-	-	90.00
	- IFIN	-	-	-	90.00
8	Inter corporate deposit received back (asset)	-	-	-	90.00
	- IFIN	-	-	-	90.00
9	Reimbursement of expenses	0.28	-	-	-
	- IL&FS	0.28	-	-	-
10	Security deposit given	-	-	1.00	-
	- WUIPL	-	-	1.00	-
11	Security deposit received back	-	-	2.00	-
	- WUIPL	-	-	2.00	-
12	Security deposit received	-	2.00	-	-
	- IEDCL	-	2.00	-	-
13	Security deposit repaid	-	2.00	-	-
	- IEDCL	-	2.00	-	-



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(Rs. in lacs)

Sr No.	Particulars	Ultimate Holding company	Holding company	Subsidiaries	Fellow Subsidiaries
<b>Balance outstanding as at 31.03.2017</b>					
1	Equity share capital				
	- IEDCL	-	49,005.00	-	-
	Non current borrowings:				
	- IFIN	-	-	-	13,500.00
2	Current maturities of long term borrowings:				
	- IEDCL	-	16,876.66	-	-
3	Short term borrowings				
	- IEDCL	-	1,115.00	-	-
4	Trade payables				
	- IL&FS	0.28	-	-	-
	- IEDCL	-	105.00	-	-
5	Interest accrued and not due on borrowings				
	- IEDCL	-	2,750.62	-	-
	- IFIN	-	-	-	5.16
6	Equity investment in subsidiaries				
	- KWEPL	-	-	17,799.00	-
	- LWEPL	-	-	12,907.50	-
	- RWEPL	-	-	5,457.50	-
	- TWEPL	-	-	18,202.50	-
	- WUIPL	-	-	3,371.10	-
7	Covered warrants				
	- IREL	-	-	-	38,484.89

**Related parties transactions and balances as on 31.03.2016**

(Rs. in lacs)

Sr No	Particulars	Ultimate Holding company (IL&FS)	Holding company	Subsidiaries	Fellow Subsidiaries
			IEDCL		
<b>Transactions during the year</b>					
1	Finance Cost				
	- IEDCL	-	3.64	-	-
2	Equity share capital				
	- IEDCL	-	49,000.00	-	-
3	Optionally Fully Convertible Debentures (15.50%) issued				
	- IEDCL	-	47,104.20	-	-
	Loan/Inter corporate deposit received				
	- IEDCL	-	254.77	-	-
4	Cost of investments				
	- IFIN	-	-	-	750.00
	- ICAP	-	-	-	250.00
5	Equity investment in subsidiaries				
	- KWEPL	-	-	8,725.00	-
	- LWEPL	-	-	12,907.50	-
	- RWEPL	-	-	5,457.50	-
	- TWEPL	-	-	18,202.50	-
	- WUIPL	-	-	3,371.10	-
	Covered warrants				
	- IREL	-	-	-	47,104.20
7	Security deposit given				
	- WUIPL	-	-	1.00	-



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**Notes to the Ind AS Financial Statements**

(Rs. in lacs)

Sr No	Particulars	Ultimate Holding company (IL&FS)	Holding company	Subsidiaries	Fellow Subsidiaries
			IEDCL		
<b>Balance outstanding as at 31.03.2016</b>					
1	Equity share capital	-	49,005.00	-	-
2	Non - current borrowings	-	36,070.08	-	-
3	Interest accrued and not due on borrowings - IEDCL	-	1.29	-	-
4	Payable on purchase of investments - IFIN - ICAP	-	-	-	783.75 261.25
5	Equity investment in subsidiaries - KWEPL - LWEPL - RWEPL - TWEPL - WUIPL	-	-	8,725.00 12,907.50 5,457.50 18,202.50 3,371.10	-
6	Covered warrants - IREL	-	-	-	47,104.20
7	Security deposit given - WUIPL	-	-	1.00	-

**Related parties balances as on 01.04.2015**

(Rs. in lacs)

Sr No	Particulars	Ultimate Holding company	Holding company	Subsidiaries	Fellow Subsidiaries
		(IL&FS)	IEDCL		
1	Equity share capital	-	5.00	-	-



**IL&FS WIND ENERGY LIMITED**  
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**Notes to the Ind AS Financial Statements**

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**Note 27 - Specified Bank Notes Disclosure (SBN's)**

The Company did not have any holdings or dealings in Specified Bank Notes ('SBN') as defined in the Notification S.O. 3407(E) dated the 8th November, 2016 of the Ministry of Finance, during the period from 8th November, 2016 to 30th December, 2016.

**Note 28** There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**Note 29** The Company did not have any long term commitments/contracts including derivative contracts for which there were any material foreseeable losses.



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**Notes to the Ind AS Financial Statements**

**Note 30 - Financial Instruments**

**Note 30.1 - Capital Management**

The Company manages its capital to ensure that the Company will be able to continue as a going concern while maximising the return to stakeholders through optimisation of debt and equity balance.

The capital structure of the Company consists of net debt of Rs 51,078.65 lacs (borrowing as detailed in notes 13, 14 and 15 offset by cash and bank balances) and total equity of Rs 41,569.98 lacs.

**Note 30.1.1 - Gearing ratio**

The gearing ratio at the end of the reporting period was as follows:

	<u>As at</u> <u>31.03.2017</u> <u>(Rs. in lacs)</u>	<u>As at</u> <u>31.03.2016</u> <u>(Rs. in lacs)</u>	<u>As at</u> <u>01.04.2015</u> <u>(Rs. in lacs)</u>
Debt (see note i below)	51,086.75	36,070.10	-
Cash and Bank balances	8.10	82.75	4.42
<b>Net debt</b>	<b>51,078.65</b>	<b>35,987.35</b>	<b>(4.42)</b>
<b>Total equity</b>	<b>41,569.98</b>	<b>59,778.79</b>	<b>3.95</b>
<b>Net debt to equity ratio</b>	<b>122.87%</b>	<b>60.20%</b>	<b>-111.90%</b>

**Note:**

(i) Debt is defined as long term and short term borrowings (excluding derivatives, financial guarantee contracts and contingent consideration) as described in note 13, 14 and 15.

(ii) Cash and bank balance includes cash and cash equivalent and bank balance held as margin money with lenders as described in note 7.

**Note 30.1.2 - Categories of financial instruments**

	<u>As at</u> <u>31.03.2017</u> <u>(Rs. in lacs)</u>	<u>As at</u> <u>31.03.2016</u> <u>(Rs. in lacs)</u>	<u>As at</u> <u>01.04.2015</u> <u>(Rs. in lacs)</u>
<b>Financial assets</b>			
<u>Measured at amortised cost</u>			
(a) Trade receivables	7.20	-	-
(b) Cash and cash equivalents	8.10	82.75	4.42
(c) Others financial assets	-	1.00	-

**Note:** Equity investment in subsidiaries is a financial asset, however the same has not been included in above table since it is measured at cost

**Financial liabilities**

<u>Measured at amortised cost</u>			
(a) Borrowings (including current maturities of long term borrowings)	51,086.75	36,070.10	-
(b) Trade payables	118.69	1.11	0.45
(c) Other financial liabilities (excluding current Maturities of long term borrowings)	2,755.78	1,046.29	-



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**Financial instruments – Financial risk management (continued)**

**Note 30.2 - Financial risk management**

The Company's corporate finance department in consultation with group's financial arm i.e. IL&FS Financial Services Limited provides services to the business, co-ordinates access to domestic and international financial markets, monitors and manages the financial risk relating to the operations of the Company. These risks include market risk (including interest rate risk), credit risk and liquidity risk.

**Note 30.3 - Market risk management**

The risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices.

**Note 30.4 - Interest rate risk management**

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

The Company's interest rate risk arises from borrowings in the form of term loans taken from the related parties. The Company does not account for any fixed rate financial assets or liabilities at fair value through profit or loss.

The Company has borrowing on account of term facility from financial institutions and related parties. The borrowings are based on rates as stated in Note 12. The sensitivity analysis is based on a reasonably possible change in the market interest rates computed from historical data.

**Note 30.5 - Exposure to interest rate risk**

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows.

<b>Particulars</b>	<b>As at 31.03.2017 (Rs. in lacs)</b>	<b>As at 31.03.2016 (Rs. in lacs)</b>	<b>As at 01.04.2015 (Rs. in lacs)</b>
<b>Fixed-rate instruments</b>			
Financial liabilities	51,086.75	36,070.10	-
	<b>51,086.75</b>	<b>36,070.10</b>	



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**Notes to the Ind AS Financial Statements**

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**Interest rate sensitivity analysis**

For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis points (bp) increase or decrease is used when reporting interest rate internally to key management personnel and represents management's assessment of the reasonably possible changes in interest rates.

If interest rates had been 50 basis points higher/lower and all other variables were held constant, the Company's:

	<u>Profit or (loss)</u>	
	<u>50 bp increase</u>	<u>50 bp decrease</u>
	<u>(Rs. in lacs)</u>	<u>(Rs. in lacs)</u>
<b><u>31.03.2017</u></b>		
Interest rate sensitivity (net)	(255.43)	255.43
<b><u>31.03.2016</u></b>		
Interest rate sensitivity (net)	(180.35)	180.35

**Note 30.6. - Exposure to currency risk:**

The Company does not have any exposure to foreign currency risk as at 31.03.2017, 31.03.2016 and 1.04.2015.



**IL&FS WIND ENERGY LIMITED**  
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**Financial instruments – Financial risk management (continued)**

**Note 30.7 - Liquidity risk management**

The responsibility for liquidity risk management rests with the Corporate Finance department which functions under the guidance of board of directors. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows.

**Liabilities**

The following table details the Company's remaining contractual maturity for its non-derivative financial liabilities with agreed repayment periods. The table has been drawn up based on undiscounted cash flows of financial liabilities based on earlier date on which the Company can be required to pay.

(Rs. in lacs)					
Particulars	0-1 year	1-5 years	More than 5 years	Total	Carrying cost
<b>As at 31.03.2017</b>					
Borrowings (including current maturities of long term borrowings)	17,991.66	33,095.09	-	51,086.75	51,696.78
Trade payables	118.69	-	-	118.69	118.69
Other financial liabilities	2,755.78	1,301.07	-	4,056.85	4,009.20
	<b>20,866.13</b>	<b>34,396.16</b>	<b>-</b>	<b>55,262.29</b>	<b>55,824.67</b>
<b>As at 31.03.2016</b>					
Borrowings (including current maturities of long term borrowings)	-	36,070.10	-	36,070.10	47,104.20
Trade payables	1.11	-	-	1.11	1.11
Other financial liabilities	1,046.29	-	-	1,046.29	1,046.29
	<b>1,047.40</b>	<b>36,070.10</b>	<b>-</b>	<b>37,117.50</b>	<b>48,151.60</b>
<b>As at 1.04.2015</b>					
Borrowings (including current maturities of long term borrowings)	-	-	-	-	-
Trade payables	0.45	-	-	0.45	0.45
Other financial liabilities	-	-	-	-	-
	<b>0.45</b>	<b>-</b>	<b>-</b>	<b>0.45</b>	<b>0.45</b>



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**Assets**

The following table details the Company's expected maturity for its non-derivative financial assets. The table has been drawn up based on the undiscounted contractual maturities of the financial assets including interest that will be earned on those assets. The inclusion of information on non-derivative financial asset is necessary in order to understand the Company's liquidity risk management as the liquidity is managed on a net asset and liability basis.

(Rs. in lacs)

Particulars	0-1 year	1-5 years	More than 5 years	Total	Carrying amount
<b>As at 31.03.2017</b>					
Trade receivables	7.20	-	-	7.20	7.20
Cash and cash equivalents	8.10	-	-	8.10	8.10
Other financial assets	-	-	-	-	-
	<b>8.10</b>	<b>-</b>	<b>-</b>	<b>8.10</b>	<b>8.10</b>
<b>As at 31.03.2016</b>					
Trade receivables	-	-	-	-	-
Cash and cash equivalents	82.75	-	-	82.75	82.75
Other financial assets	1.00	-	-	1.00	1.00
	<b>1.00</b>	<b>-</b>	<b>-</b>	<b>83.75</b>	<b>83.75</b>
<b>As at 1.04.2015</b>					
Trade receivables	-	-	-	-	-
Cash and cash equivalents	4.42	-	-	4.42	4.42
Other financial assets	-	-	-	-	-
	<b>4.42</b>	<b>-</b>	<b>-</b>	<b>4.42</b>	<b>4.42</b>

**Note 30.8 - Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. Since The Company's has not yet started commercial operation there does not exist any credit risk on account of receivables.



**IL&FS WIND ENERGY LIMITED**  
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**NOTES TO IND AS FINANCIAL STATEMENT**

**Note 31 - First time Ind AS adoption reconciliation**

Reconciliations of equity and total comprehensive income in accordance with Previous GAAP to Ind AS are explained below as follow:

**(a) Reconciliation of total equity as at 31.03.2016 and 1.04.2015**

	Note ref	As at 31.03.2016 (Rupees in	As at 1.04.2015 (Rupees in
Total equity (shareholders funds) under Previous GAAP		48,744.67	0.39
<b>Adjustments</b>			
Fair valuation of investments under Ind As		-	-
Recognition of borrowing at amortised cost using effective interest method under Ind AS	(i)	0.03	-
Equity component restated during the year	(ii)	11,034.09	-
<b>Total adjustment to equity</b>		-	-
<b>Total equity under Ind AS</b>		<b>59,778.79</b>	<b>0.39</b>

**(b) Reconciliation of total comprehensive income for the year ended 31.03.2016**

		Year ended 31.03.2016 (Rupees in
<b>Profit as per previous GAAP</b>		(259.28)
<b>Adjustments :</b>		
Change in fair valuation of investment		-
Impact of adjustment on amortised cost classified under finance cost	(i)	0.03
<b>Total effect of transition to Ind AS</b>		<b>0.03</b>
<b>Profit for the period as per Ind AS</b>		(259.25)
Other comprehensive income for the period (net of tax)		-
<b>Total comprehensive income under Ind AS</b>		<b>(259.25)</b>

**(c) Reconciliation of Statement of Cash Flows**

There is no material adjustments to the Statement of Cash Flows as reported under the previous GAAP

**NOTES TO THE RECONCILIATIONS**

- (i) Borrowings: Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the statement of profit and loss over the tenure of the borrowing as part of the interest expense by applying the effective
- (ii) Equity Component of compounding financial instruments pertains to deemed equity portion of Optionally Fully Convertible Debentures (OFCDs) issued to IL&FS Energy Development Company Limited. On initial recognition, net present value of the contractual cashflows has been recognised as debt and the residual as equity. During the current year, the terms of OFCDs were amended pursuant to which the debt component has been reclassified as equity



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**NOTES TO IND AS FINANCIAL STATEMENT**

**Note 32- Approval of financial statements**

The Ind AS financial statements for the year ended 31 March, 2017 were approved by the Board of Directors on 29 May, 2017.



**For and on behalf of the Board of Directors**

*Anand Nair*  
**Anand Nair**  
Director

*Ateesh Samant*

**Ateesh Samant**  
Director

*Amit Shinde*  
**Amit Shinde**  
Chief Financial Officer

*Arun Purohit*

**Arun Purohit**  
Company Secretary

Place: Mumbai  
Date: 29 May, 2017