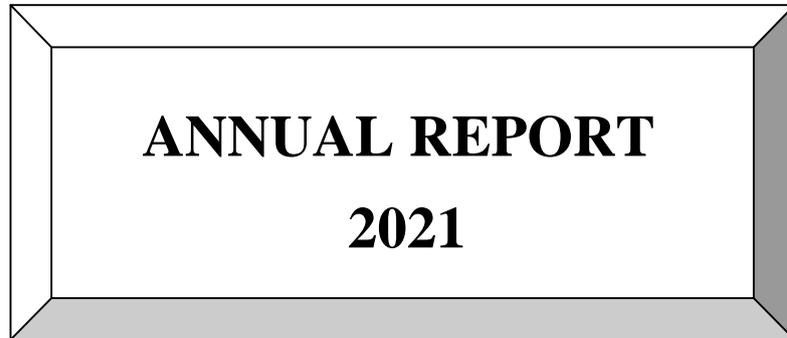


IL&FS ENERGY DEVELOPMENT COMPANY LIMITED



CORPORATE INFORMATION

AUDITORS

M/s S. R. Batliboi & Co LLP, Chartered Accountants (SRBC)
2nd & 3rd Floor, Golf View Corporate Tower - B
Sector - 42, Sector Road, Gurugram - 122 002, Haryana, INDIA

BANKERS

Axis Bank Limited
HDFC Bank Limited
Indian Bank
IDBI Bank Limited
Karnataka Bank
Punjab & Sind Bank
Union Bank of India
Syndicate Bank
Yes Bank

DEBENTURE TRUSTEE

IDBI trusteeship Services Limited
Asian Building, Ground Floor, 17, R,
Kamani Marg, Ballard Estate, Mumbai – 400001
+91 9821682007, email: anjalee@idbitrustee.com
Website: <http://idbitrustee.com/>

REGISTERED OFFICE

The IL&FS Energy Development Company Limited
3rd Floor, Niryat Bhawan, Rao Tula Ram Marg,
Opp. Army Hospital Research & Referral, New Delhi- 110057
Tel: 022 2653 3333 | Fax: 022 2653 3038 | Website: <https://www.ilfsenergy.com>
CIN U40300DL2007PLC163679

NEW BOARD OF DIRECTORS FROM NOVEMBER 2018

MR. GIRISH CHANDRA CHATURVEDI

Chairman

(effective November 1, 2018)

MR. CHANDRA SHEKHAR RAJAN

Director

(effective April 15, 2019)

MR KAUSHIK MODAK

Director

(effective December 16, 2020)

SENIOR MANAGEMENT OF THE COMPANY

MR. FEBY KOSHY

Chief Executive Officer

(effective October 13, 2020)

MR RITENDRA BHATTACHARYA

Chief Financial Officer

(effective from February 10, 2021)

MS. SHILPA PAREKH

Company Secretary & Compliance Officer

(effective May 23, 2019 up to September 30, 2021)

MR DINESH SURYAKANT LADWA

Company Secretary & Compliance Officer

(effective October 26, 2021)

IL&FS Energy Development Company Limited

CIN: U40300DL2007PLC163679

Registered Office: 3rd Floor, Niryat Bhawan, Rao Tula Ram Marg,

Opp. Army Hospital Research & Referral, New Delhi-11005

Ph: +91-22-2653 3333 Fax: +91-22-2653 3297, Website: www.ilfsenergy.com

NOTICE

Notice is hereby given that the 14th (Fourteenth) Annual General Meeting (AGM) of the Members of IL&FS Energy Development Company Limited (the "Company") is scheduled to be held on Thursday, November 25, 2021 (at Shorter Notice) at 4:30 p.m. through Video Conferencing ('VC') / Other Audio Visual Means ('OAVM') to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Stand-alone Financial Statements of the company for the year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon;

SPECIAL BUSINESS

2. **Ratification of Remuneration to the Cost Auditors for FY 2021-22**

To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost Records and Audit) Rules, 2014, (including any statutory modifications(s) / re-enactment(s) thereof, for the time being in force), and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, the remuneration payable to M/s. ABK & Associates, Cost Accountants, Mumbai (Firm Registration Number 000036) appointed as Cost Auditors of the Company to conduct the cost audit of the records of the Company for FY 2021-22 amounting to Rs.60,000/- (Rupees Sixty Thousand) plus taxes as applicable and reimbursement of out-of-pocket expenses incurred in connection with the aforesaid audit be and is hereby approved.

**By Order of the Board of Directors
For IL&FS Energy Development Company Limited**

**S/d
Dinesh Suryakant Ladwa
Company Secretary**

Registered Office:
3rd Floor, Niryat Bhawan,
Rao Tula Ram Marg, Opp. Army Hospital Research & Referral
New Delhi 110057
CIN: U40300DL2007PLC163679

Date: November 19, 2021
Place: Mumbai

Notes:

The IL&FS Group has been facing capacity issues due to loss of key employees while meeting the need for servicing information requirements and providing clarifications to multiple investigating agencies, providing information to enable the ongoing asset monetisation and restructuring activities and meeting 'going concern' requirements. Further, challenges are being faced by the respective subsidiaries in terms of valuation of underlying assets, inadequate number of Directors on the Boards of a few companies, dealing with casual vacancy of Statutory Auditors and extended timelines for finalizing and adopting audited financial statements. In view of the above, the Financial Statements of the subsidiary companies will not be available before the Annual General Meeting of the Company. Accordingly, the Company is unable to provide its Consolidated Financial Statement and salient features of the Financial Statements of the Company's subsidiaries and Joint Ventures in Form AOC- 1 as required under Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. Further, an application will be made to the competent authority seeking an exemption for the IL&FS Group Companies for presenting its Consolidated Financial Statement.

Other Note:

1. Ministry of Company Affairs has extended time to hold the Annual General Meeting (AGM) for the financial year ended on 31.03.2021 by a period of 2 (two) months from the due date by which AGM ought to have been held in accordance with the provisions of sub-section (1) of section 96 of the Companies Act 2013, without requiring the companies to file applications for seeking extension by filing Form No. GNL 1.
2. In view of the continuing Covid- 19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020 and April 13, 2020 (collectively referred to as "MCA Circulars") permitted the holding of the Annual General Meeting ("AGM" or "Meeting") through VC / OAVM, without the physical presence of the Members at a common venue. In compliance with the provisions of the Companies Act, 2013 ("Act"), and MCA Circulars, the AGM of the Company is being held through VC / OAVM
3. The relevant Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special business to be transacted at the meeting is annexed hereto. Details of Directors, Key Managerial Personnel and Auditors of the Company as on date are available in Board's Report which is part of this Annual Report 2021
4. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars on AGM through VC / OAVM, physical attendance of Members has been

dispensed with. Accordingly, the facility for appointment of proxies by the Members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed to this Notice

5. Corporate Members are requested to send at dinesh.ladwa@ilfsindia.com before voting / attending annual general meeting, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting, pursuant to Section 113 of the Companies Act, 2013.
6. In case of joint holders attending the meeting, the member whose name appears as the first holder in the order of names as per Register of Members will be entitled to vote.
7. Procedure for attending the meeting through VC for Equity and Preference Shareholders
 - The meeting shall be held through ZOOM Application
 - The link to attend the AGM forms part of this AGM Notice is as under

Join Zoom Meeting

<https://zoom.us/j/97271619358?pwd=bjJhUTRDS1oxNDJvcDdpbWlYdXpyUT09>

Meeting ID: 972 7161 9358

Passcode: 094070

One tap mobile

+27875503946,,97271619358#,,,,*094070# South Africa

+27875517702,,97271619358#,,,,*094070# South Africa

Dial by your location

+27 87 550 3946 South Africa

+27 87 551 7702 South Africa

+27 21 426 8190 South Africa

+27 21 426 8191 South Africa

Meeting ID: 972 7161 9358

Passcode: 094070

Find your local number: <https://zoom.us/u/a1MG77fW3>

Join by Skype for Business

<https://zoom.us/skype/97271619358>

- Members / authorised representatives are requested to install Zoom Application and create an account with the email ID registered with the Company / as mentioned in the resolution for corporate authorization received by the Company.
- The members / authorised representatives can click on the link in the email and join the meeting.
- Help-line number for assistance: 9322891431

8. Members can login and join 15 (fifteen) minutes prior to the schedule time of Meeting and window for joining shall be kept open till the expiry of 15 (fifteen) minutes after the schedule time of commencement of the meeting.
9. Members can raise questions during the meeting or in advance at dinesh.ladwa@ilfsindia.com However, it is requested to raise the queries precisely and in short at the time of Meeting to enable to answer the same.
10. Voting instruction for Equity and Preference Shareholders at the Meeting:
 - In terms of the provisions of section 107 of the Act read with the aforesaid MCA circular, unless a poll is demanded under section 109 of the Act, voting at the meeting shall be done through show of hands / verbal responses by Shareholders
 - In case a poll is demanded, the members / representatives shall cast their vote on the resolution only by sending an email to dinesh.ladwa@ilfsindia.com from their email ID registered with the Company / as mentioned in the resolution for corporate authorization received by the Company.
11. The Notice of AGM and Annual Report are being sent in electronic mode to Members whose e-mail address is registered with the Company or Members (Physical / Demat) who have not registered their email addresses with the company can get the same registered with the company by requesting in Member updation form by sending an email to dinesh.ladwa@ilfsindia.com.
12. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 and all other documents referred to in the Notice will be available for inspection in electronic mode. Members can inspect the same by sending an email to dinesh.ladwa@ilfsindia.com
13. The Meeting shall be deemed to be held at the Registered office of the Company at 3rd Floor, Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral, New Delhi 110057
14. Since the AGM will be held through VC / OAVM, the route map to the venue is not annexed to this Notice.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 AND
RULE 15(3) OF COMPANIES (MEETINGS OF BOARD AND ITS OWNERS) RULES, 2014**

Item No (2):

The Board on the recommendation of the Audit Committee, has approved the appointment and remuneration of the Cost Auditor to conduct the audit of the Cost records of the Company for the financial year ending March 31, 2022 on a remuneration of Rs.60,000/- plus applicable Service Tax and reimbursement of out-of-pocket

As per Rule 14 of Companies (Audit and Auditors) Rules 2014, remuneration payable to the Cost Auditors is to be approved by the Shareholders. Hence this resolution is put for the consideration of the shareholders.

The Board of Directors recommends the resolution for your approval

None of the Directors and Key Managerial personnel or relatives of them are interested in the above resolution

*_*_*_*_*

BOARDS' REPORT

Dear Shareholders,
IL&FS Energy Development Company Limited (IEDCL)

Your Directors are presenting the 14th (Fourteenth) Boards' Report along with the Audited Financial Statements for the year ended March 31, 2021

FINANCIAL RESULTS:

(Rs.in Million)

For the year ended	Standalone	
	March 31, 2021	March 31, 2020
Total Income	875.71	1,356.70
Expenses	481.10	845.91
Profit/ (Loss) before Interest, Depreciation and Tax	394.61	510.79
Interest & Finance Charges	7.69	7.41
Profit Before Depreciation and Taxes	386.92	503.38
Depreciation and amortization expenses	13.37	12.57
Profit/ (Loss) Before Taxes	373.55	490.81
Share of Loss/Profit from Associate/Joint Ventures		
Provision for taxes	(0.69)	3.56
Profit / (Loss) for the year (after tax)	374.24	487.25
Other comprehensive income	1.29	0.37
Balance Profit/ (Loss) brought forward from Previous Year	(93,966.84)	(94,453.15)
Balance of OCI brought forward from Previous Year	(1.14)	(1.51)
Add: Profit / (loss) for the year	374.24	487.25
Add: other Comprehensive Income	1.29	0.37
Appropriations:		
- Dividend	--	--
- Debenture Redemption Reserve	--	--
Balance Profit/ (Loss) carried forward to Balance Sheet (including other Comprehensive Income)	(93592.45)	(93967.04)

The Financial Statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and other relevant provisions of the Companies Act, 2013.

Your Board in consultation with the operating management has assessed the realizable value of the assets considering the security available and management estimate in realization of those securities. Your Board has followed a conservative approach by making prudent provisions to the best of its judgement with a view to ensure that the Financial Statements reflect the asset values close to the recoverable values. The actual realisable values may differ from the estimates assumed

HOLDING COMPANY:

Your Company is a subsidiary of Infrastructure Leasing & Financial Services Limited as at March 31, 2021

DIVIDEND:

In view of a resolution process being implemented for ILFS Group in proceedings pending before the Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") and the Hon'ble National Company Law Appellate Tribunal ("NCLAT") under Sections 241-242 of the Companies Act, 2013, your Company is unable to pay dividend to preference and equity shareholders until the satisfaction of all its dues. Considering the magnitude of loss carried forward, the Board does not recommend any dividend for the year ended March 31, 2021.

SHARE CAPITAL:

During the year, there was no change in the Company's issued, subscribed and paid-up equity and preference share capital. On March 31, 2021, it stood at Rs.13,182,254,310 divided into 1,283,564,664 equity shares of Rs.10 each and 34,660,767 preference share of Rs.10 each respectively.

DEBENTURES:

During the year under review, the Company has not issued any Debentures / Bonds. As on the date, the Non-Convertible Debentures issued and outstanding is Rs.6500 million. Of these NCDs of Rs.4500 million are listed on BSE. In view of the moratorium, the Company has not serviced interest on the NCDs since December 15, 2018

SIGNIFICANT DEVELOPMENTS:

Your Company is part of the Infrastructure Leasing and Financial Services Limited ("IL&FS") group. The Board of Directors of IL&FS has been reconstituted pursuant to the orders passed by the National Company Law Tribunal, Mumbai Bench ("NCLT") in Company Petition No. 3638 of 2018 filed by the Union of India, acting through the Ministry of Corporate Affairs under Sections 241 and 242 of the Companies Act, 2013, as amended ("Companies Act") on the grounds of mismanagement of public funds by the erstwhile board

of IL&FS and the affairs of IL&FS being conducted in a manner prejudicial to the public interest.

Further, the National Company Law Appellate Tribunal (“NCLAT”) by way of its order on October 15, 2018 (“Interim Order”) in the Company Appeal (AT) 346 of 2018, after taking into consideration the nature of the case, larger public interest and economy of the nation and interest of IL&FS and its group companies including the Company stayed certain coercive and precipitate actions against IL&FS and its group companies including the Company. The Interim Order enabled value preservation of the IL&FS Group’s assets and provides time to the New Board to evaluate, prepare and implement a resolution plan for IL&FS and its group companies in an orderly manner, keeping in mind the interest of the various stakeholders.

Pursuant to a report filed by the Registrar of Companies (RoC), Mumbai under Section 208 of the Companies Act, 2013, the Government of India vide their order dated 30th September, 2018, directed that the affairs of the holding Company viz. IL & FS Limited and its subsidiaries including the Company be investigated by the Serious Fraud Investigation Office (“SFIO”). The Company is fully co-operating with the investigation and providing all the information and documents as and when required.

As stated earlier, the New Board of IL&FS has been working on the Resolution Plan of the IL&FS Group, which has multiple, complex and diverse entities under varied operating structures. Taking into account the various challenges facing the IL&FS Group, including the complexity posed by its structure, width of operating business, scale, group-wide levels of leverage, public interest, financial stability, legality, various stakeholder interests (including interests of the joint venture partners) and commercial feasibility, the New Board has put in place a resolution framework to have a timely resolution process, which is fair and transparent and incorporates well established legal principles and seeks to address concerns of all stakeholders of the IL&FS Group. The resolution framework proposed by the New Board was approved by NCLAT vide its order dated March 12, 2020.

Earlier, NCLAT vide its orders dated February 04, 2019 and February 11, 2019 directed the appointment of Hon’ble Justice D K Jain (Retd Justice of the Supreme Court of India) to supervise the resolution process for the IL&FS group.

The Company continues to be classified as a "Red" entity by the external Resolution Consultant based on a cash flow solvency test over a ‘12 month look-forward’ testing period (“Testing Period”) indicating that it is not able to meet all obligations (financial and operational) including payment obligations to its senior secured financial creditors. Accordingly, under the resolution mechanism, the Company is permitted to make only those payments necessary to maintain and preserve a going concern status.

DEVELOPMENTS IN SIGNIFICANT SUBSIDIARY COMPANIES:

During the year under review, process of stake sale in ONGC Tripura and Advisory Business of the Company were initiated and the said processes will be over shortly. The Company will receive inflow of Rs.1475.99 million by selling stake in ONGC Tripura and Rs.149 million by selling advisory business of the Company

OPERATIONS:

As on March 31, 2021, Your Company's operating power generation portfolio stood at 1,927 MW (i.e. ITPCL 1,200 MW, OTPC 727 MW). In addition, Solar Parks are being developed in Joint Venture with Government of Rajasthan. The first solar park of 1,000 MW capacity is operational and the park development work for another 300 MW solar park is underway. On the transmission side 840 km, 400 kV power transmission lines are in operation. Status of key projects of your Company is highlighted hereunder:

- (1) 1,200 MW Cuddalore Power Project, Tamil Nadu: Your Company's Subsidiary, IL&FS Tamil Nadu Power Company Limited (ITPCL), is operating a 1,200 MW imported coal based power plant (Project) at District Cuddalore in the State of Tamil Nadu. The power from Unit 1 (600 MW) continues to be sold to Tamil Nadu DISCOM (TANGEDCO) under the 15 year Long Term Power Purchase Agreement. On October 26, 2018, the Project secured a medium-term PPA with PTC India for a period of 3 years for 550 MW at a fixed tariff of Rs.4.24/kWh. PTC India in turn is selling the power to TANGEDCO. ITPCL operationalized the medium term PPA w.e.f. April 1, 2019. During FY 2021, ITPCL operated at a PLF of 45.8%, generated around 4,819 MUs of power and the total revenue was approximately Rs.28,213 million
- (2) 727 MW Tripura Gas Power Project: Your Company, pursuant to a Shareholders' Agreement with ONGC and Government of Tripura has set up a 727 MW gas based Combined Cycle Power Project (CCPP) in the State of Tripura, through a Special Purpose Company named ONGC Tripura Power Limited (OTPC). The entire project capacity of 727 MW including the associated 663 km, 400 kV transmission line is under commercial operation since March 24, 2015. During FY 2021, the project operated at a PLF of 80%, generated around 5,090 MUs of power and the total revenue was approximately Rs.16,953 million
- (3) 128 km, 400 KV D/C Muzaffarpur-Dhalkebar Indo-Nepal Cross Border Transmission Line Project: Your Company, in association with Power Grid Corporation of India Limited, SJVN Limited and Nepal Electricity Authority, has implemented the 400 KV Muzaffarpur-Dhalkebar Indo-Nepal Cross Border Transmission Line Project. The Project, comprising of 86 km of India portion and 42 km of Nepal portion is under commercial operation since February 19, 2016. During FY 2021, the availability of both the India and the Nepal sections of the transmission line stood at 100%. The total revenue of India SPV and Nepal SPV was approximately Rs.334 million and Rs.198 million respectively
- (4) Review of Solar Business: Your Company's solar portfolio comprises of 100 MW project set up for a Corporate Client in Karnataka and 1,300 MW Solar Parks under development in JV with Government of Rajasthan. The status of these projects is provided below:
 - Rajasthan Solar Park: Your Company is developing solar parks aggregating to 1,300 MW under a 50:50 Joint Venture with Government of Rajasthan (GoR). The first 1,000 MW solar park at Bhadla, Jodhpur is operational. The project capacity for implementation was awarded by Solar Energy Corporation of India (SECI) to Acme Solar (200 MW), Soft Bank (500 MW) and Hero Group (300 MW) at record low tariffs ranging from Rs 2.44/kWh to Rs 2.48/kWh.

Rajasthan and Uttar Pradesh Discoms are procuring 500 MW each. Another solar park having 300 MW capacity is under development at Haphasar, Bikaner. The total revenue for FY 2021 was approximately Rs.1,208 million

- 100 MW Solar Project: This project was set up in Karnataka for a corporate client under a 'deferred payment' arrangement. The project started commercial operations on February 28, 2018. Regular O&M commenced from August 1, 2018 and the plant has generated 570 MU of electricity till March 31, 2021. The aforesaid corporate client in line with provisions under the 'deferred payment' arrangement has pre-paid the financial assistance towards the project, enabling payment of its entire debt amounting to nearly Rs.8,450 million across all its creditors

- (5) Advisory Services: The Advisory Group's mandate(s) comprise primarily Project Management Consultancy and Annual Maintenance Contractor services for Demand Side Management projects of EESL & Distribution Reforms for Rajasthan DISCOMs. In FY 2021, Your Company earned an advisory revenue of Rs.210 million

COVID 19:

The country witnessed lockdown being implemented in India in the second fortnight of March 2020. There were also restrictions of varying extent across larger part of the world, due to the COVID-19 pandemic. Your Company has taken measures to ensure health and safety of its employees including leveraging the power of technology to enable them to work from home. Since there is still time in respect of complete opening up of the economy, it will be difficult to ascertain the extent of impact of Covid-19 on the performance of the Company in FY under review as well as in FY 2021-22

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS:

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 ("ICAI"). 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 the 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.

The normal business operations of the Company as they existed until September 30, 2018 have ceased since. The New Board has undertaken certain steps to continue the current operations of the IL&FS group and is focused on achieving resolution as mandated by NCLT. From the period November 2018 onwards, the New Board is in the process of establishing proper control mechanisms. From the perspective of monitoring going concern, a proper and transparent resolution process mechanism has been put in place and additionally, controls have also been established for monitoring and release of payments.

RISK MANAGEMENT FRAMEWORK AND POLICY:

Your Company had a risk management framework and compliance systems including the risk management policy adopted by the erstwhile management. Given the circumstances in which the New Board of ILFS was appointed on October 01, 2018, the New Board has reviewed and put in place a revised and updated risk management framework which takes into account the complexity of IL&FS Group structure and the situation with respect to operations/liquidity management.

SUBSIDIARIES, JOINT VENTURES & ASSOCIATES:

- (1) The Companies which have become Direct subsidiaries during the FY 2020-21: Nil
- (2) The Companies that had ceased to be a Direct subsidiary: - ILFS Wind Power Service Ltd (w.e.f. April 09, 2020)
- (3) The Companies that had ceased to be a Direct subsidiary and became Indirect Subsidiary(ies) during FY 2020-21: Nil
- (4) The Companies that had ceased to be an Indirect Subsidiary during FY 2020-21: NIL
- (5) Companies which have become or ceased to be Joint Venture during the FY 2020-21: NIL
- (6) Companies which have become or ceased to become Associates during the FY 2020-21: NIL

The Company has been facing capacity issues due to loss of key employees while providing information to enable the ongoing asset monetization and restructuring activities and meeting 'going concern' requirements. Further, challenges are being faced by the respective Subsidiaries in terms of valuation of underlying assets, inadequate number of Directors on the Boards of a few companies, dealing with casual vacancy of Statutory Auditors and extended timelines for finalizing and adopting audited financial statements. In view of the above, the Financial Statements of the Subsidiaries Companies will not be available before the Annual General Meeting of the Company. Accordingly, the Company is unable to provide its Consolidated Financial Statement and salient features of the Financial Statements of the Company's Subsidiaries and Joint Ventures in Form AOC-1 as required under Section 129(3) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014. An application is being made to the competent authority seeking an exemption for the Company from presenting its consolidated financial statement.

MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:

Pursuant to defaults in obligations in terms of servicing its debts and consequent to losses incurred during the previous year, the net worth of the Company has been substantially eroded.

The Company has prepared its financial statements on a 'going concern' basis, based on its plans for resolution discussed above.

BOARD AND COMMITTEES:

A. DIRECTORS:

- (1) **Change in Board of Directors:** You are aware that on October 1, 2018, Union of India (“UOI”) (acting through the Ministry of Corporate Affairs) had filed a petition with Hon’ble NCLT seeking immediate suspension of the Board of Directors of IL&FS and appointment of a new Board of Directors, amongst others, on the grounds of mismanagement and compromise in corporate governance norms and risk management by the erstwhile Board of the Company and that the affairs of the Company being conducted in a manner prejudicial to the public interest. Pursuant to the above developments, the New Board of IL&FS also initiated reconstitution of the Board of Directors of the Company and nominated 3 Directors namely, Mr. G C Chaturvedi, Mr Vineet Nayyar and Mr C. S. Rajan on the Board of the Company. Changes in the Board of Directors are as follows:

Sr. No.	Director	Appointment / Resignation Date
1.	Mr Krishna Kumar	<i>Resigned w.e.f. December 16, 2019</i>
2.	Mr Deepak Mawandia	<i>Resigned w.e.f. December 30, 2020</i>
3.	Mr Vineet Nayyar	<i>Resigned w.e.f. November 01, 2020</i>
4.	Mr Kaushik Modak	<i>Appointed effective from December 16 , 2019</i>

(2) **Managerial Remuneration Policy:**

The erstwhile Management of the Company had adopted “Managerial Remuneration Policy” and defined a Selection Criteria for appointment of Directors, qualification, positive attributes, independence of the Directors including remuneration payable and other matters as prescribed under the Companies Act, 2013.

The company has not paid any Managerial Remuneration to any Director except sitting for the meeting of Board and committees during the year under the review

(3) **Board Evaluation:**

As per the provisions of Section 134 (3) (p) of Companies Act, 2013 read with Rule 8(4) of Companies (Accounts) Rules, 2014, the Board of IL&FS Energy Development Company Limited is required to undertake formal annual evaluation of its own performance and that of its Committees and individual Directors.

However, the Board of Infrastructure Leasing and Financial Services Limited (IL&FS) (Ultimate Holding Company) is of the opinion that this requirement should not be applicable to IL&FS Group Companies.

The following points were considered by the Board of IL&FS in this regard:

- (a) Based on the extract of Hon'ble National Company Law Tribunal Order dated April 26, 2019, it can be inferred that members of the New Board could be considered akin to Independent directors and not the independent directors. In the absence of this view, the Company would also require to have the meeting of Independent Directors as stipulated in the Companies Act, 2013.
- (b) In the normal circumstances, the Directors are appointed by the shareholders and the Board Evaluation is required to be done pursuant to Companies Act, 2013, so as to report to shareholders about the Evaluation process carried out by the Board. In case of IL&FS, since the Board is appointed by NCLT with specific mandate for resolution considering public interest, the procedure of Board evaluation from the perspective of reporting to shareholders may not be relevant.
- (c) The purpose and intent of Board evaluation was in essence linked to extension or continuation of the term of appointment of the independent directors. This perspective shall not be applicable in the case of IL&FS and the group companies as there were no Independent Directors and the requirement of appointing Independent Directors has been dispensed with by Hon'ble National Company Law Tribunal order dated April 26, 2019.
- (d) Further, in the absence of Independent Directors, the process of Board evaluation would anyway be truncated due to non-applicability of provisions of Schedule IV of the Companies Act 2013.
- (e) Considering that IL&FS is the first group level insolvency case in India, the Board may want to dwell upon the spirit of the provisions than continuing the process to meet the compliance requirements of the section.
- (f) As the New Board has been reviewing the operations of the IL&FS group as a collective body appointed by NCLT, it cannot be compared with promoter lead managements in most other cases and in this sense the distinction between executive and nonexecutive directors is thin which is governed by MCA appointment orders. In this sense, evaluation of the Board as a whole, would in essence be a formality.

In view of the above, IL&FS is under the process of filing an application with Hon'ble National Company Law Tribunal seeking an exemption/clarification from this requirement explaining the rationale for non-applicability of Board Evaluation to IL&FS Group Companies (which includes IEDCL), after taking the same through Ministry of Corporate Affairs.

B. BOARD MEETINGS:

5 (Five) Board Meetings were held during the year under review (FY 2020-21), i.e., April 27, 2020, August 25, 2020, October 13, 2020, December 21, 2021 and February 10, 2021

COMMITTEES OF THE COMPANY:

1. Statutory Committees of The Board:

(a) Audit Committee:

As of March 31, 2021 the Audit Committee of the Board of Directors of the Company comprises of Mr. G C Chaturvedi, Chairman, Mr. C S Rajan and Mr Kaushik Modak.

Audit Committee Meeting was held on December 21, 2020 in year under review

However, the constitution was not in accordance with the provisions of Section 177 of the Companies Act, 2013 since the Company has not appointed Independent Directors on the Board. The Company has been dispensed from appointment of Independent Directors pursuant to the NCLT Order delivered on April 26th, 2019

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

(b) Nomination & Remuneration Committee (“NRC”):

As of March 31, 2021 the Nomination Remuneration Committee of the Board of Directors of the Company comprises of Mr. C S Rajan, Chairman, Mr. G C Chaturvedi and Mr Kaushik Modak.

However, the constitution was not in accordance with the provisions of Section 178 of the Companies Act, 2013 since the Company has not appointed Independent Directors on the Board. The Company has been dispensed from appointment of Independent Directors pursuant to the NCLT Order delivered on April 26th, 2019

NRC Committee Meeting was held on December 16, 2020 in the year under review.

The responsibilities of the NRC, inter-alia, include:

- (i) 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;
- (ii) to formulate criteria for determining qualifications, positive attributes and independence of Directors and recommend to the Board a policy relating to the remuneration for the Directors, KMP and other employees; and
- (iii) to endorse the methodology and distribution of Performance Related Pay to the employees of the Company.

(c) Corporate Social Responsibility (CSR) Committee:

As of March 31, 2021 the CSR Committee of the Board of Directors of the Company comprises of Mr Kaushik Modak, Chairman, Mr G C Chaturvedi and Mr. C S Rajan.

No meetings were held during the year under review.

KEY MANAGERIAL PERSONNEL:

In terms of provisions of Section 203 of the Companies Act, 2013, the following are the Key Managerial Personnel (KMP) of the Company

- Mr Ashwani Kumar, Chief Executive Officer (*upto September 06, 2019*).
- Mr Feby Koshy, Chief Executive Officer (effective October 13, 2020).
- Mr Anand Nair, Group Chief Financial Officer – Energy Vertical of the Company (*from May 22, 2018 to October 11, 2019*).
- Mr Ritendra Bhattacharjee, Chief Financial Officer from December 30, 2020
- Mr Jignesh Nagda, Company Secretary of the Company (*from August 14, 2018 to May 10, 2019*)
- Ms Shilpa Parekh, Company Secretary of the Company (effective *May 23, 2019 to September 30, 2021*)
- Mr Dinesh Suryakant Ladwa, Company Secretary & Compliance officer of the Company (effective October 26, 2021)

EXTRACT OF ANNUAL RETURN:

As required under Section 92(3) of the Act, extract of Annual Return of the Company is annexed herewith in specified Form MGT-9 as Annexure I to this Report, and is also placed on the website of the Company at <https://www.ilfsenergy.com> under Investor's column.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS:

The Company being an infrastructure Company is exempted from the provisions of Section 186 of the Companies Act, 2013. However, the particulars of loans, guarantees and investments covered under section 186 of the Companies Act 2013 forms part of the note 8 and 40 to the financial statements

DEPOSITS:

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (SHWW ACT):

The Company has in place a policy on prevention of sexual harassment at workplace. The policy aims at prevention of harassment of employees as well as contractors and lays down

the guidelines for identification, reporting and prevention of sexual harassment. There is an Internal Complaints Committee (ICC) which is responsible for redressal of complaints related to sexual harassment and follows the guidelines provided in the policy. The Committee is responsible for ensuring compliance in terms of provisions of SHWW Act, from time to time.

FRAUDS REPORTED BY AUDITORS:

There were no frauds reported by the Auditors under sub-section (12) of Section 143 of the Companies Act, 2013.

CORPORATE SOCIAL RESPONSIBILITY:

Pursuant to the appointment of the New Board and mandate provided, the focus has been on the Resolution Framework. Since your Company has been categorized as “Red Entity” no further amount has been spent towards CSR activities.

In FY 2020-21, the prescribed CSR spending of 2% of the average profit before tax of the Company made during the three immediately preceding Financial Year worked out to be Rs.NIL. Hence the Company was not required to make any expenditure on CSR activities in FY 2020-21. Further, IN FY 2019-2020 Company was not required to make any expenditure on CSR activities. Hence Annual report on CSR is not enclosed.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION & FOREIGN EXCHANGE EARNINGS AND OUTGO:

Information with respect to conservation of energy and technology absorption as prescribed is as under:

(a) Conservation of Energy

The Company has been under Resolution Framework as stated in the above sections. There have been no new investments made by Company. However, during the FY 2020-21, the Company has focussed in reducing the travel footprints for meeting purposes by adopting video conferencing facilities wherever it was possible.

(b) Technology absorption:

The Company does not undertake any separate R&D activities. There are no proposal under consideration at this point of time.

(c) Foreign Exchange Earnings and Outgo

During the year under the review the Company has not incurred any foreign exchange expenditure and not earned any foreign earnings.

VIGIL MECHANISM:

As per the provisions of Section 177(9) of the Companies Act, 2013, your Company formulated and adopted a Whistle Blower Policy and Vigil Mechanism for employees and

Directors of the Company in order to report instances of unethical behavior, violation of Company's Code of Conduct.

No complaints were received via the Whistle Blower Mechanism in the year under review.

To report any suspected or confirmed incident of fraud/ misconduct, the aggrieved person can reach to the Chairman of the Audit Committee.

RELATED PARTY TRANSACTIONS:

The Company has formulated a Policy for Related Party Transactions (RPT), which was reviewed and recommended by the then Audit Committee and approved by the erstwhile Board. The RPT Policy is available on the website of the Company: <https://www.ilfsenergy.com/investors/>.

The particulars of contracts or arrangements with related parties in Form AOC 2 is annexed herewith as "Annexure II"

All transactions entered into with 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.

EMPLOYEES:

The total number of employees in your Company as on March 31, 2021 stood at 38 as compared to 43 employees as on March 31, 2020.

The New Board placed on record its appreciation for all the employees of the Group for their sustained efforts, dedication and hard work during the year.

PARTICULARS OF REMUNERATION:

The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule, 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, is enclosed as Annexure III to this Report.

COST RECORDS AND COST AUDIT:

As the Company has 1 MW Rooftop Solar power project, pursuant to Section 148 the Companies Act, 2013 and rules made thereunder, the Board appointed M/s ABK & Associates, Cost Accountants, Mumbai, to conduct Cost Audit of the cost accounting records for the financial year 2020-21.

The Board has proposed re-appointment of M/s. ABK & Associates, Cost Accountants as cost auditors for FY 2021-22 for which they have conveyed their consent and confirmed their eligibility for appointment as Cost Auditors. The Board has recommended approval of the remuneration payable to Cost Auditors for FY 2021-22 and the proposal to that effect has been included in the Notice of AGM

AUDITORS:

(1) STATUTORY AUDITORS:

M/s S. R. Batliboi & Co LLP (SRBC), Chartered Accountants (ICAI Registration No.324982E/ E300003) were appointed as Statutory Auditors of the Company for a term

of 5 years (i.e. from FY 2019 to FY 2023) in the Annual General Meeting of the Company held on September 28, 2018. In accordance with the Companies Amendment Act, 2017, effective May 7, 2018 by the Ministry of Corporate Affairs (MCA), the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

The Management Representation on the qualifications/ observations/ remarks of Statutory Auditor pertaining to year ended March 31, 2021 are as under:

Management Response to Auditor Qualification

Sl No	Auditor Qualification	Management Response
1	<p>As mentioned in Note 40 (a) to the accompanying standalone financial statements, the Company has made provision for impairment of financial assets (comprising of loans, receivables and investments) of Rs.83.14 million and Rs.87,371.75 million during the current year and earlier years respectively. Further, the Company has also recognised gain of Rs. 108.03 million and Rs.193.02 million during the current year and earlier years on the investments made in the joint ventures based on the net worth and had also reversed provision of Rs. 11.86 million in respect of trade receivables during the earlier years as was recognised by the Company and is carrying financial assets of Rs.4,336.76 million as at March 31, 2021.</p> <p>In the absence of audited financial statements of 4 subsidiaries, 2 joint ventures and 5 other investee companies for the year ended March 31, 2021 and 4 subsidiaries, 2 joint venture and 9 other investee companies for the year ended March 31, 2020/March 31, 2019, necessary and/or complete information to support cash flow based tests over its investments and assumptions to determine the recoverable amount of loans and receivables, the management has recorded provisions/gain during the current year and the earlier years basis their internal assessment, which does not consider the requirements of the relevant Ind-AS Standards in its entirety. Thus, we are unable to comment on the possible effects of the aforesaid on the accompanying financial statements as at and for the year ended March 31, 2021. The above matter was also disclaimed in our report as at and for the year ended March 31, 2020 and for the year ended March 31, 2019.</p>	<p>As a result of the events occurred during the financial year 2018-19, there is significant uncertainty around the recoverable amounts and valuations, and related provisions for impairment, of the loans given to, receivables from, and investments in, group companies. All group companies in India have been classified as "Red", "Amber" or "Green" categories, based on 12 months solvency test. Management, in consultation with the New Board, has assessed and determined that the amounts of investments in entities classified as "Red" and "Amber" are not significantly recoverable. Similarly, the amounts of loans into entities classified as "Red" and "Amber" are not entirely recoverable. Management's approach in this regard does not consider the requirements of the relevant Ind- AS standards in entirety as the Company does not presently have the necessary and/or complete information to support cash flow based tests over its Investments, and assumptions for certain aspects of the expected credit loss</p>

Sl No	Auditor Qualification	Management Response
		<p>model in respect of loans and receivables.</p> <p>On this basis, further provision has been made in respect of the balance of loans, receivables and investments, aggregating Rs.83.14 million in FY 2020-21 (total Rs.87,371.75 million provided for up to FY 2019-20), except in respect of certain entities where security is available and management expects realization of those securities. In the view of the Company, the impairment provision made is prudent and represents the economic substance of the amounts recoverable.</p> <p>The Company has the policy to recognize the investments in joint venture companies at fair value. However, as the entire group is under resolution process, fair valuation are being conducted only during the sale/resolution of the respective entities/our investments. Hence, the gains recognized on joint venture companies are based on net worth.</p>
2	We have not received sufficient appropriate audit evidences in respect of:	
(A)	Reconciliations/confirmations/agreements /share & debenture certificates	
	(i) response to our request for direct balance confirmations towards trade receivable balances aggregating to Rs.286.36 million and confirmation from banks/financial institutions in respect of details of securities, lien collaterals, guarantees	<p>These trade receivables are from 3rd parties. Further Company has already impaired these receivables in the books of accounts in earlier years. Bank/financial institutions provided the balance confirmation, however they did not comment on the securities, lien collaterals, guarantees</p>

Sl No	Auditor Qualification	Management Response
	<p>(ii) differences between book balances and confirmations received of Rs.2,141.03 million with respect to borrowings (including interest accrued), Rs.7.10 million towards loans and advances (including interest accrued), Rs.19.42 million towards trade receivables balances and Rs.46.48 million towards trade payable balances;</p>	<p>Borrowings: The Company has not accrued interest expense after October 15, 2018 being the cut-off date as per NCLT Order and considered the balances as accepted by the claim management consultant. However banks and financial institutions are charging the interest post Oct 2018, resulting in differences of Rs.2,003.71 million. Further there is a difference in the confirmation provided by one of the related party as the claim management is yet to finalize the claim.</p> <p>Loan and Advances: This nominal difference of Rs.7.10 million is due to differences in accounting treatment prior to 15th October 2018 by a related party.</p> <p>Trade Receivable: Reconciliation exercise was carried out and statement was provided by the Company to auditors. However confirmation on the same was not responded by the third party to the Auditor.</p> <p>Trade Payables: Our claims on liquidated damages/deficiencies were not accepted by a 3rd party which will be addressed suitably during settlement of the existing claims of the third party on the Company.</p>
	<p>(iii) difference of Rs.1,244.99 million between balance as per books and as confirmed by depository in respect of 1,000 debentures as at March 31, 2021;</p>	<p>The difference is appearing because of technical issue where in the account of the counter party is blocked at NSDL. However Company has already redeemed the said</p>

Sl No	Auditor Qualification	Management Response
		debentures and there are Nil outstanding which was confirmed by the counter party as well as debenture trustee after the redemption in May 2018.
(iv)	loan agreements in respect of 94 loans extended to various group companies and third parties aggregating to Rs.9,828.34 million and Rs.1,462.00 million respectively, as referred to in note 11 to the accompanying standalone Ind-AS financial statements;	Pursuant to NCLT orders no agreements entered prior to 15th October 2018 (cut-off date) have been renewed subsequently. However, claim management consultants have been appointed and the claims of the Company have already been filed with the claim management agency against the respective companies (Rs.7,380 Million admitted; claim of Rs.6,678 Million against ITPCL is under restructuring plan). Further claims pending to be filed against few companies will be filed as and when the process is initiated by the claim management consultant. Further in case of third parties, Company has initiated legal steps towards recovery/filing of claims as necessary.
(v)	Identification and completeness of inter-company balances pending completion of audit of financial statements of holding company, fellow subsidiaries, various subsidiaries, associates and joint ventures as at and for the year ended March 31, 2021/March 31, 2020/March 31, 2019 (refer note 59)	The Company has done the intercompany reconciliations with most of the group companies. However pending finalization of audit of the some of the subsidiaries/joint ventures, completeness could not be ensured
(v)	physical certificates in relation to 3,533,500 equity shares having cost of Rs.661.68 million and carrying value (post impairment) of Rs.Nil as at March 31, 2021 as held by the Company in its investee companies as referred to in note 8 to the accompanying standalone Ind-AS financial statements	Transfer of shares of KVK Nilanchal to IEDCL, by IECCL is pending and the matter has been taken up with the trustee.

Sl No	Auditor Qualification		Management Response
	(vi)	request for confirmation letter in respect of loans and advances (including interest accrued) aggregating to Rs.549.71 million.	These 3rd parties are either in liquidation or arbitration. However, we have filed our claim with the liquidator of one party and matter with the other parties are under legal process.
(B)	Management assessment:		
	(i)	of financial and other consequences and likely outcome of the litigations and liabilities arising out of the outstanding financial guarantees extended to group companies as mentioned in note 39, note 48 and note 41 respectively to the accompanying standalone Ind-AS financial statements;	<p>As a result of the events up to September 30, 2018, as more fully described in Note 2, there have been various legal cases and suits filed against the Company following the default of borrowings made by the Company, as described in that note. Further, the Company is undergoing a resolution process (refer Note 3) under the order of the National Company Law Tribunal ("NCLT"). One of the lender banks, of the Company has also appointed an auditor to undertake the forensic audit of the Company for the period from September 1, 2013 to March 31, 2020, pending which the management is in the process of making assessments and determinations as to liabilities, provisions and contingent liabilities, as per Ind-AS 37 (Provisions, Contingent Liabilities and Contingent Assets).</p> <p>The Company had issued financial guarantees/corporate guarantees to its group companies. Resolution process for all these group companies are under progress and yet to be completed. The actual liability of the Company arising out of these financial guarantees, and corporate guarantees would be determined once the resolution of these group entities is</p>

Sl No	Auditor Qualification	Management Response
		completed and proceeds, if any are distributed among the creditors of these entities. Pending completion of the same, it is not feasible to determine liability of the Company.
(ii)	of recoverability of income tax assets of Rs. 1,129.05 million as mentioned in note 13 on account of pending assessment of uncertain tax positions as per requirement of Appendix C of Ind AS 12, tax assets arising out of merger of IL&FS Renewable Energy Limited with the Company, on-going tax litigations and pending tax assessments and impact of matters related to disclaimer of opinion.	Income Tax Assessment is ongoing and pending for Assessment Years FY 2018-19 to FY 2019-20. From Assessment Year FY 2011-12 to FY 2017-18 is under litigation and at various forums and hence not attained finality. There are instances where AO has utilised the refund /tax deposited to set-off demand raised for other Assessment years.
(iii)	of Goods and Service Tax credit amounting to Rs.45.57 million considered as good of recovery as at March 31, 2021 as referred to in note 14;	Company is having GST input credit available in various states, however the utilization of the same is dependent upon on the future business/transaction of the Company in those respective states.
(iv)	for non-conversion of Fully Compulsorily Convertible Debentures having face value of Rs.2,470.00 million into fixed number of equity shares on due date of conversion as referred to in note 17.	These debentures were issued prior to 15th October 2018, being the cut-off date as per NCLT order. Company is in the process of taking legal opinion on the feasibility towards conversion of the FCCDs, in view of the moratorium as well the claim management process underway.
(v)	of disclosure/impact of revenue recognition standard, Ind AS 115 'Revenue from contracts with Customers' and new Leases Standard, Ind AS 116 'Leases' as more fully discussed in note 44 and 58 and compliance with the requirement of Ind AS 105 'Non-Current Assets Held for Sale and Discontinued Operations' in respect of	As the company is in the process of divesting its advisory division, the impact of IND AS 115 has not been considered. Further, the impact of such divestment on "Right of Use" arising from building

Sl No	Auditor Qualification	Management Response
	classification of investments in group companies as Held for Sale.	taken on lease for the said division, cannot be ascertained.
C	Commercial substance and rationale	
	(i) for recognition of liability of Rs.644.12 million in respect of the holding company, which is also claimed by one of the vendor as mentioned in note 23 to the accompanying standalone Ind-AS financial statements;	The Company has provided the Letter of credit (from IL&FS limits) to a vendor. However, pursuant to the NCLT order, payment is not made by the bank to the vendor. As limits from the bank were sanctioned to the holding company, the holding company is claiming the same from the Company. In the absence of receipt of payment from the bank, the vendor is also claiming the same from the Company. The claims management professional has not accepted the claim of vendor based on merits of the case and considered as payable to the holding company or banker who has issued letter of credit.
	(ii) for recording of income of Rs.17.61 million, earlier shown as an advance from customers, in respect of contract of Rs.4,000.00 million (approx.) for solar park development with a customer, pending formal communication with the said customer, as mentioned in note 49 to the accompanying standalone Ind-AS financial statements;	Company has already fulfilled its obligation under the contract and accordingly the income has been recognized.
	(iii) With respect to following transactions of earlier years: <ul style="list-style-type: none"> • for considering sale of shares of a subsidiary and an associate to be consummated for a consideration of Rs.1,480.00 million pending share transfer and collection of sale consideration, recording of profit on sale of Rs.181.85 million in those years, transfer of shares of subsidiary in current year with write off of sales consideration receivable and impairment of said sale consideration during the earlier years as mentioned in note 8(III). 	<ul style="list-style-type: none"> • The sale of investments were based on the approval of the then Board of Directors/Management. Company has filed its claim in one case and based on the outcome of the resolution process, Company received NIL amount. Hence Company has written off Rs.1,380 million of receivables

Sl No	Auditor Qualification		Management Response
		<ul style="list-style-type: none"> for recording certain transactions of funds movement in form of loans taken from its holding company and loans given back to holding company on same day, onward lending to subsidiaries (including those which had no business) and refund thereof from said subsidiaries on the same or next day, new loans taken from same group companies to repay their old outstanding loans, loans taken by subsidiaries (having no business) from group companies and lent to the Company, loans given to/taken from certain subsidiaries, of which loans given were provided for, while loans taken were not settled, during the period as mentioned in note 45; 	<p>during the year.</p> <ul style="list-style-type: none"> The mentioned transactions pertain to pre-October 2018 period and were done based on the approval of the then Board of Directors/Management.
3			
	(i)	<p>note 39 of the accompanying standalone Ind-AS financial statements, one of the lenders of the Company has initiated forensic audit of the Company for the period from September 1, 2013 to March 31, 2020 which is under progress and as mentioned in note 35, the Board of Directors of the holding company have initiated third-party forensic examination of various matters of the holding company and certain subsidiaries of the IL&FS Group for the period from April 2013 to September 2018, which are currently ongoing.</p>	<p>One of the lender banks of the Company, has appointed an auditor to undertake the forensic audit of the Company for the period from September 1, 2013 to March 31, 2020. The said auditor has submitted its report to the lender and no communication has been received by the Company from the lender. Pending final outcome of above report as well as the process initiated by the Holding Company, no adjustments have been made to the standalone Ind-AS financial statements in this regard. Also refer Note 47 for contingent liability disclosures.</p>
	(ii)	<p>note 34 to the accompanying standalone Ind-AS financial statements, on January 1, 2019, the holding company and two of its subsidiaries (IL&FS Transportation Networks Limited and IL&FS Financial Services Limited) received orders from NCLT for the reopening and recasting of their accounts in respect of financial years 2013-14</p>	<p>An order received from NCLT dated January 01, 2019 has allowed a petition by the Union Of India for reopening of the books of accounts and recasting of the financial statements under Section 130 of the Companies Act for the</p>

Sl No	Auditor Qualification	Management Response
	<p>to 2017-18, under Section 130 of the Companies Act, 2013. During the period mentioned above, the Company has entered into various transactions with the above-mentioned companies and such reopening and recasting may have impact on the financial statements of the Company. Such process of reopening and recasting of prior years' accounts is currently in progress.</p>	<p>five financial years between 2013-14 to 2017-18 of the holding company IL&FS and its subsidiaries IFIN and ITNL. Accordingly, the NCLT has appointed firms to carry out the reopening and recasting of financial statements which is under progress.</p> <p>While the Company, based on its current understanding, believes that the above would not have a material impact on the financial statement. However, implications, if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.</p> <p>Once the recasting process is completed and in the event there is a change in the transactions undertaken with the above mentioned companies, the Company will make the required adjustments as necessary.</p>
(iii)	<p>note 36 to the accompanying standalone Ind-AS financial statements, management is in the process of compiling, reconciling and finalizing claims with its books of account in accordance with the Resolution Framework.</p>	<p>Pursuant to the "Third Progress Report – Proposed Resolution Framework for the IL&FS Group" dated December 17, 2018 and the "Addendum to the Third Progress Report – Proposed Resolution Framework for IL&FS Group" dated January 15, 2019 ("Resolution Framework Report") submitted by the Holding Company (IL&FS) to the Ministry of Corporate Affairs, Government of India which, in turn, was filed with the Hon'ble National Company Law Appellate Tribunal ("NCLAT"), the creditors of</p>

Sl No	Auditor Qualification	Management Response
		<p>the Company were invited (via advertisement(s) dated May 22, 2019) to submit their claims as at October 15, 2018 with proof, on or before 05 June, 2019 (subsequently extended till June 18, 2020) to a Claims Management Advisor ("CMA") appointed by the IL&FS group. The amounts claimed by the financial and operational creditors are assessed for admission by the CMA. Management of the Company is in the process of reviewing such claims, and reconciliation of such claims with the corresponding amounts as per the Company's books of account. Having regard to the nature, volume and value of claims received, management is of the view that due process will need to be applied to all such claims, in order to finally determine the level of present and possible obligations that would need to be recognised by the Company as liabilities</p>
	<p>(iv) note 37 to the accompanying standalone Ind-AS financial statements, there are ongoing investigations by various regulatory authorities and agencies on the holding company and its subsidiaries.</p>	<p>There are ongoing investigation by various regulatory authorities on holding company and its subsidiaries.</p> <p>The implications, if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.</p> <p>Once the matters are concluded, the Company will make the required adjustments as necessary.</p>

Sl No	Auditor Qualification	Management Response
	<p>(v) As mentioned in Note 38 to the accompanying standalone Ind-AS financial statements, the Company is not in compliance with certain requirements/provisions of applicable laws and regulations, including but not limited to SEBI Regulations applicable for listed companies, Listing Agreement, Goods & Service Tax Act 2017, Reserve Bank of India Act 1934, Foreign Exchange Management Act 1999, Income Tax Act 1961 and Companies Act 2013 with respect to non-filing of the half yearly financial results, delay in appointment of Chief Financial Officer and internal auditors, non-preparation of consolidated financial statements, non-payment of GST liability, non-registration as non-banking finance company under Section 45-IA of RBI Act etc.</p> <p>Pending final determination by management of the financial and other consequences arising from such non-compliances we are unable to determine the impact of possible adjustments/disclosures that may be required to be made to the accompanying standalone Ind-AS financial statements. The above matter was also disclaimed in our report as at and for the year ended March 31, 2020 and for the year ended March 31, 2019.</p>	<p>The Management has been in the process of identifying the non-compliance subsequent to September 30, 2018 and such non-compliances have been reported or being reported to the relevant regulator. The Company intends to comply with the necessary requirements to the extent possible.</p> <p>The Management is in the process of evaluating the financial and other consequences arising from such noncompliance and of making a comprehensive assessment of other non-compliances, to determine their financials, operating or any other consequences.</p>
	<p>(vi) We draw attention to note 46 and 62 of the accompanying standalone Ind-AS financial statements which states that:</p> <ul style="list-style-type: none"> (i) at the balance sheet date, current liabilities of the Company exceed current assets by Rs.43,765.37 million; (ii) at the balance sheet date, the Company has accumulated losses of Rs.93,592.45 million and its net worth is fully eroded; (iii) the Company has also suffered consistent downgrades in its credit ratings since September 2018, as a result of which the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed; 	<p>Company and the IL&FS group, in general, are undergoing substantial financial stress as at March 31, 2021. A resolution process is being run by the new board of IL&FS. The resolution plan seeks a transparent resolution keeping in mind larger public interest, financial stability, legality, stakeholders' interest and commercial feasibility. The resolution plan includes measure such as sale of entities / assets wherever possible.</p> <p>The Company is in the process of monetizing its assets and the Company is committed to take</p>

Sl No	Auditor Qualification	Management Response
	<p>(iv) the Company has defaulted in repayment of interest and principal on the debt taken and the said defaults are continuing till the date of this report.</p> <p>This situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern.</p> <p>Pending resolution of the above, the management is unable to determine the final amounts payable to financial, operational and other class of creditors including group companies and determine the amount of cash that would be available to the Company to continue as a going concern and discharge its liabilities.</p> <p>Consequently, we are unable to determine the Company's ability to continue as a going concern.</p>	<p>necessary steps to meet its financial commitments to the extent possible.</p> <p>The ability of the Company to continue as a going concern is predicated upon its ability to monetize its assets, and restructure / settle its liabilities. In view of actions that are currently underway, the accompanying financial statements have been prepared on going concern basis, based on cumulative impact of certain steps taken by the new board of IL&FS.</p>

(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 as amended from time to time, the Company has appointed M/s Santosh Kumar Pradhan, Company Secretaries, (CP No 7647), Ghaziabad, Uttar Pradesh a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for FY 2020-21. The Report of the Secretarial Auditor is annexed as Annexure IV to this Report.

Since there were no qualifications / observations / remarks of Secretarial Auditor pertaining to year ended March 31, 2021, Management responses are reported to be Nil

SECRETARIAL STANDARDS:

In view of the meetings of the New Board, the compliance with applicable Secretarial Standards has been met more in spirit than as a process. Accordingly, the compliance with the Secretarial Standards has been met on a best efforts basis.

DIRECTORS' RESPONSIBILITY STATEMENT:

1. On October 01, 2018, based on a petition by Union of India ("UOI"), the erstwhile Board of Directors of IL&FS was suspended by the Hon'ble NCLT with immediate effect and New Board of Directors was appointed.

2. The Board of the Company has on a best effort basis and after considering the complexity of the operations, including challenges in implementing the resolution plan, put in place a framework for preparation of financial statements, selection of accounting policies, maintenance of accounting records and prevention and detection of frauds for periods subsequent to their appointment. The Company has also faced several challenges in obtaining financial information and in being able to prepare its financial statements for the year ended March 31, 2021 in view of severe resource and other constraints. Having regard to these matters, the Company has applied judgments and estimates for several matters on applying prudence and conservatism for accounting and has tried to reflect substance over form in respect of transactions and balances in order to derive the business sense from the transactions and events and to present them in a manner that best reflects their true essence based on current estimates. These estimates may change due to subsequent events and are subject to the internal and external investigations that have been initiated.
3. Section 134(3)(c) of the Companies Act, 2013, requires the Board of Directors to provide a statement to the Members of the Company in connection with maintenance of books, records, and preparation of Annual Accounts in conformity with accepted accounting standards and past practices followed by the Company.
4. Pursuant to the foregoing, and to the best knowledge and belief of the New Board, on the basis of representations received from the operating management, and after due enquiry and having regard to the matters discussed previously and subject to the various limitations due to the extenuating circumstances, it is confirmed that:
 - A. in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures. Such departures, which are stated in the relevant notes to the financial statements, have been done having regard to the prevailing conditions under which the Company is operating currently as more fully explained in paragraphs 1-3 above;
 - B. the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period, having regard to the prevailing conditions under which the Company is operating currently;
 - C. 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. The directors have put in place controls and processes in respect of resolution processes / transactions
 - D. the Directors have prepared the annual accounts on a going concern basis;
 - E. the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls were adequate and were operating effectively as at year end, except that due to the prevailing conditions under which the Company is operating currently, and having regard to the matters stated;

- F. the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year having regard to the various matters discussed earlier that have resulted in the current status of the Company;

ACKNOWLEDGEMENTS:

Your Directors thank the various stakeholders such as the Central and State Governments, Ministry of Finance, Ministry of Commerce, Reserve Bank of India, Securities and Exchange Board of India, Banks, Financial Institutions, Customers, Employees and Consultants for the support extended by them and look forward to receiving their continued support and encouragement.

**For and on behalf of the Board of Directors
IL&FS Energy Development Company Limited**

**S/d
Girish Chandra Chaturvedi
Director**

**S/d
Chandra Shekhar Rajan
Director**

**S/d
Kaushik Modak
Director**

Place: Mumbai

Date : November 19, 2021

Annexure- I

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on Financial Year ended on March 31, 2020
[Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

1	CIN	U40300DL2007PLC163679
2	Registration Date	21/05/2007
3	Name of the Company	IL&FS Energy Development Company Limited
4	Category/Sub-category of the Company	Company Limited By shares/ Indian Non-Government Company
5	Address of the Registered office & contact details	3rd Floor, Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital Research & Referral New Delhi - 110057 Tel: 011 4007 9032
6	Whether listed company (Yes/ No)	Yes. NCDs are listed on BSE Ltd
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited C-13, Pannalal Silk Mills Compound LBS Marg, Bandup (W), Mumbai – 400078 Tel: +91 22 2596 3838 Fax: +91 22 2594 6969

II. 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 and Description of main products / services	NIC Code of the Product / service	% to total revenue from operation of the company
1	Consultancy services (Project Advisory services)	70200	95%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

HOLDING COMPANY

Sl. No.	Name & address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Infrastructure Leasing and Financial	L65990MH1987PLC044571	Holding Company	91.42	Section 2(46)

Sl. No.	Name & address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
	Services Limited				

SUBSIDIARIES - DIRECT

Sl. No.	Name & address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Vejas Power Projects Limited (formerly IL&FS Wind Projects Development Limited)	U40109MH2007PLC176368	Subsidiary Company	100	Section 2(87)
2	Nana Layja Power Company Ltd	U40103GJ2010PLC062968	Subsidiary Company	100	Section 2(87)
3	Mota Layja Gas Power Company Limited	U40106GJ2013PLC077551	Subsidiary Company	100	Section 2(87)
4	IL&FS Wind Energy Limited (formerly Mandvi LNG Terminal Limited)	U40106GJ2013PLC077520	Subsidiary Company	100	Section 2(87)
5	Maritime International Offshore PTE Limited	Foreign Company	Subsidiary Company	100	Section 2(87)
6	IL&FS Tamil Nadu Power Company Limited	U72200TN2006PLC060330	Subsidiary Company	91.38	Section 2(87)
7	Cuddalore Solar Power Private Limited	U40300MH2012PTC237302	Subsidiary Company	100	Section 2(87)
8	Shendra Green Energy Ltd	U40100MH2005PLC151412	Subsidiary Company	100	Section 2(87)
9	Joghali Wind Energy Private Limited	U74900MH2014PTC255989	Subsidiary Company	100	Section 2(87)

Sl. No.	Name & address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
10	Mahidad Wind Energy Private Limited	U74999MH2014PTC255870	Subsidiary Company	100	Section 2(87)
11	Sipla Wind Energy Limited	U40300MH2011PLC220004	Subsidiary Company	100	Section 2(87)
12	Patiala Bio Power Company Private Limited	U40200MH2011PLC220462	Subsidiary Company	100	Section 2(87)
13	Rohtas Bio Energy Limited	U40300MH2011PLC220218	Subsidiary Company	100	Section 2(87)
14	IL&FS Wind Power Services Limited	U74120MH2013PLC242327	Subsidiary Company	100	Section 2(87)
15	IL&FS Solar Power Limited	U40300MH2010PLC207073	Subsidiary Company	100	Section 2(87)
16	Ramagiri Renewable Energy Limited	U40100MH1997PLC105323	Subsidiary Company	100	Section 2(87)

SUBSIDIARIES - INDIRECT

Sl. No.	Name & address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	IL&FS Maritime Offshore Pte Ltd	Foreign Company	Subsidiary Company	91.38	Section 2(87)
2	IL&FS Offshore Natural Resources Pte Ltd	Foreign Company	Subsidiary Company	91.38	Section 2(87)
3	PT Bangun Asia Persada	Foreign Company	Subsidiary Company	91.38	Section 2(87)
4	Se7en Factor Corporation	Foreign Company	Subsidiary Company	91.38	Section 2(87)
5	PT Mantimim Coal Mining	Foreign Company	Subsidiary Company	86.81	Section 2(87)

JOINT VENTURES & ASSOCIATES

Sl. No.	Name & address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Bihar Power Infrastructure Company Private Limited (BPIC)	U45206BR2008PTC013348	Joint venture	50	Section 2(6)
2	Assam Power Project Development Company Limited (APPDCL)	U40102AS2007PLC008471	Joint venture	50	Section 2(6)
3	Cross Border Power Transmission Company Limited (CPTC)	U40102DL2006PLC156738	Associate	38	Section 2(6)
4	ONGC Tripura Power Company Limited (OTPC)	U40101TR2004PLC007544	Associate	12.03	Section 2(6)
5	Saurya Urja Company of Rajasthan Limited (SURAJ)	U40104RJ2015PLC047322	Joint venture	50	Section 2(6)
6	Urjankur Shree Tatyasaheb Kore Warna Power Company Limited	U31500MH2008PLC184800	Associate	33.33%	Section 2(6)

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year As on April 1, 2020				No. of Shares held at the end of the year As on March 31, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	89541234	-	89541234	6.98	89541234	-	89541234	6.98	No Change
ii) Overseas	18625505	-	18625505	1.44	18625505	-	18625505	1.44	No Change
b) Individuals	-	-	-	-	-	-	-	-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	-	-	-	-	-	-	-	-	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	-	-	-	-	-	-	-	-
c) Others Individual Foreign shareholder	1971461	-	-	0.15	1971461	-	-	0.15	No Change
Sub-total (B)(2):-	110138200	-	110138200	8.58	110138200	-	110138200	8.58	No Change

Category of Shareholders	No. of Shares held at the beginning of the year As on April 1, 2020				No. of Shares held at the end of the year As on March 31, 2021				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total Public Shareholding (B)=(B)(1)+ (B)(2)	110138200	-	110138200	8.58	110138200	-	110138200	8.58	No Change
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1283564658	6	1283564664	100	1283564658	6	1283564664	100	No Change

(ii) **Shareholding of Promoters-**

Shareholder's Name	Shareholding at the beginning of the year (as on April 1, 2020)			Shareholding at the end of the year (as on March 31, 2021)			% change in shareholding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
Infrastructure Leasing And Financial Services Limited	*1173426464	91.42	NIL	*1173426464	91.42	NIL	No Change

*Includes 6 shares held by IL&FS jointly with individuals

(iii) **Change in Promoters' Shareholding**

Name of the	Shareholding at the beginning of	Date	Reason	Increase/ Decrease in	Cumulative Shareholding during the year	At the End of the
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Shareholder	the year (01/04/2020)				Shareholding No of Shares			Financial Year (31/03/2021)
	No. of shares	% of total shares of the company				No. of shares	% of total shares of the company	
Nil								

(iv) **Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01/04/2020)		Increase / Decrease (date and reason)	Cumulative Shareholding during the Year		At the End of the Year (31/03/2021)
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company	
1.	7K Investments LLC	1971461	0.15	No effect in shareholding	1971461	0.15	1971461
2	Mr Chandra Shekhar Rajan, Dr Malini Shankar and Mr Kaushik Modak (trustees of IL&FS Employee Welfare Trust)	86,000,000	6.70	No effect in shareholding	86,000,000	6.70	86,000,000
3	Bay Capital Investment Managers Pvt Ltd A/C P Ms Client Account	894174	0.07	No effect in shareholding	894174	0.07	894174

Sl. No.	Name of the Shareholder	Shareholding at the beginning of the year (01/04/2020)		Increase / Decrease (date and reason)	Cumulative Shareholding during the Year		At the End of the Year (31/03/2021)
		No. of shares	% of total shares of the company		No. of shares	% of total shares of the company	
4.	Backbay Equity Partners LLP	2468226	0.19	No effect in shareholding	2468226	0.19	2468226
5.	Standard Chartered II And Fs Asia Infrastructure Growth Fund Company Pte Limited	0	0	No effect in shareholding	0	0	0
6.	Vistra ITCL India Limited	0	0	No effect in shareholding	0	0	0
7.	Bay Capital Investments Limited (Mauritius Based Entity)	10457078	0.81	No effect in shareholding	10457078	0.81	10457078
8.	Walid Hasan Kattan	1971461	0.15	No effect in shareholding	1971461	0.15	1971461
9.	Deepak Mawandia	6196966	0.48	No effect in shareholding	6196966	0.48	6196966
10.	Echjay Industries Private Limited	178834	0.01	No effect in shareholding	178834	0.01	178834

(v) **Shareholding of Directors and KMPs:**

Sl. No.	Name of Director/KMP	Shareholding at the beginning of the year (01/04/2020)	Date wise Increase / Decrease in specifying the reasons for	Cumulative Shareholding during the Year	At the End of the Year (31/03/2021)
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			increase /decrease				
	No. of share s	% of total shares of the compan y		No. of share s	% of total shares of the compan y	No. of share s	% of total shares of the compan y
NIL							

V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the Beginning of the Financial Year				
i) Principal Amount	28,30,99,70,894.98	17,54,26,45,859.36	-	45,85,26,16,754.34
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	1,10,53,47,273.70	74,64,67,968.30	-	1,85,18,15,242.00
Total (i+ii+iii)	29,41,53,18,168.68	18,28,91,13,827.66	-	47,70,44,31,996.34
Change in Indebtedness (principal) During the Financial Year				
* Addition	-9,40,59,998.59	-	-	-9,40,59,998.59
* Reduction	8,39,198.41	-	-	8,39,198.41
Net Change	-9,48,99,197.00	-	-	-9,48,99,197.00
Indebtedness at the End of the Financial Year				
i) Principal Amount	28,21,50,71,697.98	17,54,26,45,859.36		45,75,77,17,557.34
ii) Interest due but not paid				-
iii) Interest accrued but not due	1,10,53,47,273.70	74,64,67,968.30		1,85,18,15,242.00
Total (i+ii+iii)	29,32,04,18,971.68	18,28,91,13,827.66	-	47,60,95,32,799.34

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

(A) Remuneration to Managing Director, Whole-time Directors and/or Manager:

Not Applicable since the Company has not appointed Managing Director / Whole Time Director during the year under review.

(B) Remuneration to other Directors

(In Rs)

Sl. No	Name of the Director	Particulars of Remuneration			Total Amount
		Fee for attending Board/ Committee Meetings	Commission	Others	
1	Independent Directors:				
	Sub-total (1)	-	-	-	-
2	Other Non-Executive Directors:				
	Mr G C Chaturvedi	1,70,000			1,70,000
	Mr C S Rajan	1,70,000			1,70,000
	Mr Kaushik Modak	95,000			95,000
		-	-	-	-
	Sub-total (2)	4,35,000	-	-	4,35,000
	Total =(1+2)	4,35,000			4,35,000
	Total Managerial Remuneration	4,35,000	-	-	4,35,000

(C) Remuneration to Key Managerial Personnel other than MD/Manager/WTD

(In Rs)

Sl. No.	Particulars of Remuneration	CEO	CFO	CS
		Mr Feby Koshy	Mr Ritendra Bhattacharjee	Ms. Shilpa Parekh
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	43,29,823	11,87,853	
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	21,962	2,071	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			-
2	Stock Option			-
3	Sweat Equity			-
4	Commission- as % of profit			-
5	Others, please specify #			18,68,516
	Total	43,51,785	11,89,924	18,68,516

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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)
A. COMPANY					
Penalty	Nil	Penalty for delay in filing of GST Return	30,000	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil	Nil	Nil	Nil	Nil
Punishment	Nil	Nil	Nil	Nil	Nil
Compounding	Nil	Nil	Nil	Nil	Nil

**For and on behalf of the Board of Directors
IL&FS Energy Development Company Limited**

**S/d
Girish Chandra Chaturvedi
Director**

**S/d
Chandra Shekhar Rajan
Director**

**S/d
Kaushik Modak
Director**

Place: Mumbai
Date : November 19, 2021

Annexure- II

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 –

(Rs.in Million)

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	Infrastructure Leasing & Financial Services Limited (Holding Company)	One year	Rent	14.28	-	-
2	Infrastructure Leasing & Financial Services Limited (Holding Company)	One year	Expenses Recovered	0.06	-	-
3	Infrastructure Leasing & Financial Services Limited (Holding Company)	One year	Office Maintenance Expenses	0.71	-	-
4	Infrastructure Leasing & Financial Services Limited (Holding Company)	Completed	Salaries Deputation	3.34	-	-
5	Infrastructure Leasing & Financial Services Limited (Holding Company)	One year	Legal & Professional Expenses	1.74	-	-
6	IL&FS Tamil Nadu Power Company Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	46.10	-	-
7	IL&FS Solar Power Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	5.41	-	-

8	Cuddalore Solar Power Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	0.02	-	-
9	Mahidad Wind Energy Private Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	0.92	-	-
10	Shendra Green Energy Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	1.47	-	-
11	Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	1.50	-	-
12	Nana Layja Power Company Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	0.88	-	-
13	IL&FS Wind Energy Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	48.20	-	-
14	Mota Layja Gas Power Company Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	0.03	-	-
15	Vejas Power Projects Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	0.01	-	-
16	Patiala Bio Power Company Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	2.11	-	-
17	Rohtas Bio Energy Private Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	1.71	-	-
18	Sipla Wind Energy Limited (Subsidiary)	Completed/As and when required	Reimbursement of Expenses	0.30	-	-
19	Saurya & CPTC (Joint Venture/Affiliates)	On-going	Deputation charges	3.40	-	-
20	ONGC Tripura Power Company Limited (Joint Venture/Affiliates)	Completed	Consultancy Income	0.31	-	-
21	ONGC Tripura Power Company Limited (Joint Venture/Affiliates)	Completed	Dividend Received	107.79	-	-
22	Power Transmission Company Nepal Limited (Joint Venture/Affiliates)	Completed	Dividend Received	10.13	-	-

23	Cross Border Power Transmission Company Limited (Joint Venture/Affiliates)	Completed	Dividend Received	38.71	-	-
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**For and on behalf of the Board of Directors
IL&FS Energy Development Company Limited**

**S/d
Girish Chandra Chaturvedi
Director**

**S/d
Chandra Shekhar Rajan
Director**

**S/d
Kaushik Modak
Director**

Place: Mumbai

Date : November 19, 2021

Annexure- III

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended from time to time, in respect of employees of the Company

- (1) The ratio of remuneration of each director to the median remuneration of the employees of the Company for the financial year 2020-21 : Not Applicable (None of the Director was paid remuneration except sitting fees during FY 2020-21)
- (2) The percentage increase / decrease in remuneration of each Managing Director, Executive Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year

No	Name and designation	% increase in remuneration (*)
1	Mr Feby Koshy, CEO	32.90%
2	Mr Ritendra Bhattacharjee, CFO	15.00%
4	Ms Shilpa Parekh, Company Secretary	27.20%

* The remuneration includes all components paid to respective employees for the financial year, including Leave Encashment, Leave Travel Allowance, Performance Related Pay and other reimbursements claimed etc.

- (3) The percentage decrease in the median remuneration of employees in the financial year is: There was a decrease by 8.21% (previous year decrease was 19.79%) during FY 2020-21
- (4) As on March 31, 2021, the Company has 38 (previous year 43) employees on its rolls
- (5) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:
 - (i) Average percentage increase in the salaries of employees (effective October 1, 2019) in the last financial year was 5% over the previous year
 - (ii) Not Applicable
- (6) The remuneration paid is as per the remuneration policy of the Company
- (7) In terms of first proviso to Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars as required pursuant to Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The said annexure is available for inspection by the Members at the registered office of the Company during business hours on working days of the Company (other than Saturday) up to the date of the ensuing AGM. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary at the registered office.

- (8) The details of Remuneration and Commission received by the Whole-time Directors & Managers of the Company from Subsidiary Companies and/or Group Companies:
There were no Whole-time Directors & Managers for FY 2020-21.

**For and on behalf of the Board of Directors
IL&FS Energy Development Company Limited**

**S/d
Girish Chandra Chaturvedi
Director**

**S/d
Chandra Shekhar Rajan
Director**

**S/d
Kaushik Modak
Director**

Place: Mumbai

Date : November 19, 2021



**SANTOSH KUMAR PRADHAN
COMPANY SECRETARIES**

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2021

[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 Energy Development Company Limited,
(CIN: U40300DL2007PLC163679)
3rd Floor, Niryat Bhawan, Rao Tula Ram Marg,
Opp Army Hospital Research & Referral,
New Delhi-110057**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by IL&FS Energy Development Company Limited (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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, I hereby report that in my opinion, the company has during the audit period covering the financial year ended on 31st March, 2021 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 herein after:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;

**SANTOSH KUMAR PRADHAN
COMPANY SECRETARIES**

- (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 thereunder;
- (iv) The Foreign Exchange Management Act, 1999 and the rules and regulation made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;
- (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 (Issue and listing of Debt Securities) Regulations, 2008 and The Securities and Exchange Board of India (Issue & Listing of Debt Securities) Amendments Regulation , 2012 and Listing Agreement of Debt Securities;
 - (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (c) The Securities and Exchange Board of India (Prohibition on Insider Trading) Regulations, 1992;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee stock Purchase Scheme) Guidelines, 1999 **(Not Applicable as the Company has not issued any Employee Stock Option securities during the financial Year);**
 - (e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 **(Not Applicable as the Company has not de-listed its securities during the Financial Year);** and
 - (g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not Applicable AS Company has not bought back any security during the Financial Year).**

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

- (h) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (i) The Listing Agreements read with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 entered into by the Company with the Stock Exchanges.

SANTOSH KUMAR PRADHAN
COMPANY SECRETARIES

I report that, during the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, standards, etc. mentioned above except as under:

- a. The Company does not have a Managing Director or Chief executive Officer and Chief Financial Officer in the category of Whole Time Key Managerial Personnel during the Financial Year 2020-21 upto 13th October, 2020 and 12th February, 2021 respectively.*
- b. The Company has defaulted on the re-payment of loans and interest on its borrowing obligations during the Financial Year 2020-21.*
- c. The Company has filed the Half Yearly results for the half year ended 31st March, 2020 to the Stock exchange after the due date of filing as required under Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Further, the Company has not filed the Half Yearly results for the half year ended 30th September, 2020 with the Stock exchange as required under regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.,*
- d. The Company has not filed Half Yearly Compliance certificate for the half year ended 30th September, 2020 to the Stock exchange as required under regulation 7(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.;*
- e. The company has not taken credit rating by the credit rating agency as required under regulation 55 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*
- f. The Company has filed the monthly ECB Returns for the Financial Year 2020-21 with the Authorized Dealer bank after the due date of filing these returns except for the months of December, 2020, January, 2021, February, 2021 & March, 2021.*

The Board of Directors of the Company is duly constituted and the Company was exempted from the requirement of appointment of Independent Directors and Women Director vide the Hon'ble NCLT Mumbai Bench. 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.

The Company has convened the Board Meetings and Committee meetings at shorter notice and as confirmed by the Company Secretary, none of the Directors sought any further information and clarifications on the agenda items sent for the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee meetings were taken as majority decisions and there were no dissenting members during the period under review.

**SANTOSH KUMAR PRADHAN
COMPANY SECRETARIES**

I 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.

I further report that, the compliance by the Company of applicable financial laws, like Direct & Indirect Tax laws, has not been reviewed in this Audit since the same have been subject to review by Statutory Financial Auditor and other designated professionals.

I further report that during the period under review, the company has taken the following decisions which have major bearing on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

1. Mr. Feby Koshi was appointed as the Chief Executive Officer (CEO) of the Company w.e.f. 13th October, 2020.

**Date: 19.11.2021
Place: Angul, Odisha**

**For Santosh Kumar Pradhan
(Company Secretaries)**

Santosh Kumar Pradhan  Digitally signed by
Santosh Kumar Pradhan
Date: 2021.11.19
10:21:00 +05'30'

**Santosh Kumar Pradhan
FCS No.: 6973
C P No.: 7647
UDIN: F006973C001478751**

Note: 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

**SANTOSH KUMAR PRADHAN
COMPANY SECRETARIES**

'ANNEXURE A'

**To
The Members,
IL & FS Energy Development Company Limited
CIN: U40300DL2007PLC163679
3rd Floor, Niryat Bhawan, Rao Tula Ram Marg,
Opp Army Hospital Research & Referral,
New Delhi-110057**

My report of even date is to be read alongwith this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these Secretarial records based on our audit.
2. I 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. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Date: 19.11.2021
Place: Angul, Odisha**

**For Santosh Kumar Pradhan
(Company Secretaries)**

Santosh Kumar Pradhan
Digitally signed by
Santosh Kumar Pradhan
Date: 2021.11.19
10:21:30 +05'30'

**Santosh Kumar Pradhan
FCS No.: 6973
C P No.: 7647
UDIN: F006973C001478751**

INDEPENDENT AUDITOR'S REPORT

To the Members of IL&FS Energy Development Company Limited

Report on Audit of standalone financial statements**Disclaimer of Opinion**

We were engaged to audit the accompanying standalone financial statements of IL&FS Energy Development Company Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2021, the standalone statement of Profit and Loss, including the statement of Other Comprehensive Income, the standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

We do not express an opinion on the accompanying standalone financial statements of the Company. Because of the significance of the matters described in the Basis for Disclaimer of Opinion and Material Uncertainty Related to Going Concern sections of our report, we have not been able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on the accompanying standalone financial statements.

Basis for Disclaimer of Opinion

- (a) As mentioned in Note 40 (a) to the accompanying standalone financial statements, the Company has made provision for impairment of financial assets (comprising of loans, receivables and investments) of Rs. 83.14 million and Rs. 87,371.75 million during the current year and earlier years respectively. Further, the Company has also recognised gain of Rs. 108.03 million and Rs.193.02 million during the current year and earlier years on the investments made in the joint ventures based on the net worth and had also reversed provision of Rs. 11.86 million in respect of trade receivables during the earlier years as was recognised by the Company and is carrying financial assets of Rs. 4,336.76 million as at March 31, 2021.

In the absence of audited financial statements of 4 subsidiaries, 2 joint ventures and 5 other investee companies for the year ended March 31, 2021 and 4 subsidiaries, 2 joint venture and 9 other investee companies for the year ended March 31, 2020/March 31, 2019, necessary and/or complete information to support cash flow based tests over its investments and assumptions to determine the recoverable amount of loans and receivables, the management has recorded provisions/gain during the current year and the earlier years basis their internal assessment, which does not consider the requirements of the relevant Ind-AS Standards in its entirety. Thus, we are unable to comment on the possible effects of the aforesaid on the accompanying financial statements as at and for the year ended March 31, 2021. The above matter was also disclaimed in our report as at and for the year ended March 31, 2020 and for the year ended March 31, 2019.

- (b) We have not received sufficient appropriate audit evidences in respect of:

A. Reconciliations/confirmations/agreements /share certificates:

- response to our request for direct balance confirmations towards trade receivable balances aggregating to Rs. 286.36 million and confirmation from banks/financial institutions in respect of details of securities, lien collaterals, guarantees;
- differences between book balances and confirmations received of Rs. 2,141.03 million with respect to borrowings (including interest accrued), Rs. 7.10 million towards loans and advances (including interest accrued), Rs. 19.42 million towards trade receivables balances and Rs. 46.48 million towards trade payable balances;
- difference of Rs. 1,244.99 million between balance as per books and as confirmed by depository in respect of 1,000 debentures as at March 31, 2021;
- loan agreements in respect of 94 loans extended to various group companies and third parties aggregating to Rs. 9,828.34 million and Rs. 1,462.00 million respectively, as referred to in note 11 to the accompanying standalone Ind-AS financial statements;
- identification and completeness of inter-company balances pending completion of audit of financial statements of holding company, fellow subsidiaries, various subsidiaries, associates and joint ventures as at and for the year ended March 31, 2021/March 31, 2020/March 31, 2019 (refer note 59);

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- physical certificates in relation to 3,533,500 equity shares having cost of Rs. 661.68 million and carrying value (post impairment) of Rs. Nil as at March 31, 2021 as held by the Company in its investee companies as referred to in note 8 to the accompanying standalone Ind-AS financial statements;
 - request for confirmation letter in respect of loans and advances (including interest accrued) aggregating to Rs. 549.71 million.
- B. Management assessment:
- of financial and other consequences and likely outcome of the litigations and liabilities arising out of the outstanding financial guarantees extended to group companies as mentioned in note 39, note 48 and note 41 respectively to the accompanying standalone Ind-AS financial statements;
 - of recoverability of income tax assets of Rs. 1,129.05 million as mentioned in note 13 on account of pending assessment of uncertain tax positions as per requirement of Appendix C of Ind AS 12, tax assets arising out of merger of IL&FS Renewable Energy Limited with the Company, on-going tax litigations and pending tax assessments and impact of matters related to disclaimer of opinion.
 - of Goods and Service Tax credit amounting to Rs. 45.57 million considered as good of recovery as at March 31, 2021 as referred to in note 14;
 - for non-conversion of Fully Compulsorily Convertible Debentures having face value of Rs. 2,470.00 million into fixed number of equity shares on due date of conversion as referred to in note 17.
 - of disclosure/impact of revenue recognition standard, Ind AS 115 'Revenue from contracts with Customers' and Leases Standard, Ind AS 116 'Leases' as more fully discussed in note 44 and 58 and compliance with the requirement of Ind AS 105 'Non-Current Assets Held for Sale and Discontinued Operations' in respect of classification of investments in group companies as Held for Sale.
- C. Commercial substance and rationale:
- for recognition of liability of Rs. 644.12 million in respect of the holding company, which is also claimed by one of the vendor as mentioned in note 23 to the accompanying standalone Ind-AS financial statements;
 - for recording of income of Rs. 17.61 million, earlier shown as an advance from customers, in respect of contract of Rs. 4,000.00 million (approx.) for solar park development with a customer, pending formal communication with the said customer, as mentioned in note 49 to the accompanying standalone Ind-AS financial statements;
 - With respect to following transactions of earlier years:
 - for considering sale of shares of a subsidiary and an associate to be consummated for a consideration of Rs. 1,480.00 million pending share transfer and collection of sale consideration, recording of profit on sale of Rs. 181.85 million in those years, transfer of shares of subsidiary in current year with write off of sales consideration receivable and impairment of said sale consideration during the earlier years as mentioned in note 8(III).
 - for recording certain transactions of funds movement in form of loans taken from its holding company and loans given back to holding company on same day, onward lending to subsidiaries (including those which had no business) and refund thereof from said subsidiaries on the same or next day, new loans taken from same group companies to repay their old outstanding loans, loans taken by subsidiaries (having no business) from group companies and lent to the Company, loans given to/taken from certain subsidiaries, of which loans given were provided for, while loans taken were not settled, during the period as mentioned in note 45;

Accordingly, we are unable to comment on the consequential effects of the matters stated in paragraph A, B and C on the accompanying standalone Ind-AS financial statements. Certain of the above matters were also disclaimed in our report as at and for the year ended March 31, 2020 and for the year ended March 31, 2019.

(c) As mentioned in:

- note 39 of the accompanying standalone Ind-AS financial statements, one of the lenders of the Company has initiated forensic audit of the Company for the period from September 1, 2013 to March 31, 2020 which is under progress and as mentioned in note 35, the Board of Directors of the holding company have initiated third-party forensic examination of various matters of the holding company and certain subsidiaries of the IL&FS Group for the period from April 2013 to September 2018, which are currently ongoing.
- note 34 to the accompanying standalone Ind-AS financial statements, on January 1, 2019, the holding company and two of its subsidiaries (IL&FS Transportation Networks Limited and IL&FS Financial Services Limited) received orders from NCLT for the reopening and recasting of their accounts in respect of financial years 2013-14 to 2017-18, under Section 130 of the Companies Act, 2013. During the period mentioned above, the Company has entered into various transactions with the above- mentioned companies and such reopening and recasting may have impact on the financial statements of the Company. Such process of reopening and recasting of prior years' accounts is currently in progress.
- note 36 to the accompanying standalone Ind-AS financial statements, management is in the process of compiling, reconciling and finalizing claims with its books of account in accordance with the Resolution Framework.
- note 37 to the accompanying standalone Ind-AS financial statements, there are ongoing investigations by various regulatory authorities and agencies on the holding company and its subsidiaries.

Consequently, the accompanying standalone Ind-AS financial statements do not include any possible adjustments arising from the aforesaid matters, including to the extent these may affect prior period comparatives presented therein. Certain of the above matters were also disclaimed in our report as at and for the year ended March 31, 2020 and for the year ended March 31, 2019.

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- (d) As mentioned in Note 38 to the accompanying standalone Ind-AS financial statements, the Company is not in compliance with certain requirements/provisions of applicable laws and regulations, including but not limited to SEBI Regulations applicable for listed companies, Listing Agreement, Goods & Service Tax Act 2017, Reserve Bank of India Act 1934, Foreign Exchange Management Act 1999, Income Tax Act 1961 and Companies Act 2013 with respect to non-filing of the half yearly financial results, delay in appointment of Chief Financial Officer and internal auditors, non-preparation of consolidated financial statements, non-payment of GST liability, non-registration as non-banking finance company under Section 45-IA of RBI Act etc.

Pending final determination by management of the financial and other consequences arising from such non-compliances we are unable to determine the impact of possible adjustments/disclosures that may be required to be made to the accompanying standalone Ind-AS financial statements. The above matter was also disclaimed in our report as at and for the year ended March 31, 2020 and for the year ended March 31, 2019.

- (e) We draw attention to note 46 and 62 of the accompanying standalone Ind-AS financial statements which states that:
- i. at the balance sheet date, current liabilities of the Company exceed current assets by Rs. 43,765.37 million;
 - ii. at the balance sheet date, the Company has accumulated losses of Rs. 93,592.45 million and its net worth is fully eroded;
 - iii. the Company has also suffered consistent downgrades in its credit ratings since September 2018, as a result of which the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed;
 - iv. the Company is in process of novating its revenue generating contracts to third party;
 - v. the Company has defaulted in repayment of interest and principal on the debt taken and the said defaults are continuing till the date of this report.

Pending resolution of the above, the management is unable to determine the final amounts payable to financial, operational and other class of creditors including group companies and determine the amount of cash that would be available to the Company to continue as a going concern and discharge its liabilities. Consequently, we are unable to determine the Company's ability to continue as a going concern.

Emphasis of matter

As mentioned in Note 42 to the accompanying standalone Ind-AS financial statements, the Company has not accounted for contractual interest income of Rs. 10,842.17 million on loans and advances given to its subsidiaries, associates and joint ventures and further, has not accounted for contractually payable finance costs of Rs. 17,284.42 million (excluding penal/other interest and charges) on borrowings for the period from October 16, 2018 to March 31, 2021 pursuant to an order passed by NCLAT specifying October 15, 2018 as the Cut Off date for initiation of resolution process and for distribution of assets. Further, the Company has also not recognised interest expense of Rs. 40.15 million and Rs. 29.31 million on account of non-payment of TDS liability and non-payment of GST liability respectively for the period from April 1, 2019 to March 31, 2021 pursuant to the above-mentioned order of NCLAT. This regulatory order overrides the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules 2015, as amended, which require accrual of these income and expenses and has potential income tax implications thereon.

Our opinion is not modified in respect of this matter.

Other matters

The comparative financial information included in the accompanying Ind AS financial statements of the Company are basis the standalone Ind-AS financial statements for the year ended March 31, 2020, on which we have issued disclaimer of opinion dated December 21, 2020.

Responsibilities of Management and Those Charged with Governance for the Standalone 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 financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified 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 of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern (refer note 46 to the standalone financial statements) and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our responsibility is to conduct an audit of the Company's standalone Ind-AS financial statements in accordance with Standards on Auditing and to issue an auditor's report. However, because of the matters described in the Basis for Disclaimer of Opinion section of our report, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on these standalone financial statements.

We are independent of the Company in accordance with the ethical requirements that are relevant to our audit of the financial statements and we have fulfilled our other ethical responsibilities in accordance with these requirements.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, which is subject to the possible effect of the matters described in the "Basis for Disclaimer of Opinion" above.
2. As required by Section 143(3) of the Act, we report that:
 - (a) we have sought but were unable to obtain information to the extent described in the Basis for Disclaimer of Opinion section above, which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) except to the extent stated in the Basis for Disclaimer of Opinion section above and matters referred to in clause (i), (iii) and (iv) of our Report included in Annexure 1, 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) read with the matters stated in the Basis for Disclaimer of Opinion section above, the Balance Sheet, the Statement of Profit and Loss, including the Statement of 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) due to the possible effects of the matters described in the Basis for Disclaimer of Opinion and Emphasis of matter paragraphs above, we are unable to state whether the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) the matters described in the Basis for Disclaimer of Opinion and in the Emphasis of matter paragraphs above, in our opinion, may have an adverse effect on the functioning of the Company;
 - (f) on the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
 - (g) the reservations relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion paragraph above;
 - (h) with respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report. Our report expresses Disclaimer of opinion on the Company's internal controls over financial reporting for the reasons stated therein;

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- (i) On the basis of information and explanation provided to us, the Company has not paid any managerial remuneration for the year ended March 31, 2021 and accordingly, reporting under this clause is not applicable.
- (j) Except for the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph above, 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 has not disclosed the impact of all the pending litigations on its financial position in its standalone financial statements – Refer Para (b) of the Basis for Disclaimer of Opinion section of our Auditors' Report and note 47 to the standalone financial statements;
 - ii. As mentioned in note 53 to the standalone financial statements, the Company has entered into a long term contract with a government agency for which detailed profitability assessment is under progress, pending which we are unable to comment if there are any material foreseeable losses in respect of the said contract. Other than this, the Company did not have any other long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

**AMIT
GUPTA**

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o=Personal,
email=gupta.amit@srb.in
Location: Gurugram
Date: 2021.11.19 23:10:37 +05'30'

per Amit Gupta

Partner

Membership Number: 501396

UDIN: 21501396AAAADE4113

Place of Signature: Gurugram

Date: November 19, 2021

S.R. BATLIBOI & Co. LLP

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Annexure 1 referred to in paragraph 1 under “Report on other legal and regulatory requirements” section of our report of even date

Re: IL&FS Energy Development Company Limited (“the Company”)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the Company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.
- (ii) The Company’s business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not maintained the register as required under section 189 of the Companies Act, 2013 till October 31, 2018 and accordingly, we are unable to comment on the requirement of the provisions of clause 3(iii) (a), (b) and (c) of the Order.
- (iv) We have not been provided with the management assessment of compliance of Section 185 of the Companies Act, 2013 in relation to loans, investments, guarantees and securities given to parties covered under Section 185 of the Companies Act, 2013 in respect of the period till September 30, 2018 and we are unable to comment thereupon. In our opinion and according to the information and explanations given to us, there are no loan, investment, guarantees and securities given during the period April 1, 2020 to March 31, 2021 in respect of which provision of section 185 of the Companies Act, 2013 are applicable. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 are not applicable to the Company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the generation of power, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
- (vii) (a) Except for the possible effects of the matters stated in Basis for Disclaimer of Opinion section of our auditor’s report on the financial statements, undisputed statutory dues including provident fund, cess and other statutory dues have generally been regularly deposited with the appropriate authorities except for income tax and goods and services tax, where there have been serious delays. The provisions relating to employees’ state insurance, sales-tax, service tax, duty of excise, duty of custom and value added tax are not applicable to the Company.
- (b) According to the information and explanations given to us, and except for the possible effects of the matter stated in Basis for Disclaimer of Opinion section of our auditor’s report on the financial statements, undisputed dues in respect of provident fund, income-tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

Statement of arrears of Statutory Dues Outstanding for More than Six Months:

Name of the Statute	Nature of the Dues	Amount (Rs. in Mn)*	Period to which the amount relates	Due Date	Date of Payment
Central Goods and Service Tax Act	Goods and Services Tax	40.37	Various dates (July 2018 to March 2019)	Various dues dates	Not Paid
State Goods and Service Tax Act	Goods and Services Tax	40.37	Various dates (July 2018 to March 2019)	Various dues dates	Not Paid
Interstate Goods and Service Tax Act	Goods and Services Tax	0.67	Various dates (July 2018 to March 2019)	Various dues dates	Not Paid
Income tax Act, 1961	Tax deducted at source	107.06	March 31, 2019	April 30, 2019	Not Paid
		188.47			

*excluding interest liability on non-payment of dues

The provisions relating to employees’ state insurance, sales-tax, service tax, duty of excise, duty of custom and value added tax are not applicable to the Company.

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(c) According to the information and explanations given to us, and except for the possible effects of the matter stated in Basis for Disclaimer of Opinion section of our auditor's report on the financial statements, there are no dues of income tax, sales-tax, service tax, customs duty, excise duty, value added tax and cess which have not been deposited on account of any dispute.

(viii) According to the information and explanations given by the management, except for possible effect of the matter described in Basis for Disclaimer of opinion section on which we are unable to comment, the Company has delayed in repayment of loans and borrowings to financial institutions and banks and dues to debenture holders during the year and these dues were in arrears as on the balance sheet date. The lender wise details are tabulated as under:

Sr. No.	Particulars	Type of borrowing	Period of default since	Amount of the default of principal (and interest till October 15, 2018)*	Interest from October 16, 2018 to March 31, 2021#	Total amount (principal and total interest)
	Term loan			A	B	(A+B)
1	Yes Bank Limited	Term Loan	September 25, 2018	9,083.78	2,461.38	11,545.16
2	Karnataka Bank Limited	Term Loan	September 30, 2018	506.94	160.59	667.53
3	Syndicate Bank, London	External Commercial Borrowing	October 15, 2018	3,686.73	951.28	4,638.01
4	United Bank of India	Term Loan	September 30, 2018	1,013.61	344.52	1,358.13
5	IL&FS Limited	Term Loan	Various Dates	3,528.62	1,667.00	5,195.62
6	IL&FS Limited	Revolving Line of Credit	April 1, 2019	14,543.99	6,867.78	21,411.77
7	Aditya Birla Finance Limited	Term Loan	August 22, 2018	150.80	51.45	202.25
8	IFCI Limited	Term Loan	September 30, 2018	1,015.32	340.73	1,356.05
9	Syndicate Bank Limited	Term Loan	September 28, 2018	455.61	115.84	571.45
10	IL&FS Limited	Buyer's Credit	Various Dates	778.27	-	778.27
11	Yes Bank Limited	Vehicle Loan	December 15, 2019	1.87	-	1.87
	Debentures					
12	Various Debentures	Debentures	September 25, 2018	7,140.83	2,001.50	9,142.33
	Total			41,906.37	14,962.07	56,868.44

The Company did not have any outstanding loans or borrowings dues to government during the year.

*as mentioned in note 42 of the financial statements, the Company has recorded contractual finance cost (excluding penal and other charges) till October 15, 2018. Also refer Emphasis of Matter section of our auditor's report on the financial statements.

#contractual interest cost excluding penal and other charges.

(ix) Due to possible effects of the matters stated in the Basis for Disclaimer of Opinion section of our auditor's report, we are unable to comment as whether the money raised by the Company by way of debt instruments and term loans has been utilised for the purpose for which it was raised. Further, according to the information and explanations given by the management, the Company has not raised any money by way of initial public offer / further public offer during the year.

(x) As a consequence of the various matters resulting in the change in operational status of the Company, as more fully described in note 2 and note 3 of the accompanying standalone Ind-AS financial statements, and having regard to and pending final outcome of the various matters described in the Basis for Disclaimer of Opinion section of our auditor's report on the financial statements, based upon the audit procedures performed by us and according to the information and explanations given by the management, we are unable to report on fraud by the Company or on the Company by the officers and employees of the Company.

(xi) The Company has not paid or provided for any managerial remuneration. Accordingly reporting requirement under clause 3(xi) of the Order are not applicable and hence not commented upon.

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Chartered Accountants

- (xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- (xiii) As discussed in paragraph (b) of the Basis for Disclaimer of Opinion section of our Auditors' Report on the accompanying standalone financial statements, pending completion of audit of the financial statement of the holding company, subsidiaries, fellow subsidiaries and other related parties as at and for the year ended March 31, 2021, and/or the related completion of the inter-company balance reconciliation process, the Company has not recorded any adjustments that may be required in this regard. Accordingly, we are unable to comment if the transactions with the related parties are in compliance with Section 177 and Section 188 of Companies Act, 2013.
- Further, in view of the matter stated in "Basis for Disclaimer of Opinion" section of our auditor's report on the financial statements, we are unable to comment as to whether details disclosed in the notes to the accompanying standalone financial statements, as required by the applicable accounting standards are adequate in respect of the related party transactions and as a consequence, the balance as at March 31, 2021.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) As discussed in paragraph (d) of the Basis of Disclaimer of Opinion section of our auditors' report on the accompanying Standalone financial statements, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 became applicable to the Company with effect from April 1, 2019 as the Company satisfied the 'principal business test' as at March 31, 2019. Further, the Company is also satisfying the said test as at March 31, 2020. The Company is required to seek registration as required under section 45-IA of the Reserve Bank of India Act, 1934. As of date of our report, the same has not yet been obtained.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

AMIT
GUPTA
per **Amit Gupta**

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Date: 2021.11.19 23:10:57 +05'30'

Partner

Membership Number: 501396

UDIN: 21501396AAAAD4113

Place of Signature: Gurugram

Date: November 19, 2021

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Annexure 2 to the Independent Auditor's Report of even date on the standalone financial statements of IL&FS Energy Development Company Limited

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

We were engaged to audit the internal financial controls with reference to the standalone financial statements of IL&FS Energy Development Company Limited ("the Company") as of March 31, 2021, in conjunction with our audit of the standalone 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 ('ICAI'). 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 the 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 with reference to these standalone financial statements based on our audit. We were engaged to audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India.

Because of the material and pervasive nature of matters described in the Basis of Disclaimer of Opinion section in our Auditors Report on the accompanying standalone financial statement, we were not able to obtain sufficient and appropriate audit evidence to provide a basis for an audit opinion on internal financial controls with reference to these standalone financial statements of the Company.

Meaning of Internal Financial Controls with Reference to these Standalone Financial Statements

A Company's internal financial control with reference to these standalone financial statements 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 with reference to these standalone financial statements 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.

Disclaimer of Opinion

Consequent to the various matters mentioned in note 2 and 3 to the accompanying standalone financial statements which have inter-alia results in the matters stated in the Basis for Disclaimer of Opinion section of our Auditors Report on the accompanying standalone financial statements, the normal business operations of the Company as they existed until previous year have ceased, and the New Board has undertaken certain steps as mentioned in that note, to continue the current operations of the Company.

However, in view of material and pervasive nature of the matters described in our Basis for Disclaimer of Opinion section of our auditor's report on the accompanying standalone financial statement of the Company, we are unable to determine if the Company has established the internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2021. Accordingly, we do not express an opinion on Internal Financial Control with reference to the accompanying standalone financial statements.

S.R. BATLIBOI & Co. LLP

Chartered Accountants

Explanatory paragraph

We were engaged to audit, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone financial statements of IL&FS Energy Development Company Limited (“the Company”), which comprise the Balance Sheet as at March 31, 2020, and the related Statement of Profit and Loss including the statement of Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information and our report dated November 19, 2021 expressed a disclaimer of opinion on those standalone financial statements. We have considered the disclaimer of opinion reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone financial statements of the Company and the disclaimer affect our report dated November 19, 2021 which expressed a disclaimer of opinion on those standalone financial statements of the Company.

The standalone financial statements of the Company for the year ended March 31, 2020, included as comparatives in these standalone financial statements, were audited by us and we also expressed a disclaimer of opinion on the internal financial controls over financial reporting and those financial statements vide our report dated December 21, 2020.

For **S.R. Batliboi & Co. LLP**

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

AMIT
GUPTA
per **Amit Gupta**

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Date: 2021.11.19 23:11:19 +05'30'

Partner

Membership Number: 501396

UDIN: 21501396AAAADE4113

Place of Signature: Gurugram

Date: November 19, 2021

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021

	Note Ref.	For the year ended March 31, 2021	For the year ended March 31, 2020
		Rs. Million	Rs. Million
I Revenue from operations	25	223.91	190.64
II Other income	26	651.80	1,166.06
III Total income (I + II)		875.71	1,356.70
IV Expenses			
i. Employee benefits expense	27	104.61	144.61
ii. Finance costs	28	7.69	7.41
iii. Depreciation and amortisation expense	30	13.37	12.57
iv. Impairment of financial assets (net)	31	38.00	60.79
v. Other expenses	29	338.49	640.51
Total expenses (IV)		502.16	865.89
V Profit before tax (III - IV)		373.55	490.81
VI Tax expense	32		
i. Current tax		-	3.76
ii. Deferred tax		(0.69)	(0.20)
Total tax expense (VI)		(0.69)	3.56
VII Profit for the year (V - VI)		374.24	487.25
Other comprehensive income			
i. Items that will not be reclassified to profit or loss			
a. Remeasurement of defined benefit plans		1.98	0.57
b. Income tax relating to items that will not be reclassified to profit or loss		(0.69)	(0.20)
ii. Items that will be reclassified to profit or loss			
a. Effective portion of gains and loss on designated portion of hedging instruments in cash flow hedge		-	-
b. Income tax relating to items that will be reclassified to profit or loss		-	-
VIII Other comprehensive income for the year, net of tax		1.29	0.37
IX Total comprehensive income for the year, net of tax (VII+ VIII)		375.53	487.62
Earnings per equity share (face value of Rs. 10 per share)	33		
i. Basic (Rs.)		0.28	0.37
ii. Diluted (Rs.)		0.28	0.36
Summary of significant accounting policies	4		
See accompanying notes forming part of the standalone Ind AS financial statements	1-64		

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005
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 Date: 2021.11.19 23:12:00 +05'30'

per Amit Gupta

Partner

Membership Number: 501396

For and on behalf of the Board of Directors of
IL&FS Energy Development Company Limited

GIRISH
 CHANDRA
 CHATURVEDI

G C Chaturvedi

Director

DIN: 0110996

Kaushik
 Modak

Kaushik Modak

Director

DIN: 01266560

Ritendra
 Bhattacharjee

Ritendra Bhattacharjee

Chief Finance Officer

CHANDRA
 SHEKHAR
 RAJAN

C S Rajan

Director

DIN: 0126063

Feby Koshy
 Bin Koshy

Feby Koshy

Chief Executive Officer

Dinesh
 Suryakant
 Ladwa

Dinesh Ladwa

Company Secretary

Membership Number: A-17210

Place: Gurugram

Date: November 19, 2021

Place: New Delhi

Date: November 19, 2021

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

	Note Ref.	For the year ended March 31, 2021	For the year ended March 31, 2020
		Rs. Million	Rs. Million
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax		373.55	490.81
Adjustments to reconcile loss before tax to net cash flows:			
Depreciation and amortisation expense		13.37	12.57
Loss/(gain) on disposal of property, plant and equipment		0.47	1.74
Gain on sale of financial assets - investments		(40.56)	-
Impairment on property, plant and equipment		(0.34)	2.33
Finance costs		3.16	6.61
Reversal of impairment of financial assets designated as at amortised cost		-	(449.46)
Interest income		(139.95)	(377.52)
Impairment on financial assets designated at fair value through profit and loss		-	47.00
Gain arising on financial assets designated at fair value through profit or loss		(108.03)	(193.02)
Impairment on financial assets designated as at amortised cost		38.00	13.29
Impairment on trade receivables		45.14	57.02
Impairment on financial assets designated as at cost		(0.50)	0.50
Rent paid		-	(3.64)
Provisions written back		-	(0.15)
Bad debts written off		-	10.96
Profit/(loss) on foreign currency transactions and translation		(94.06)	310.73
Dividend Income		(156.62)	(139.69)
Operating profit before working capital changes		(66.37)	(209.92)
Movement in working capital			
Decrease/(increase) in trade receivables		169.37	(2.87)
Decrease/(increase) in other financial assets		(154.56)	101.92
Decrease/(increase) in other assets		103.29	(8.91)
Increase/(decrease) in trade payables		(13.19)	31.44
Increase/(decrease) in other financial liabilities		(0.90)	-
Increase/(decrease) in other current liabilities		(32.64)	1.06
Increase/(decrease) in provisions		0.09	(13.57)
Cash flows from/(used in) operations		5.09	(100.85)
Income tax (paid)/refund received		243.27	(50.18)
Net cash flows from/(used in) operating activities	(A)	248.36	(151.03)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property plant and equipment		(1.19)	(0.08)
Proceeds from sale of property plant and equipment		0.03	5.87
Loans received back		1,112.46	1,249.52
Proceeds from sale of investment		60.56	-
Interest received		567.29	981.21
Dividend received		156.62	139.69
Proceeds from fixed deposit under earmarked accounts		2,711.66	(100.02)
Deposit in fixed deposit under earmarked accounts		(2,680.94)	(2,164.50)
Proceeds from other fixed deposit		38.00	-
Deposit in other fixed deposit		(39.70)	(38.00)
Net cash flows from investing activities	(B)	1,924.79	73.69
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of long-term borrowings		(0.84)	(1.12)
Payment of principal portion of lease liabilities		(6.75)	-
Interest paid		(2.83)	(6.11)
Net cash flows used in financing activities	(C)	(10.42)	(7.23)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		2,162.73	(84.57)
Cash and cash equivalents at the beginning of the year	10	156.48	241.05
Cash and cash equivalents at the end of the year	10	2,319.21	156.48
Summary of significant accounting policies	4		
See accompanying notes forming part of the standalone Ind AS financial statements	1-64		

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

ICAI Firm Registration Number: 301003E/E300005

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Date: 2021.11.19 23:12:19 +05'30'

Partner

Membership Number: 501396

**AMIT
GUPTA**

For and on behalf of the Board of Directors of

IL&FS Energy Development Company Limited

GIRISH

CHANDRA

CHATURVEDI

G C Chaturvedi

Director

DIN: 0110996

Digitally signed by Kaushik
Modak

Date: 2021.11.19 22:53:39
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Kaushik Modak

Director

DIN: 01266560

Digitally signed by Ritendra
Bhattacharjee

Date: 2021.11.19 20:51:30 +05'30'

Ritendra Bhattacharjee

Chief Finance Officer

CHANDRA

SHEKHAR

RAJAN

C S Rajan

Director

DIN: 0126063

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Feby Koshi

Chief Executive Officer

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Suryakant Ladwa

Date: 2021.11.19 20:43:07
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**Dinesh Suryakant
Ladwa**

Company Secretary

Membership Number: A-17210

Place: Gurugram

Date: November 19, 2021

Place: New Delhi

Date: November 19, 2021

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2021

	Number of shares		Amount		
			Rs. Million		
(a) Equity Share Capital					
Balance as at April 1, 2019			1,283,564,664	12,835.65	
Addition during the year			-	-	
Balance as at March 31, 2020			1,283,564,664	12,835.65	
Addition during the year			-	-	
Balance as at March 31, 2021			1,283,564,664	12,835.65	
(b) Compulsorily Convertible Preference Share Capital ('CCPS')					
Balance as at April 1, 2019			34,660,767	346.61	
Addition during the year			-	-	
Balance as at March 31, 2020			34,660,767	346.61	
Addition during the year			-	-	
Balance as at March 31, 2021			34,660,767	346.61	
(c) Other equity (refer note 17)					
	Equity component of compound financial instruments	Securities premium	General reserve	Reserves and surplus	Total other equity
				Debtenture redemption reserve	
	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
Balance as at April 1, 2019	2,405.86	37,557.27	7.60	673.61	(53,810.31)
Effect of adoption of Ind AS 116 Leases (refer note 4.25)	-	-	-	-	(0.95)
Balance as at April 1, 2019 (restated)	2,405.86	37,557.27	7.60	673.61	(53,811.26)
i Profit for the year	-	-	-	-	487.25
ii Remeasurement of defined benefit obligations, net of tax	-	-	-	-	0.37
Total comprehensive income for the year (+/-ii)	-	-	-	-	487.62
Balance as at March 31, 2020	2,405.86	37,557.27	7.60	673.61	(53,323.64)
i Profit for the year	-	-	-	-	374.24
ii Remeasurement of defined benefit obligations, net of tax	-	-	-	-	1.29
Total comprehensive income for the year (+/-ii)	-	-	-	-	375.53
Balance as at March 31, 2021	2,405.86	37,557.27	7.60	673.61	(52,948.11)

See accompanying notes forming part of the standalone Ind AS financial statements

1-64

As per our report of even date

For S.R. Batliboi & Co. LLP

Chartered Accountants

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per Amit Gupta

Partner

Membership Number: 501396

For and on behalf of the Board of Directors of

IL&FS Energy Development Company Limited

GIRISH CHANDRA CHATURVEDI
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G C Chaturvedi

Director

DIN: 0110996

CHANDRA SHEKHAR RAJAN
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C S Rajan

Director

DIN: 0126063

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Kaushik Modak

Director

DIN: 01266560

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Feby Koshy

Chief Executive Officer

Ritendra Bhattacharjee
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Ritendra Bhattacharjee

Chief Finance Officer

Dinesh Suryakant Ladwa
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 Dinesh Suryakant Ladwa
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 Date: 2021.11.19 20:49:25 +0530

Dinesh Ladwa

Company Secretary

Membership Number: A-17210

Place: Gurugram

Date: November 19, 2021

Place: New Delhi

Date: November 19, 2021

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

1. General Information

IL&FS Energy Development Company Limited (“the Company”) is a public limited company, domiciled and incorporated in India having its registered office at 3rd Floor, Niryat Bhawan, Rao Tula Ram Marg, Opposite Army Hospital, Dr. Gopal Das Bhawan, New Delhi 110057. The Company is engaged in development and operations of power projects and providing advisory services. The Company is a subsidiary of Infrastructure Leasing & Financial Services Limited (IL&FS).

2. Significant developments at the Company, IL&FS Limited (“holding company” or “IL&FS”) and various group companies (“the IL&FS Group”).

The Company had reported defaults on payment of its borrowing obligations during the financial year 2018-19 which are continuing as on date of signing of these standalone financial statements. Further, the credit rating of the Company and its holding company was downgraded to ‘D’ (lowest grade) on October 5, 2018 and on September 17, 2018 respectively.

Pursuant to a report filed by the Registrar of Companies, Mumbai (“RoC”) under Section 208 of the Companies Act, 2013, the Government of India vide their Order dated September 30, 2018, directed that the affairs of the Company be investigated by the Serious Fraud Investigation Office (“SFIO”). SFIO commenced investigation of affairs of the Company. SFIO submitted an interim report under Section 212(11) of the Companies Act, 2013, on November 30, 2018.

The Union of India on October 1, 2018 filed a petition with the National Company Law Tribunal (“NCLT”) seeking an order under section 242(2) and section 246 read with section 339 of the Companies Act, 2013 on the basis of the interim reports of the RoC and on the following grounds:

- I. The precarious and critical financial condition of IL&FS and its group companies and their inability to service their debt obligations had rattled the money market.
- II. On a careful consideration of the Union of India, it was of the opinion that affairs of IL&FS and its group companies were conducted in a manner contrary to the public interest due to its mis-governance; and
- III. The intervention of the Union of India is necessary to prevent the downfall of IL&FS and its group companies and the financial markets.

It was felt that the governance and management change is required to bring back the IL&FS Group from Financial collapse, which may require, among other things, a change in the existing Board and management and appointment of a new management.

Based on the above petition, the NCLT vide its order dated October 1, 2018 suspended the erstwhile Board and appointed the New Board proposed by the Union of India.

Further, applications were made by the Union of India and others, to the NCLT and the National Company Law Appellate Tribunal (“NCLAT”) on various matters. The NCLAT, on October 15, 2018, ordered a stay until further orders on the following matters:

- I. The institution or continuation of suits or any other proceedings by any party or person or bank or Company against IL&FS and its group companies in any court of law/tribunal/arbitration panel or arbitration authority.
- II. Any action by any party or person or bank or company etc to foreclose, recover, enforce any security interest created over the assets of IL&FS and its group companies including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002.
- III. The acceleration, premature, withdrawal, or other withdrawal, invocation of any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, guarantees, letter of support, commitment or comfort and other financial obligations availed by IL&FS and its group companies.
- IV. Suspension of temporarily any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, and any financial liability taken by IL&FS and its group companies.
- V. Any and all banks, financial institutions from exercising the right to set off or lien against any amount lying with any creditor against any dues whether principal or interest or otherwise against the balance lying in any the bank account and deposits whether current, savings or otherwise of IL&FS and its group companies.

The NCLAT vide Order dated March 12, 2020, approved October 15, 2018 as the date of initiation of the resolution process of IL&FS Group Companies (including the Company) and Crystallization of claims as of that date i.e. “Cut- Off Date” with No interest, additional interest, default interest, penal charges or other similar charges to accrue after the said Cut-Off Date.

3. Resolution process proposed by new Board of Directors of the Company

The New Board of Directors of the Company (hereinafter, "New Board"), as part of the resolution process, has submitted several progress reports to the NCLT. This includes framework for a resolution plan and process, steps undertaken for monetization of assets, appointment of consultants, and classification of group entities based on their abilities to meet various financial and operational obligations, measures for cost optimization and protocol for making payments beyond certain limits.

As discussed earlier, the NCLAT had given a moratorium to IL&FS and its group entities and that no creditors can proceed against it except under article 226 of the Constitution.

The resolution plan seeks a fair and transparent resolution for the Company while keeping in mind larger public interest, financial stability, various stakeholders' interest, compliance with legal framework and commercial feasibility. It is proposed to have a timely resolution process which in turn mitigate the fallout on the financial markets of the country and restore investor confidence in the financial markets thereby serving larger public interest. The Company being a holding company of energy vertical of IL&FS, having projects through various group entities, depends on its group entities to continue operating as a going concern. The resolution plan and processes for various verticals are under way and options of restructuring business, as well as exits are planned. The plan of the management is to sell/exit from assets at the group entity as a going concern.

The New Board is pursuing vertical level, SPV level and asset level resolution plan. The assessment of the New Board, based on analysis of the current position of and challenges facing the IL&FS group, is that an Asset Level Resolution Approach serves the best interest of all stakeholders to achieve final resolution. Further, the stakeholders' interests will be protected adequately since the framework and asset sale will be subject to NCLAT approval.

The New Board of IL&FS has submitted five progress reports to the NCLT on the resolution plans and latest of which were submitted on August 9, 2019 and Strategic actions taken include:

- a) Appointing Legal, Transaction and Resolution Advisors
- b) Securing a moratorium order from third party actions
- c) Setting up 'Operating Committee' of senior executives for managing daily operations
- d) Developing solution framework for managing unprecedented group insolvency using an umbrella resolution approach
- e) Active recovery actions on external lending portfolio of IL&FS Financial Services ("IFIN")
- f) Working with central and state government authorities to resolve outstanding claims

The entities in the IL&FS group, have been classified into Indian and offshore entities. Further, the Indian IL&FS entities have been classified by an independent third party, into three categories of entities based on a 12-month cash flow based solvency test viz "Green", "Amber" and "Red", indicating their ability to repay both financial and operating creditors, only operating creditors, or only going concern respectively.

Based on this classification of "Green", "Amber" and "Red", the New Board has put in place a payment protocol for the IL&FS group during the resolution process. The classification of the entities, the payment protocol and the resolution framework has been filed with the NCLAT and the NCLAT has directed the appointment of Justice D K Jain (Retd) to supervise the resolution process for the IL&FS group.

The Company is classified as a "Red" entity, indicating that it is not able to meet all obligations (financial and operational) including the payment obligations to senior secured financial creditors. Accordingly, the Company is permitted to make only those payments necessary to maintain and preserve the going concern status.

The independent third party, which had earlier classified the group entities into "Green", "Amber" and "Red" have periodically reclassified some of the entities based on their restructuring and cash flow based solvency test.

As discussed above, the New Board has submitted various progress reports to the NCLT on the resolution plans from time to time.

The New Board has been following a three- prolonged strategy- Resolve, Restructure and Recover- while adopting approach of equitable distribution and balancing interest of stakeholders across the IL&FS Group under IBC and Corporate Finance principles to resolve the debt.

Hon'ble NCLAT vide its judgement dated March 12, 2020, has approved the revised Resolution Framework submitted by New Board along with its amendments and also directed IL&FS and the Union of India to conclude the resolution process for all IL&FS Group entities preferably within 90 days. Subsequently, vide its order date March 30, 2020, the NCLAT clarified that lock down/shut down period as ordered by the Central Government and State Government will be excluded for the calculation of aforementioned 90 days.

The impact of the approved Resolution Framework to the extent it relates to manner of distribution of the proceeds among all the obligations of the entity (Distribution Framework) has not been given in these financial statements.

4. Significant accounting policies

4.1 Basis of preparation and presentation

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 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.

4.2 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 categorises 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.

4.3 Revenue recognition (also refer note 44)

Revenue is measured at the fair value of the consideration received or receivable.

Rendering of services

Revenue from a contract to provide consultancy services is recognised by reference to specified project progress milestones as defined in the Project Contract Mandates. Foreseeable losses on such contracts are recognised when probable.

Sale of Electricity

Revenue from sale of power on generation of electricity is accounted when energy is delivered at the metering point in terms of the Power Purchase Agreement.

Sale of Goods

Revenue from the sale of goods is recognised when the goods are delivered and titles have passed, at which time all the following conditions are satisfied:

- the Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Company retains neither continuing managerial involvement to the degree usually associated with ownership nor effective control over the goods sold;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably.

Revenue from construction Contract

Revenue from construction contract is recognised based on the 'Percentage of completion method' (POC) when the outcome of the contract can be estimated reliably upon fulfilment of all the following conditions:

All critical approvals necessary for commencement of the project have been obtained;

Contract costs for work performed (excluding cost of land/developmental rights and borrowing cost) constitute at least 25% of the estimated total contract costs representing a reasonable level of development;

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At least 25% of the saleable project area is secured by contracts or agreements with buyers; and

At least 10% of the total revenue as per the agreements of sale or any other legally enforceable documents is realised at the reporting date in respect of each of the contracts and the parties to such contracts can be reasonably expected to comply with the contractual payment terms.

The costs incurred on property development activities are carried as "Inventories" till such time the outcome of the project cannot be estimated reliably and all the aforesaid conditions are fulfilled. When the outcome of the project can be ascertained reliably and all the aforesaid conditions are fulfilled, revenue from property development activity is recognised at cost incurred plus proportionate margin, using percentage of completion method. Percentage of completion is determined based on the proportion of actual cost incurred to-date, to the total estimated cost of the project. For the purpose of computing percentage of construction, cost of land, developmental rights and borrowing costs are excluded. Expected loss, if any, on the project is recognised as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract.

Other income

Interest income from a financial asset 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.

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Assessment under Ind AS 115 Revenue from Contract with customer

Ind AS 115 was issued on March 28, 2018 and superseded Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue to be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. In addition, the new standard results into the change in accounting policy related to revenue recognition and requires extensive disclosures.

The Company is still under the process of evaluating the impact of the new revenue recognition standard.

4.4 Property, plant and equipment (PP&E)

Property, plant and equipment (PP&E) are carried at cost less accumulated depreciation and impairment losses, if any.

The cost of Property, plant and equipment (PP&E) comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, present value of decommissioning costs (where there is a legal or constructive obligation to decommission) and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.

Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets.

Subsequent expenditure on fixed assets after its purchase / completion is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. If an impairment loss is determined, the remaining useful life of the asset is also subject to adjustment. If the reasons for previously recognised impairment losses no longer exist, such impairment losses are reversed and recognised in income. Such reversal shall not cause the carrying amount to exceed the amount that would have resulted had no impairment taken place during the preceding periods.

The Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as of April 1, 2015 under the previous GAAP as its deemed cost on the date of transition to Ind AS.

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Capital work-in-progress

Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost less any recognised impairment loss, cost comprises direct cost, related incidental expenses and borrowing cost. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Depreciation

Depreciation is recognised for property, plant and equipment so as to write-off the cost less residual values over their estimated useful lives. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis taking into account commercial and technological obsolescence as well as normal wear and tear.

The estimated useful life of depreciable assets are mentioned below

Asset Type	Useful Life
Plant & equipment – Solar rooftop plant	Over the period of PPA entered
Other equipment	3 years
Computers - Data processing equipment, Server & networking	3-4 years
Furniture & fixtures	10 years
Office equipment	3-5 years
Assets provided to employees	3 Years
Assets costing less than Rs. 5000 and mobile phones, Tablets	Written off in the year of purchase
Expenditure on improvement to leasehold property	Balance period of lease

Derecognition of PPE

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of assets. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale proceeds and the carrying amount of the assets and is recognised in profit or loss.

4.5 Intangible assets

Intangible assets acquired separately

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Computer software licenses are amortised on a straight-line method over the license period or 4 years whichever is less. The estimated useful life and amortization period is reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on prospective basis.

The Company has elected to continue with the carrying value of all of its intangible assets recognised as of April 1, 2015 under the previous GAAP as its deemed cost on the date of transition to Ind AS.

Derecognition of Intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, are determined as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in Statement of profit and loss when the asset is derecognised.

4.6 Government grants

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Government grants are recognised in Statement of profit and loss on a systematic basis over the periods in which the company recognises as expenses the related costs for which the grants are intended to compensate.

Specifically, government grants whose primary condition is that the company should purchase, construct or otherwise acquire non-current assets are recognised as deferred revenue in the Balance sheet and transferred to Statement of profit and loss on a systematic and rational basis over the useful lives of the related assets.

4.7 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 the 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 capitalization.

All other borrowing costs are recognised in Statement of profit and loss in the period in which they are incurred.

4.8 Employee benefits

Employee benefits include provident fund, superannuation fund, gratuity and compensated absences.

Defined contribution plan

Employee benefit under defined contribution plan comprising of provident fund and superannuation fund is recognised based on the amount of obligation of the Company to contribute to the plan. The provident fund contribution is paid to provident fund authorities and superannuation fund contribution is paid to designated fund manager. These amounts are expensed during the year.

Defined benefit plan

The Company's gratuity plan is a defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under defined benefit plans, is based on the prevailing market yields on government securities as at the balance sheet date.

Remeasurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. Remeasurement recognised in other comprehensive income is reflected immediately in retained earnings and is not reclassified to profit or loss. Past service cost is recognised in Statement of profit and loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

Defined benefit costs are categorised as follows:

- service cost (including current service cost, past service cost, as well as gains and losses on curtailments and
- net interest expense or income; and
- re-measurement

The Company presents the first two components of defined benefit costs in profit or loss in the line item 'Employee benefits expense'. Curtailment gains and losses are accounted for as past service costs.

The Company has taken the group policy with HDFC Life to meet its obligation towards gratuity. The Company contributes all ascertained liabilities to a gratuity fund administered through a separate trust which is governed by board of trustees. The board of trustee comprises of the officers of the Company. Liability with respect to the gratuity plan is determined based on an actuarial valuation done by an independent actuary.

The gratuity benefit obligation recognised in the standalone Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

A liability for a termination benefit is recognised at the earlier of when the entity can no longer withdraw the offer of the termination benefit and when the entity recognises any related restructuring costs.

Short-term employee benefits

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the year when the employees render the service. These benefits include performance incentive and compensated absences which are expected to occur within twelve months after the end of the period in which the employee renders the related service.

The cost of short-term compensated absences is accounted as under:

- a. In case of accumulated compensated absences, when employees render the services that increase their entitlement of future compensated absences; and
- b. In case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related service are recognised as a liability at the present value of the obligation as at the Balance Sheet date.

4.9 Taxation

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

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 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 (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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 are recognised for taxable temporary differences associated with investments in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

Deferred tax assets and liabilities 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

Deferred tax assets include Minimum Alternate Tax ('MAT') paid in accordance with the tax laws in India, which is likely to give future economic benefits in the form of availability of set off against future income tax liability. Accordingly, MAT is recognised as deferred tax asset in the Balance Sheet when the asset can be measured reliably and it is probable that the future economic benefit associated with asset will be realised

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.

4.10 Inventories

Inventory comprising of equipment and parts thereof are valued at the lower of cost (first in first out basis) and the net realisable value. Cost includes all charges in bringing the goods to the point, including octroi and other levies and receiving charges. Net realisable value represents the estimated selling price for inventories less all estimated costs of completion and costs necessary to make the sale.

4.11 Provisions, contingent liability 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).

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.

4.12 Business Combinations

Acquisitions of businesses are accounted for using the acquisition method. The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred, liabilities incurred and the equity interests issued by the Company in exchange of control of the acquired entity. Acquisition-related costs are generally recognised in profit or loss as incurred.

Purchase consideration paid in excess of the fair value of net assets acquired is recognised as goodwill. Where the fair value of identifiable assets and liabilities exceed the cost of acquisition, after reassessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interest is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Business combinations arising from transfers of interest in entities that are under the common control are accounted at historical costs as per pooling of interest method. The difference between any consideration given and the aggregate historical carrying amounts of assets and liabilities of the acquired entity are recorded in shareholders' equity

4.13 Financial instruments

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

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities 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 and Loss.

4.14 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.

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.

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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.

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.

Investments in Subsidiaries and Joint Ventures

Investments in equity instruments of Subsidiaries and Joint ventures 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 and opted fair value through profit or loss as per Ind AS 109 in case of Joint ventures.

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 Statement of profit and loss except for those which are designated as hedging instruments in a hedging relationship.

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.

4.15 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Company 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.

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Compound financial instruments

The components of compound financial instruments are classified separately as financial liabilities and equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument. A conversion option that will be settled by issue of fixed number of the Company's own equity instruments in exchange of a fixed amount of cash or another financial asset, is an equity instrument.

At the date of issue, the fair value of the liability component is estimated using the prevailing market interest rate for similar non-convertible instruments. This amount is recognised as a liability on an amortised cost basis using the effective interest method until extinguished upon conversion or at the instrument's maturity date.

The conversion option classified as equity is determined by deducting the amount of the liability component from the fair value of the compound instrument as a whole. This is recognised and included in equity, net of income tax effects, and is not subsequently remeasured. In addition, the conversion option classified as equity will remain in equity until the conversion option is exercised, in which case, the balance recognised in equity will be transferred to other component of equity. When the conversion option remains unexercised at the maturity date of the convertible note, the balance recognised in equity will be transferred to retained earnings. No gain or loss is recognised in Statement of profit and loss upon conversion or expiration of the conversion option.

Transaction costs that relate to the issue of the convertible notes are allocated to the liability and equity components in proportion to the allocation of the gross proceeds. Transaction costs relating to the equity component are recognised directly in equity. Transaction costs relating to the liability component are included in the carrying amount of the liability component and are amortised over the lives of the convertible notes using the effective interest method.

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.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

- the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and
- the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 18.

Foreign exchange gains and losses

For financial liabilities that are denominated in a foreign currency and are measured at amortised cost at the end of each reporting period, the foreign exchange gains and losses are determined based on the amortised cost of the instruments and are recognised in 'Other income' in the line-item 'Net foreign exchange gains/(losses)' except where capitalised as part of borrowing cost.

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

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.

4.16 Derivative financial instruments

The Company enters into a variety of derivative financial instruments to manage its exposure to interest rate and foreign exchange rate risks, including foreign exchange forward contracts, interest rate swaps and cross currency swaps. Further details of derivative financial instruments are disclosed in Note 51.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of profit and loss depends on the nature of the hedging relationship and the nature of the hedged item.

4.17 Hedge accounting

The Company designates certain hedging instruments which include derivatives in respect of foreign currency risk, interest rate risk are accounted as cash flow hedge. Hedges of foreign exchange risk on firm commitments are also accounted for as cash flow hedges.

At the inception of the hedge relationship, the entity documents the relationship between the hedging instrument and the hedged item, along with its risk management objectives and its strategy for undertaking various hedge transactions. Furthermore, at the inception of the hedge and on an ongoing basis, the company documents whether the hedging instrument is highly effective in offsetting changes in fair values or cash flows of the hedged item attributable to the hedged risk.

Cash flow hedges

The effective portion of changes in the fair value of the designated portion of derivatives that qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading of cash flow hedging reserve except where capitalised. The gain or loss relating to the ineffective portion is recognised immediately in Statement of profit and loss and is included in the 'Other gains and losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity relating to effective portion as described above are reclassified to profit or loss in the periods when the hedged item affects profit or loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, such gains and losses are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in profit or loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in profit or loss.

4.18 Foreign currency

The functional currency of the Company is Indian Rupees which represents the currency of the primary economic environment in which it operates. These financial statements are presented in Indian Rupees.

Transactions and balances

Transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the exchange rates prevailing on the date of the transaction. Gains or losses realised upon settlement of foreign currency transactions are recognised in the Statement of Profit and Loss for the period in which the transaction is settled.

Exchange differences on monetary items are recognised in statement of profit and loss in the period in which they arise.

Exchange difference arising in respect of long-term foreign currency monetary items is recognised in the statement of profit and loss except for the exchange difference related to long-term foreign currency monetary items those were recognised as at March 31, 2016, in so far as, they relate to the acquisition of depreciable assets, are adjusted against the cost of such assets and depreciate the said adjustment, over the balance life of asset.

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4.19 Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term lease. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Right to use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets.

Particulars	Period (years)
Offices Premises	over the period of lease

The right-of-use assets are also subject to impairment.

Lease liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

In calculating the present value of lease payments, the Company uses single discount rate based on the current fixed deposit rate as the Company is not incurring any interest cost due to the NCLAT order. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments or a change in the assessment of an option to purchase the underlying asset.

Short-term leases

The Company applies the short-term lease recognition exemption to its short-term leases of offices premises (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). Lease payments on short-term leases are recognised as expense on a straight-line basis over the lease term.

4.20 Segment reporting

Operating segments are identified and reported taking into account the different risks and returns, the organization structure and the internal reporting systems.

4.21 Earnings per share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax 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 also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

4.22 Operating cycle

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.

4.23 Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit for the year is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows are segregated into operating, investing and financing activities.

4.24 Critical accounting judgements and key sources of estimation uncertainty

4.24.1 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.

Contingent liability is recorded when it is probable that a liability may be incurred, and the amount can be reasonably estimated.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and current and / or future periods are affected.

- i) Impairment of investments (refer note 4.24.2)
- ii) Useful lives and residual values of property, plant and equipment (refer note 4.24.2)
- iii) Valuation of Deferred tax assets/liabilities (refer note 4.24.2)
- iv) Provisions and contingencies (refer note 4.24.2)
- v) Estimation of assets and obligations relating to employee benefits (including actuarial assumption) (refer note 56)
- vi) Going concern assumption (refer note 46)

4.24.2 Key Source of estimation uncertainty

Key source of estimation uncertainty at the date of the financial statements, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, is in respect of impairment of investments, provisions and contingent liabilities.

Impairment of investments

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.

Useful lives and residual values of property, plant and equipment

Useful life and residual value of property, plant and equipment are based on management's judgement of the expected life and residual value of those assets. These estimates are reviewed at the end of each reporting period. Any reassessment of these may result in change in depreciation expense for future years.

Valuation of Deferred tax assets/liabilities

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy for the same has been explained under Note 4.9 above.

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. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. 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 Ind AS financial statements.

5. Changes in accounting policies and disclosures

a) New and amended standards that have an impact on the Company's standalone financial statements, performance and/or disclosure

(i) Amendments to Ind AS 116: Covid-19-Related Rent Concessions.

The amendments provide relief to lessees from applying Ind AS 116 guidance on lease modification accounting for rent concessions arising as a direct consequence of the Covid-19 pandemic. As a practical expedient, a lessee may elect not to assess whether a Covid-19 related rent concession from a lessor is a lease modification. A lessee that makes this election accounts for any change in lease payments resulting from the Covid-19 related rent concession the same way it would account for the change under Ind AS 116, if the change were not a lease modification.

The amendments are applicable for annual reporting periods beginning on or after the April 1, 2020. In case, a lessee has not yet approved the standalone financial statements for issue before the issuance of this amendment, then the same may be applied for annual reporting periods beginning on or after the April 1, 2019. This amendment had no impact on the standalone financial statements of the Company as the Company has not received any rent related concession during the year.

(ii) Amendments to Ind AS 1 and Ind AS 8: Definition of Material

The amendments provide a new definition of material that states, "information is material if omitting, misstating or obscuring it could reasonably be expected to influence decisions that the primary users of general purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." The amendments clarify that materiality will depend on the nature or magnitude of information, either individually or in combination with other information, in the context of the financial statements. A misstatement of information is material if it could reasonably be expected to influence decisions made by the primary users. These amendments had no impact on the standalone financial statements of, nor is there expected to be any future impact to the Company.

These amendments are applicable prospectively for annual periods beginning on or after the April 1, 2020. The amendments to the definition of material are not expected to have a significant impact on the Company's standalone financial statements.

(iii) Amendments to Ind AS 107 and Ind AS 109: Interest Rate Benchmark Reform

The amendments to Ind AS 109 Financial Instruments: Recognition and Measurement provide a number of reliefs, which apply to all hedging relationships that are directly affected by interest rate benchmark reform. A hedging relationship is affected if the reform gives rise to uncertainty about the timing and/or amount of benchmark-based cash flows of the hedged item or the hedging instrument. These amendments have no impact on the standalone financial statements of the Company as it does not have any interest rate hedge relationships.

The amendments to Ind AS 107 prescribe the disclosures which entities are required to make for hedging relationships to which the reliefs as per the amendments in Ind AS 109 are applied. These amendments are applicable for annual periods beginning on or after the April 1, 2020. These amendments are not expected to have a significant impact on the Company's standalone financial statements.

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IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

6 Property, plant and equipment

i Net book value

	As at	
	March 31, 2021	As at March 31, 2020
	Rs. Million	Rs. Million
Plant and equipment	39.61	44.04
Other equipment	-	-
Computers	1.04	0.63
Furniture and fixture	0.11	0.36
Vehicles	3.29	5.13
Office equipment	-	-
Leasehold improvements	-	-
	44.05	50.16

ii Gross book value

	Rs. (in million)							
	Plant and equipment (refer note 48)	Other equipment	Computers	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Cost or valuation								
As at April 1, 2019	66.56	2.79	7.89	1.71	23.62	2.03	1.30	105.90
Add: Additions	-	-	0.08	-	-	-	-	0.08
Less: Disposals/adjustments	-	-	2.19	-	12.95	0.49	-	15.63
As at March 31, 2020	66.56	2.79	5.78	1.71	10.67	1.54	1.30	90.35
Add: Additions	-	0.20	0.94	-	-	-	-	1.14
Less: Disposals/adjustments	-	-	0.04	1.36	-	0.24	0.91	2.55
As at March 31, 2021	66.56	2.99	6.68	0.35	10.67	1.30	0.39	88.94

Depreciation and impairment

As at April 1, 2019	17.86	0.81	5.68	0.83	8.85	2.02	1.10	37.15
Add: Additions	4.45	0.20	1.20	0.20	2.49	0.01	0.18	8.73
Less: Disposals/adjustments	-	-	1.73	-	5.80	0.49	-	8.02
Add: Impairment	0.21	1.78	-	0.32	-	-	0.02	2.33
As at March 31, 2020	22.52	2.79	5.15	1.35	5.54	1.54	1.30	40.19
Add: Additions	4.43	0.20	0.53	0.07	1.84	0.01	0.03	7.11
Less: Disposals/adjustments	-	-	0.04	0.86	-	0.25	0.92	2.07
Less: Impairment reversal	-	-	-	(0.32)	-	-	(0.02)	(0.34)
As at March 31, 2021	26.95	2.99	5.64	0.24	7.38	1.30	0.39	44.89

Net book value

As at March 31, 2021	39.61	-	1.04	0.11	3.29	-	-	44.05
As at March 31, 2020	44.04	-	0.63	0.36	5.13	-	-	50.16

Note:

- i. For details of charge created on property, plant and equipment, refer to note 18.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

7 Intangible assets

i. Net book value	As at March 31, 2021	As at March 31, 2020
	Rs. Million	Rs. Million
Computer softwares	0.30	0.17
	0.30	0.17
ii Gross book value	Computer softwares	Total
	Rs. Million	Rs. Million
Cost		
As at April 1, 2019	3.82	3.82
Add: Additions	-	-
As at March 31, 2020	3.82	3.82
Add: Additions	0.24	0.24
As at March 31, 2021	4.06	4.06
 Amortisation		
As at April 1, 2019	3.33	3.33
Less: Amortisation expense	0.32	0.32
As at March 31, 2020	3.65	3.65
Less: Amortisation expense	0.11	0.11
As at March 31, 2021	3.76	3.76
 Net book value		
As at March 31, 2021	0.30	0.30
As at March 31, 2020	0.17	0.17

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021		As at March 31, 2020	
	Units	Rs. Million	Units	Rs. Million
8 Investments (refer note 40)				
I Investments - Non-current (Unquoted)				
A Investments at cost - In subsidiaries (direct/indirect)				
i Investment in Equity shares				
a. IL&FS Tamilnadu Power Development Company Limited (Equity share of Rs 10 each) (refer note 1 below)	160,797,509	42,263.32	160,797,509	42,263.32
b. IL&FS Wind Energy Limited (Equity share of Rs 10 each) (formerly known as Mandvi LNG Terminal Limited) (refer note 2)	490,050,000	4,900.50	490,050,000	4,900.50
c. Nana Layja Power Company Limited (Equity share of Rs 10 each) (refer note 3 below)	36,050,000	360.50	36,050,000	360.50
d. Shendra Green Energy Limited (Equity share of Rs 10 each) (refer note 4 below)	3,665,894	240.40	3,665,894	240.40
e. Maritime International Offshore (Pte) Ltd. (Equity share of SGD 1 each) (refer note 5 below)	67,169	3.15	67,169	3.15
f. Vejas Power Projects Limited (formerly known as IL&FS Wind Projects Development Limited) (Equity share of Rs 10 each) (refer note 5 below)	100,000	1.00	100,000	1.00
g. IL&FS Solar Power Limited (Equity share of Rs 10 each) (refer note 6 below)	50,000	0.50	50,000	0.50
h. Ramagiri Renewable Energy Limited (formerly known as IL&FS Wind Farms Limited) (Equity share of Rs 10 each) (refer note 5 below)	17,297,000	31.80	17,297,000	31.80
i. IL&FS Wind Power Services Limited (Equity share of Rs 10 each) (refer note 5 below)	-	-	2,000,000	20.00
j. Sipla Wind Energy Limited (Equity share of Rs 10 each) (refer note 7 below)	80,000	0.80	80,000	0.80
k. Patiala Bio Power Company Limited (Equity share of Rs 10 each) (refer note 6 below)	50,000	0.50	50,000	0.50
l. Rohtas Bio Energy Limited (Equity share of Rs 10 each) (refer note 6 below)	50,000	0.50	50,000	0.50
m. Mahidad Wind Energy Private Limited (Equity share of Rs 10 each) (refer note 7 below)	10,000	0.10	10,000	0.10
n. Jogihali Wind Energy Private Limited (Equity share of Rs 10 each) (refer note 7 below)	10,000	0.10	10,000	0.10
o. Cuddalore Solar Power Private Limited (Equity share of Rs 10 each) (refer note 5 below)	50,000	0.50	50,000	0.50
p. Mota Layja Gas Power Company Limited (Equity share of Rs 10 each) (refer note 5 below)	50,000	0.50	50,000	0.50
ii Deemed equity				
a. Sipla Wind Energy Limited (refer note 8 below)	-	71.09	-	71.09
b. Wind Urja India Limited (refer note 2 below)	-	15.14	-	15.14
c. Lalpur Wind Energy Private Limited (refer note 2 below)	-	76.93	-	76.93
d. Tadas Wind Energy Private Limited (refer note 2 below)	-	63.09	-	63.09
e. Ratedi Wind Power Private Limited (refer note 2 below)	-	52.17	-	52.17

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021		As at March 31, 2020	
	Units	Rs. Million	Units	Rs. Million
iii Investment at amortised cost				
Deemed Equity				
a. Jogihali Wind Energy Private Limited (Debentures of Rs 10 each) (refer note 7 and 9 below)	127,100,000	1,271.00	127,100,000	1,271.00
b. Mahidad Wind Energy Limited (Debentures of Rs 10 each) (refer note 7 and 10 below)	138,900,000	1,389.00	138,900,000	1,389.00
c. Sipla Wind Energy Limited (formerly known as Nakhatrana Biomass Energy Limited) (Debentures of Rs 10 each) (refer note 7 and 11 below)	108,700,000	1,087.00	108,700,000	1,087.00
d. Rohtas Bio Energy Limited (Debentures of Rs. 100,000 each) (refer note 5 and 12 below)	311	31.10	311	31.10
Investment in Convertible Debentures				
a. IL&FS Tamilnadu Power Development Company Limited (Debentures of Rs. 100,000 each) (refer note 1 and 13 below)	240,000	2,400.00	240,000	2,400.00
b. IL&FS Wind Energy Limited (Debentures of Rs. 100,000) (refer note 2 and 14 below)	86,067,800	860.68	86,067,800	860.68
c. Shendra Green Energy Limited (refer note 4 and 15 below)	20,085,130	106.68	20,085,130	106.68
		55,228.05		55,248.05
		(55,227.55)		(55,228.05)
Impairment in value of investment in subsidiaries		0.50		20.00
B. Investments at fair value through profit and loss				
i Investment in joint venture and associate companies (refer note 16 below)				
- Investment in Equity shares				
a. ONGC Tripura Power Company Limited (Equity share of Rs 10 each)	134,734,328	1,475.99	134,734,328	1,537.19
b. Saurya Urja Company of Rajasthan Limited (Equity share of Rs 10 each)	64,968,650	568.03	64,968,650	421.36
c. Cross Border Power Transmission Company Limited (Equity share of Rs 10 each)	18,433,615	436.45	18,433,615	417.22
d. Bihar Power Infrastructure Company Private Limited (Equity share of Rs 10 each)	25,000	-	25,000	-
d. Power Transmission Company Nepal Limited (Equity share of Rs. 62.50 each)	450,000	45.49	450,000	42.16
e. Assam Power Project Development Company Limited (Equity share of Rs 10 each)	25,000	-	25,000	-
ii. Investment in other companies (refer note 17 below)				
- Investment in Equity shares				
a. KVK Nilanchal Power Private Limited	5,180,000	-	5,180,000	-
b. SV Power Private Limited	17,778,864	-	17,778,864	-
c. Shalivahana Green Energy Limited	20,244,480	-	20,244,480	-
		2,525.96		2,417.93

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021		As at March 31, 2020	
	Units	Rs. Million	Units	Rs. Million
C. Investments at fair value through profit & loss - Other Companies				
- Investment in Debentures				
a. Non convertible debentures (NCD) of Infrastructure Leasing & Financial Services Limited (Debentures of Rs 1,000 each) (refer note 18 below)	68,540	57.07	68,540	57.07
b. Optionally Fully Convertible Debentures of Punjab Biomass Power Limited (Debentures of Rs 10 each) (refer note 19 below)	33,397,818	198.67	33,397,818	198.67
		<u>255.74</u>		<u>255.74</u>
Impairment in value of investments		<u>(255.74)</u>		<u>(255.74)</u>
		<u>-</u>		<u>-</u>
Total (A+B+C)		<u><u>2,526.46</u></u>		<u><u>2,437.93</u></u>
II Investments - current (Unquoted)				
A Investment in subsidiaries- at amortised cost				
a. Shendra Green Energy Limited (Debentures of Rs 10 each) (refer note 4 and 15 below)	31,187,780	165.65	31,187,780	165.65
b. Patiala Bio Power Company Limited (Debentures of Rs 100,000 each) (refer note 6 and 20 below)	455	45.50	455	45.50
c. Shendra Green Energy Limited (refer note 4 and 21 below)	25,877,090	59.85	25,877,090	59.85
		<u>271.00</u>		<u>271.00</u>
Impairment in value of investments		<u>(271.00)</u>		<u>(271.00)</u>
		<u>-</u>		<u>-</u>
B Assets classified as held for Sale (refer note 22)				
Investment in Equity instruments				
a. Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (Equity share of Rs 10 each)	28,100,000	281.66	28,100,000	281.66
Units in trust	31,030	<u>316.08</u>	31,030	<u>316.08</u>
a. Urjankur Nidhi Trust (unit of Rs 10 each)		<u>597.74</u>		<u>597.74</u>
Total (A+B)		<u><u>597.74</u></u>		<u><u>597.74</u></u>

III Investments held by the Company on behalf of third parties

- (i) The Company vide Agreement dated April 22, 2016 with Bermaco Energy Systems Limited ("the buyer") has sold its investments of 197,344,174 equity shares in one of the associates namely Punjab Biomass Power Limited ('PBPL') for a consideration of Rs. 100.00 million and accordingly, recognised loss of Rs. 102.34 million on sale of investment during the year ended March 31, 2017. The Company has recognised Rs. 100.00 million as receivable from sale of investment (refer note 12). However, till date the Company has not received the purchase consideration of Rs. 100.00 million from the buyer, accordingly the Company has created provision against the said receivables in these standalone Ind AS financial statements. Therefore, the Company has not transferred the shares of the said associate in the name of the buyer and 197,344,174 number of equity shares of the said associate are still registered in the name of the Company.

Per the terms of the loan agreement executed between PBPL and United Bank of India Limited ('UBI'), 22,500,000 shares of PBPL are still pledged in the name of UBI and balance 174,844,174 shares are held by the Company as beneficiary holder.

- (ii) The Company, vide Agreement dated December 31, 2016 with IL&FS Environment Infrastructure and Services Limited ('IL&FS Environment' or 'the buyer'), sold its investments of 16,000 equity shares of Rs. 10 each, 5,956,496 preference shares of Rs. 100 each and 5,000 fully compulsorily debentures of Rs. 10,000 each in one of the erstwhile subsidiaries namely East Delhi Waste Processing Company Limited for a consideration of Rs. 1,380.00 million and accordingly, recognised profit on sale of Investment of Rs. 284.19 million and Rs. 1,380.00 million as receivable from sale of investment during the year ended March 31, 2017 (refer note 12). The Company had transferred 2,908,96 unpledged preference shares and 8,167 unpledged equity shares of the said subsidiary in the name of the buyer till March 31, 2018. However, 7,833 number of equity share and 3,048,400 number of preference shares were pledged with lender, therefore, were not transferred till March 31, 2020. As the Company, under the resolution process of IL&FS Environment, had filed a claim for the consideration of Rs. 1,380.00 million with the Claim Management Advisor, basis an expert legal opinion, the Company has transferred all the balance shares of East Delhi Waste Processing Company Limited to IL&FS Environment during the current year.

NCLT, vide its order dated February 2, 2021, has approved the sale of IL&FS Environment including its investment in East Delhi Waste Processing Company Limited. Under the said Resolution process, IL&FS Limited divested its shareholding in IL&FS Environment including the investments made by IL&FS Environment in various entities. Based on the resolution process, the Company being operational creditor, is entitled for Nil recovery and accordingly, the Company, after taking approval from the Board of Directors, has written off the said receivables amounting to Rs. 1,380.00 million in these standalone Ind AS financial statements during the year (the same was already fully provided for in earlier years). The management is of the view that no further adjustments are required to be made in these financial statements in this regard.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Notes:

The Company is in process of carrying out probability assessment for re-classification of non-current investments as held for sale as per the requirement of Ind AS 105 'Non-Current Assets Held for Sale and Discontinued Operations'. Pending assessment, the management continue to disclose the all investments as non-current investment.

- 1 With respect to one of the subsidiaries named IL&FS Tamil Nadu Power Company Limited ("ITPCL") which is classified under the 'Amber' category (refer note 3), the Company has an exposure of Rs.44,663.32 million, Rs. 6,678.64 million and Rs. 3,898.54 million on account of investments made, loans given and other receivables, respectively aggregating to Rs. 55,240.50 million. Till March 31, 2020, the Company made impairment provision of Rs. 55,186.02 million as the Company believes that ITPCL had no sufficient funds to repay the amount related to loans and receivables and the net worth of ITPCL was also eroded.

During the current year, ITPCL has finalised the restructuring plan with its lenders with regard to restructuring of payables towards the principal debt and interest payable in respect of the borrowings taken by ITPCL basis which ITPCL shall be classified under the 'Green' category from the Amber category. The holding company has filed an application dated January 8, 2021 with NCLAT seeking its approval for the restructuring plan and same is not yet approved by NCLAT.

Pending approval from the NCLAT and considering the fact that the audited financial statements of ITPCL as at and for the year ended March 31, 2021 are not yet available, the Company has not made any further adjustment in these standalone financial statements with regard to impairment provisions as was recognised in earlier years. The Company has recorded the values as at March 31, 2021 and March 31, 2020 based on the available information at that time and believes that it does not require restatement of the earlier years figures and no further adjustments are required in the accompanying standalone Ind AS financial statements in this regard.

Further, during the current year, after taking necessary board approval, the Company has allocated resolution related expenses amounting to Rs. 54.39 million incurred by it to ITPCL and has shown the same as receivables and has not impaired the same. The management believes that the same shall be recovered at the time of final resolution of ITPCL accordingly, no adjustments are required to be made in these standalone financial statements in this regard.

Further, the Company has given Corporate guarantee for Debentures issued by ITPCL, the Company is in the process of reconciling the completeness and status of these guarantees issued, devolved, claimed and recorded / to be recorded in the books of accounts, pending such reconciliation, the Company has not accounted for any such guarantees in these standalone Ind-AS financial statements (refer note 41 for details).

- 2 With respect to one of the subsidiaries named as IL&FS Wind Energy Limited ("IWEL") which is classified under the 'Red' category (refer note 3), the Company has an exposure of Rs. 5,761.18 million, Rs. 1,555.70 million and Rs. 872.77 million on account of investments made, loans given and other receivables respectively, aggregating to Rs. 8,189.65 million.

During the year ended March 31, 2020, IWEL had sold its ownership in 7 Wind SPVs (refer note 44 (c)) and received consideration of Rs. 5,928.75 million. The Company had also received Rs. 2,164.50 million towards the outstanding loans and interest on those loans as availed by these Wind SPVs directly from the Company in earlier years.

The statutory auditors of IWEL has also given Disclaimer of Opinion on the financial statements for the year ended March 31, 2021 and March 31, 2020. Based on the report issued by Claim Management Advisors, on list of creditors of IWEL, the management has assessed that IWEL has total outstanding liability of Rs. 5,100.75 million to its financial and operational creditors (other than to the Company itself).

The Company believes that out of receipt of Rs. 5,928.75 million received by IWEL on account of sale of Wind SPVs, IWEL should be able to repatriate Rs. 828.00 million and resolution related expenses as would be allocated by the Company to IWEL, after discharging its liability to financial and operational creditors (considering cut-off date as October 15, 2018).

Management believes that as per the Resolution framework approved by the NCLAT vide its order dated March 12, 2020, after paying off liabilities of the secured and operational creditors till October 15, 2018, IWEL has no further liability towards them and the balance amount as would be available with IWEL shall be paid to the Company. However, the one of the secured lenders of IWEL named IL&FS Infrastructure Debt Fund (through IL&FS Infra Assets Management Limited) filed petition in the Hon'ble Supreme Court of India challenging the order passed by Hon'ble NCLAT dated March 12, 2020 approving the revised Resolution Framework. The Hon'ble Supreme Court is yet to pass an order on the petition filed by the lender.

Further, during the current year, after taking necessary board approval, the Company has allocated resolution related expenses amounting to Rs. 12.22 million incurred by it to IWEL and has shown the same as receivables and has not impaired the same. The management believes that the same shall be recovered at the time of final resolution of IWEL accordingly, no adjustments are required to be made in these standalone financial statements in this regard.

Considering all these, the Company has not made any further adjustment with regard to the impairment provision of Rs. 7,309.71 million already recognized in the accompanying Ind AS financial statements as at and for the year ended March 31, 2021.

- 3 With respect to one of the subsidiaries named as Nana Layja Power Company Limited (Nana Layja), which is classified in 'Red' category (refer note 3), the Company has an investment of Rs. 360.50 million and receivables of Rs. 857.89 million on account of loans given and interest thereon. Nana Layja has already impaired the Capital work in progress of Rs. 2,071.20 million in its books during the year ended March 31, 2019 and its net worth is fully eroded as at March 31, 2021. The statutory auditors of Nana Layja has given Disclaimer of Opinion on the financial statements for the year ended March 31, 2021. Based on the group instructions around treatment of financial assets of 'red' category, the Company has recognized Rs. 1,217.35 million as an impairment allowance as at March 31, 2020. Further during the current year, Nana Layja has applied for voluntary liquidation. As the Company has already impaired the full exposure hence no further adjustments is made in in these accompanying standalone financial statements. During the current year, after taking necessary board approval, the Company has allocated resolution related expenses incurred by it on behalf of Nana Layja and has shown the same as receivables and has not impaired the same. The management believes that the same shall be recovered at the time of final resolution of Nana Layja accordingly, no adjustments are required to be made in these standalone financial statements in this regard.

- 4 With respect to one of the subsidiaries named as Shendra Green Energy Limited (Shendra), which is classified in 'Red' category (refer note 3), the Company has an investment of Rs. 572.58 million, receivables of Rs. 392.82 million on account of loans given and interest thereon and other receivables of Rs. 1.58 million. Till March 31, 2020, the Company has made a provision of Rs. 965.40 million on account of doubtful recovery of said receivables and investments. Due to some uncertainties including but not limited to non-availability of water supply and short supply of fuel, the plant has already been shut down in the earlier years. The statutory auditors of Shendra had given Disclaimer of Opinion on the financial statements for the year ended March 31, 2019. Further, the management believes that there might be some value of the building and machinery held by Shendra but the sale process has been delayed due to COVID-19 impact and sale value that would be received on sale of building and plant & machinery is not yet estimated.

Accordingly, on conservative basis and based on the group instructions around treatment of financial assets of 'Red' category, the management has provided for full amount of exposure pertaining to Shendra in these accompanying standalone Ind AS financial statements.

- 5 With respect to seven subsidiaries of which six (namely Ramagiri Renewable Energy Limited, Vejas Power Projects Limited, Rohtas Bio Energy Limited, Patiala Bio Power Company Limited, Cuddalore Solar Power Private Limited and Mota Layja Gas Power Company Limited) are classified under 'Red' category and one foreign subsidiary namely Maritime International Offshore PTE Limited, the Company has an investment of Rs. 114.55 million, receivables of Rs. 1,590.35 million on account of loans given and interest thereon and other receivables of Rs. 0.88 million. Till March 31, 2020, the Company made a provision of Rs. 1,573.74 million on account of doubtful recovery of loans and interest thereon and Rs. 114.55 million on account of impairment of investments. The Statutory auditors of the above mentioned six companies which have been categorised under the 'Red' category had issued 'Disclaimer of Opinion' on the financial statements for the year ended March 31, 2020. Considering the liquidity position and pending resolution of these companies, the Company has not made any further adjustments in respect of impairment provisions in these standalone financial statements. No further adjustment has been made during the year.

With respect to one subsidiary company named as IL&FS Wind Power and Services Limited (IWPSL), which is categorised under the 'Green' category (refer note 3), the Company has an equity investment of Rs. 20.00 million as at March 31, 2020. Under the Resolution Framework, the Company has entered into a Share Purchase Agreement ("the Agreement") dated January 31, 2020 with ORIX Corporation, for disinvestment from the said subsidiary for an amount of Rs 60.56 million, which is duly approved by NCLT, vide its order dated February 25, 2020. During the current year ended March 31, 2021, the Company has transferred the equity shares held in IWPSL to ORIX and has received amount of Rs. 60.56 million in an ESCROW account as per the NCLT order and has made fixed deposit of the same amount.

- 6 With regard to one of the subsidiaries named as IL&FS Solar Power Limited ("ISPL") which is classified under 'Green' category, the Company has an exposure of Rs. 0.50 million and Rs. 6.39 million on account of investment made and other receivables respectively aggregating to Rs. 6.89 million as at March 31, 2021. Based on the audited financial statements of ISPL as at and for the year ended March 31, 2021, net worth of ISPL is Rs. 220.91 million.

ISPL received prepayment offer from Embassy Energy Private Limited ('Embassy'), customer of ISPL, amounting to Rs. 7,183 million on December 31, 2019 and has received the revised prepayment offer dated November 18, 2020 wherein Embassy has agreed to repay an amount of Rs. 7,779.70 million to ISPL. Basis the offer received from Embassy and after taking inputs from Alvarez & Marshal and from Cyril Amarchand Mangaldas ('CAM'), ISPL has discharged its liabilities for secured and unsecured lenders till December 31, 2019. Accordingly, during the current year, the Company has received Rs. 1,952.00 million from ISPL against its dues for trade receivables, loans and advances including interest accrued on loans till December 31, 2019.

Considering the inputs taken from CAM, the management is of the view that ISPL became non-green entity with effect from January 1, 2020 and accordingly, under the approved resolution framework (refer note 3), no interest required to be accrued, on the loans and advances given by the Company, post December 31, 2019. Basis this, the Company has not accrued interest income of Rs. 217.61 million for the period from January 1, 2020 till December 11, 2020 i.e. till the payment of loans (also refer note 42).

Further, considering the positive net worth of ISPL as at March 31, 2021, the Company has reversed the impairment of investment of Rs. 0.50 million during the current year. Management is of the view that no further adjustments are required to be made in these financial statements in this regard.

- 7 With respect to three subsidiary companies namely- Jogihali Wind Energy Private Limited ("Jogihali"), Mahidad Wind Energy Private Limited ("Mahidad") and Sipla Wind Energy Private Limited ("Sipla"), which are classified under the 'Red' category (refer note 3), the Company has an investment of Rs. 3,748.00 million and receivables of Rs. 7,474.16 million on account of loans, interest on loan and other receivables. Further, in earlier years, the Company had waived off interest of Rs. 71.09 million receivables from Sipla and has accordingly, shown the same as an investment in deemed equity instruments in Sipla. These companies were incorporated for the development of wind projects having capacity of 228.80MW and total contract was awarded to Wind World India Limited ("WWIL"). Due to delays in the commissioning of the projects, management had short closed the project of 124.80 MW. Till March 31, 2018, these companies had total CWIP of Rs. 4,967.17 million and receivables of Rs. 4,529.48 million on account of capital advances and interest receivables from WWIL.

During the year ended March 31, 2018, insolvency proceedings had been initiated on the WWIL under the Insolvency and Bankruptcy Code by its lenders and an Interim Resolution Professional (IRP) has been appointed. Pursuant to this, these subsidiaries had also submitted their claims of Rs. 4,822.40 million and based on the meeting of Committee of creditors of WWIL held on November 16, 2018, the management believes that the expected amount that could be recovered from WWIL will be insignificant. Further, these subsidiary companies have also received unencumbered collateral securities in the form of development rights for Wind Power Generation Assets (WPGA). Based on internal assessment, the management believes that these development rights assigned by WWIL has no market value due to recent regime of "Bidding based tariff". Accordingly, the Company had provided for Rs. 11,291.79 million as at March 31, 2020 and no further changes have been made till date in this regard.

Further during the previous year, one of the shareholder/promoter of the WWIL has challenged the inclusion of these companies as financial creditor in NCLT which is yet to be heard. Further, the resolution applicant has also withdrawn its offer which has been approved by NCLT, against this an appeal has been made with NCLAT by the committee of creditors and Resolution Professional. NCLAT has admitted the petition and considering the arguments, NCLAT has set aside the withdrawal order mentioning that the resolution plan can-not be withdrawn after it has been approved by the Committee of creditors.

The Company believes that the impairment allowance booked in the earlier years was as per the best available information and based on the business position of the Company and has not made any further assessment in current year. Further, auditor of these companies has given Disclaimer of Opinion on the financial statements of the year ended March 31, 2021. Accordingly, management is of the view that no adjustment is required in these accompanying Ind AS financial statements and the position taken by the Company in the previous year need not to be re-assessed.

- 9 Description: Fully convertible debentures
Rate of interest - 15.50% (March 31, 2020: 15.50%)
Maturity details: September 30, 2024
Each debentures including interest accrued (included in 'other current assets') thereon will be converted into equity share having face value of Rs 10 each.
- 10 Description: Fully convertible debentures
Rate of interest - 15.50% (March 31, 2020: 15.50%)
Maturity details: September 30, 2024
Each debentures including interest accrued (included in 'other current assets') thereon will be converted into equity share having face value of Rs 10 each.
- 11 Description: Fully convertible debentures
Rate of interest - 15.50% (March 31, 2020: 15.50%)
Maturity details: September 30, 2024
Each debentures including interest accrued (included in 'other current assets') thereon will be converted into equity share having face value of Rs 10 each.
- 12 Description: Fully convertible debentures
Rate of interest - 0% (March 31, 2020: 0%)
Maturity details: July 2018 - August 2018
The debentures will be converted into 31,100 equity shares having face value of Rs 10 each issued at a premium of Rs 990 each. The Conversion process of these debentures is still pending as on date
- 13 Description: Fully compulsorily convertible debentures
Rate of interest - 16% (March 31, 2020: 16%)
Maturity details: September 30, 2024
These debentures shall be converted into equity shares of the issuer at a fair value arrived by an independent valuer appointed mutually by the debenture holder and the issuer. Further, the Company has an option to convert the debentures on an earlier date, than the stated maturity date, based on a fair value as at such earlier date.
- 14 Description: Optionally fully convertible debentures
Rate of interest - 15.50% p.a. (March 31, 2020: 15.50% p.a.)
Maturity details: March 31, 2020
The Company has the option to convert the debentures into equity shares at par resulting into an equal number of shares as the number of debenture units outstanding at the option of the Company. These debentures have not been repaid till date and not yet converted into equity shares.
- 15 Description: Optionally fully convertible debentures
Rate of interest - 0% (March 31, 2020: 0%)
Maturity details: April 2020 to January 2021
The debentures will be converted into equity shares at par resulting into an equal number of shares as the number of debenture units outstanding at the option of the Company. The Conversion of these debentures is still pending as on date.
- 16 With respect to three Joint ventures (JVs) namely- ONGC Triupra Power Company Limited (OTPC), Cross Border Power Transmission Company Limited (Cross Border) and Power Transmission Company Nepal Limited (PTCN), the Company has carrying value of total exposure of Rs. 1,475.99 million, Rs. 436.62 million and 45.49 million, respectively as at March 31, 2021 on account of investments made and other receivables.

As per the terms of the shareholder agreements entered in respect of the above-mentioned entities with other shareholders, in case of event of default done by any of the shareholders, then remaining shareholders have right to acquire the shares held by the defaulted party by issuing notice within ninety days from the date of default, at 80% of the paid up value i.e. Rs. 8.00 per equity share.

The Company has received letters from the other shareholders of OTPC on January 14, 2019 and June 13, 2019 instructing the Company to transfer its share in the name of other non-defaulting shareholders at 80% of the face value. Aggrieved by the said letter, the Company has approached the Retd. Hon'ble Supreme Court judge, D.K. Jain, who is appointed by Union of India to supervise the entire asset level resolution process and have submitted that the abovementioned letter is not as per the terms of SHA as same has been served after period of ninety days. D.K. Jain vide its order dated December 5, 2019, ordered that the Company is not bound to transfer its holding in OTPC at discounted price of 80% of the face value of the shares held by the Company. The management has adopted the same approach for the investment held in PTCN and Cross Border.

Subsequent to the current year, Company has finalised the bid process for divestment of its investment in OTPC and has selected GAIL as final bidder. Vide letter dated August 13, 2021, the Company has obtained approval from Hon'ble Justice D.K. Jain in respect of sale of its stake in OTPC to GAIL and has also obtained NCLT approval vide order dated October 29, 2021. Based on the net worth of OTPC as at March 31, 2021 and approved transaction for sale of investment in OTPC, the Company has recognised Rs. 1,475.99 million as fair value of the investments held in OTPC.

Further, in respect of the other three joint venture companies named as Saurya Urja Company of Rajasthan Limited ("Saurya Urja"), Bihar Power Infrastructure Company Private Limited ("Bihar Power"), Assam Power Project Development Company Limited ("Assam Power") where, the Company has total exposure of Rs. 591.70 million on account of investment made and other receivables.

Keeping current business position of the Company and as per the consequences of the matters mentioned in Note 2 above, the management has computed the recoverable value of the shares based on the Net Assets for these five companies and has accordingly recognised net asset gain of Rs. 108.03 million in respect of these joint venture companies in these Ind AS financial statements.

Management is of the view that the amount recorded is based on the appropriate assumptions and no further adjustments are required in the accompanying standalone Ind AS financial statements.

- 17 With respect to three companies namely KVK Nilanchal Power Private Limited ("KVK"), SV Power Private Limited and Shalivahana Green Energy Limited, the Company has Nil carrying amount in respect of investment and other receivable of Rs. 8.60 million. Based on the uncertainty to find a buyer for these investments and as per the current business position of the Company, the management had provided for Rs. 1,145.44 million impairment allowance as at March 31, 2020 and believes that the impairment recognised in earlier years need not to be re-assessed accordingly, has not made any further adjustments in these standalone Ind-AS financial statements.

Further, in respect of KVK, the Company is in the process of getting 3,533,500 equity shares transferred in its name at at March 31, 2021 (March 31, 2020: 3,533,500). The same is pledged by the erstwhile holder with the lenders for the loan taken by KVK.

- 18 Description: Non convertible debentures
Rate of interest - 7.50% (March 31, 2020: 7.50%)
Maturity details: April 30, 2021
During the current year, per the consequences as mentioned in Note 2 and 3 above, the management has provided for the full amount in these financial statements and believes that no further adjustments are required in these standalone Ind-AS financial statements in this regard.
- 19 Description: Optionally fully convertible debentures
Rate of interest - 17.50% to 17.65% (March 31, 2020: 17.50% to 17.65%)
Maturity details: August 2018 to October 2020
The Company has the option to convert the each debentures into 10 equity shares of Rs 1 each on or before maturity.
- 20 Description: Fully convertible debentures
Rate of interest - 0% (March 31, 2020: 0%)
Maturity details: July 2018 to August 2018
The debentures will be converted into 45,500 equity shares having face value of Rs 10 each issued at a premium of Rs 990 each. The conversion process of these debentures is still pending as on date.
- 21 Description: Optionally fully convertible debentures
Rate of interest - 1% p.a. (March 31, 2020: 1% p.a.)
Maturity details: March 21, 2020
The debentures will be converted into equity shares at par resulting into an equal number of shares as the number of debenture units outstanding at the option of the Company.
- 22 The Company (IL&FS Renewable Energy Limited, now amalgamated with the Company) vide Share Purchase Agreement dated March 28, 2017 with Shree Tatyasaheb Kore Warana Sahakari Sakhar Karkhana Limited ("the buyer") has sold its investments in one of the associate namely Urjankur Shree Tatyasaheb Kore Warana Power Company Limited and in trust namely Urjankur Nidhi Trust for a total consideration of Rs. 624.97 million against which the Company recognised gain of Rs. 50.28 million (net of expenses of Rs. 27.20 million) in earlier years. One of the subsidiary of the buyer, namely Warna Sugar Limited has taken loan of Rs. 600.00 million from one of the group companies namely IL&FS Financial Services Limited ("IFIN") for discharging the purchase consideration and the Company has pledged 28,100,000 equity shares in the favour of IFIN against this loan vide Pledge Agreement dated August 18, 2017. Therefore, these investments are not transferred to the buyer and 28,100,000 number of equity shares of said subsidiary and 31,030 number of units of said trust are still registered in the name of the Company. The management is in the process of locating the physical certificates of 31,030 units as earlier allotted to the Company. The Company has classified these investment as held for sale and recognised the same at Rs. 597.74 million (net of share transfer expenses of Rs. 27.20 million), and consideration of Rs. 600.00 million as received by the Company from the buyer is disclosed as Liabilities directly associated with investments classified as held for sale on the face of the balance sheet.
- 23 In earlier years, the Company has given loan amounting to Rs. 1,212.48 million to IL&FS Employee Welfare Trust ("IEWT") in three different tranches. IEWT has used the amount for investment in the equity shares of the Company. During the previous years, due to consequences of the events as discussed in note 2 above, the Company has estimated that the amount is not recoverable in nature and has accordingly provided for the amount of loan along with the interest accrued on that aggregating to Rs. 1,521.25 million. Management believes that no further adjustment is required in these accompanying standalone Ind-AS financial statements based on the current market scenarios and business position of the Group.
- 24 In earlier year, the Company has also given loans to two of its fellow subsidiary companies which have been classified in 'Red' category, Rs. 400.00 million to Sealand Ports Private Limited and Rs. 50.80 million to Portonova Maritime Limited, further interest amounting to Rs. 441.00 million is accrued on the same. Based on the group instructions around treatment of financial assets of 'red' category, the Company has recognized Rs. 891.80 million as an impairment allowance in till March 31, 2021 and believes that no further adjustments are required to be made in these accompanying Ind AS financial statements.
- 25 In respect of East Delhi Waste Processing Company Private Limited ("East Delhi") and Punjab Biomass Power Limited (PBPL), the Company has given loan of Rs. 350.00 million and Rs. 215.92 million respectively and has some other receivables of Rs. 114.39 million and Rs.158.15 million respectively in these two entities. Further, with regard to Punjab Biomass Power Limited, the Company has investment of Rs. 198.68 million. Till March 31, 2020, the Company had provided for the whole amount recoverable as doubtful of recovery. During the current year, based on the resolution process of East Delhi the Company is not able to recover any amount against the loan and receivables from East Delhi and accordingly has written off the amount related to recoverable from East Delhi during the current year (also refer note 8 III (ii)). The management believes that no further adjustment is required in these accompanying standalone Ind-AS financial statements.
- 26 In respect of erstwhile associate company named as Himachal Sorang Power Limited ("Himachal Sorang"), the Company has an exposure of Rs. 256.63 million and Rs. 48.75 million on account of loans and other receivables respectively. Till March 31, 2020, the Company has made provision of Rs. 305.38 million on account of doubtful recovery of loans and interest receivables. Management believes that no further adjustment is required in these standalone Ind-AS financial statements. Further, legal case is going on with the Himachal Sorang and the management believes that there are good chances to win the legal case, accordingly, demand of Rs. 713.30 million is not provided for in these standalone Ind-AS financial statements (also refer note 47).

With respect to above mentioned points of 1 to 26, management's approach with regard to assessment of impairment provision, reversal of impairment provision, fair value gain/loss on investment in joint ventures does not consider the requirements of the relevant Ind-AS standards in entirety as the Company does not presently have the necessary and/or complete information to support cash flow-based tests over its investments and assumptions and for certain aspects of the expected credit loss model in respect of loans and receivables.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021 Rs. Million	As at March 31, 2020 Rs. Million
9 Trade receivables		
Trade receivables*		
a. Considered good, Unsecured (also refer note 50)	159.92	374.43
b. Credit impaired	504.80	509.75
	<u>664.72</u>	<u>884.18</u>
Less: Impairment allowance (allowance for bad and doubtful debts)	504.80	509.75
	<u>159.92</u>	<u>374.43</u>
* Includes from related parties (refer note 59)		
a. Considered good, Unsecured	51.10	302.03
b. Credit impaired	182.50	232.10
	<u>233.60</u>	<u>534.13</u>
Less: Impairment allowance (allowance for bad and doubtful debts)	182.50	232.10
	<u>51.10</u>	<u>302.03</u>

Note:

During the current year, one of the customers namely IL&FS Solar Power Limited has issued credit notes of Rs. 46.48 million (including taxes) to the Company for pending works and deficiencies in Generation related to development of 100 MW solar power plant. The Company had already provided for the amount of Rs. 46.48 million during the year ended March 31, 2020 for the said customer. Further, the same amount has been claimed by the Company from vendor "Sterling and Wilson Private Limited" however the said vendor has not accepted the claim. Accordingly, in current year the Company has written off the bad debt of equivalent amount provided for during the year ended March 31, 2021 for the said customer.

Trade receivable are immediately due except in specific cases where year is contractually allowed. Interest is charged on trade receivables as per contractual terms, if any.

The Company closely monitors the credit quality of its trade receivables. Accordingly, except in certain cases where the Company has made provision for doubtful debts considering the non recoverability of receivables, the management believes that there is no other provision required under the net amount of trade receivables.

	As at March 31, 2021 Rs. Million	As at March 31, 2020 Rs. Million
Movement in allowance for trade receivables		
Opening balance	509.74	462.75
Addition/deletion during the year	45.15	57.01
Bad debts written off	(50.09)	(10.02)
Closing balance	<u>504.80</u>	<u>509.74</u>
Gross receivables from customers, each of which individually represents more than 5% of the total balance of trade receivables:		
IL&FS Solar Power Limited	-	272.90
IL&FS Tamil Nadu Power Company Limited	169.12	169.07
Pirpainti Bijlee Company Private Limited	130.22	130.22
Lakhisarai Bijlee Company Private Limited	127.05	127.05
Energy Efficiency Services Limited	105.48	62.08
	<u>531.87</u>	<u>761.32</u>

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021 Rs. Million	As at March 31, 2020 Rs. Million
10 Cash and bank balances		
A. Cash and cash equivalents		
a. Balance with banks:		
- on current accounts	102.83	99.48
- deposit with original maturity of less than three months	2,216.38	57.00
b. Cash in hand	-	-
	2,319.21	156.48
Cash and cash equivalents as per statement of cash flow	2,319.21	156.48
B. Other balances with banks		
Balance with bank in earmarked accounts:		
- deposit held as margin money with banks	327.94	546.99
- deposit held for distribution purpose with bank (refer note 47(c))	2,352.84	2,164.50
Deposit with original maturity of more than three months but less than twelve months	39.70	38.00
	2,720.48	2,749.49

Changes in liabilities arising from financing activities

Particulars	April 1, 2020	Cash Flow		Others	Rs. Million
					March 31, 2021
		Proceeds	Repayment		
Borrowings (including current maturities)	42,832.34	-	(0.84)	(94.06)	42,737.44
Current borrowings	3,020.27	-	-	-	3,020.27
	45,852.61	-	(0.84)	(94.06)	45,757.71
Particulars	April 1, 2019	Cash Flow		Others	Rs. Million
					March 31, 2020
		Proceeds	Repayment		
Borrowings (including current maturities)	42,522.73	-	(1.12)	310.73	42,832.34
Current borrowings	3,020.27	-	-	-	3,020.27
	45,543.02	45,543.02	(1.12)	310.73	45,852.61

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021 Rs. Million	As at March 31, 2020 Rs. Million
11 Loans		
I. Non-current (Unsecured)		
a. Loans and advances to related parties		
- Considered good	2.62	3.55
- Credit impaired	132.38	131.45
	135.00	135.00
Less: Allowance for doubtful loans	(132.38)	(131.45)
	<u>2.62</u>	<u>3.55</u>
II. Current (Unsecured)		
a. Loans and advances to related parties		
- Considered good	956.52	2,068.99
- Credit impaired	15,166.90	15,516.89
Less: Allowance for doubtful loans	(15,166.90)	(15,516.89)
	956.52	2,068.99
b. Inter-corporate deposits to related parties		
- Considered good	125.85	125.85
- Credit impaired	933.10	933.10
Less: Allowance for doubtful deposits	(933.10)	(933.10)
	125.85	125.85
c. Loans and advances to others		
- Considered good	2.02	0.69
- Credit impaired	1,702.58	1,702.58
Less: Allowance for doubtful loans	(1,702.58)	(1,702.58)
	2.02	0.69
d. Inter-corporate deposits to others		
- Considered good	16.06	16.06
- Credit impaired	(16.06)	(16.06)
Less: Allowance for doubtful deposits	-	-
	<u>1,084.39</u>	<u>2,195.53</u>

Note

Consequent to the various matters mentioned in Note 2 and 3 to these financial statement, the normal business operations of the Company as they existed until September 30, 2018 have ceased. The Company is unable to locate loan agreements in respect of 84 loans of Rs. 9,828.34 million extended to group companies and 10 loans of Rs. 1,462.92 million to extended third parties. Further, out of these total 84 loans, 58 loans of Rs. 9,053.50 million pertaining to the group companies have matured after the Cut off date i.e. October 15, 2018. Accordingly, the management believes that loan agreements pertaining to these 58 loans need not to be renewed by the board of directors as the Company was not required to recognised interest income after October 15, 2018. The management believes that this will not have any adverse impact on these financial statements. Also refer note 8 and 59 for details of investments made, loans and deposits given to related parties.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021 Rs. Million	As at March 31, 2020 Rs. Million
12 Other financial assets		
I Non-current (Unsecured)		
Considered good		
a. Interest accrued:		
- on deposits	13.62	-
b. Security deposits	1.16	1.11
c. Other balances with banks	19.70	-
d. Deposit held as margin money with banks	260.48	-
e. Earnest money deposit and other advances	0.81	0.81
	<u>295.77</u>	<u>1.92</u>
II Current (Unsecured)		
Considered good		
a. Interest accrued:		
- on deposits	42.28	102.51
- on loans and advances	9.00	429.13
b. Receivable for sale of investment (refer note 47(c))	111.00	111.00
c. Other receivables	105.32	-
d. Retention money under construction contract	-	230.07
	<u>267.60</u>	<u>872.71</u>
Considered doubtful		
a. Interest accrued on:		
- on investments	4,434.81	4,434.81
- on loans and advances	2,997.87	3,071.57
b. Receivable for sale of investment*	400.00	1,780.00
	<u>7,832.68</u>	<u>9,286.38</u>
Less: Allowance for doubtful interest and receivables for sale of investments	<u>(7,832.68)</u>	<u>(9,286.38)</u>
	<u>-</u>	<u>-</u>
	<u>267.60</u>	<u>872.71</u>

*this is on account of sale of investments by the Company in earlier years (refer note 8(III)). This also includes Rs. 300.00 million receivable from IL&FS Wind Energy Limited (refer note 59(c)). Due to uncertainty with regard to recoverability of amount, whole amount has been provided for by the management of the Company.

13 Non-current tax assets *

Taxes paid (including tax deducted at source)	2,421.71	2,664.98
Less: Provision for taxation	<u>(1,292.66)</u>	<u>(1,292.66)</u>
	<u>1,129.05</u>	<u>1,372.32</u>
* net of provision for tax		

14 Other assets

i Non-current

a. Prepaid expenses	<u>0.90</u>	<u>0.93</u>
	<u>0.90</u>	<u>0.93</u>

ii Current

a. Prepaid expenses	12.94	13.68
b. Balances with government authorities	137.53	147.82
c. Gratuity fund (net) (refer note 56)	0.74	1.01
	<u>151.21</u>	<u>162.51</u>
Less: Impairment allowance*	<u>(91.96)</u>	<u>-</u>
	<u>59.25</u>	<u>162.51</u>

* During the year ended March 31, 2019, the Company has defaulted in payment of dues to one of a vender namely M/S Sterling and Wilson Private Limited ("Sterling") amounting Rs. 927.30 million (including taxes) which was due for more than 180 days from the due dates. Accordingly, as per the provision of Section 16(2) of CGST ACT, 2017 read with Rule 37 of CGST Rules, the Company created GST tax liability of an equivalent amount of GST input tax credit availed by the Company on the said outstanding amount and booked deferred GST input tax credit of same amount amounting Rs. 93.96 million. During the current year, the Company has written off the deferred GST input tax credit amounting Rs. 91.96 million due to future uncertainty for availing the said input.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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	As at March 31, 2021 Rs. Million	As at March 31, 2020 Rs. Million		
15 Deferred tax assets (net)				
A. Deferred tax asset	11.17	10.91		
B. Deferred tax liability	(11.17)	(10.91)		
	-	-		
A. Deferred tax assets / (liabilities)				
	As at April 1, 2020	Recognised in Statement of profit and loss	Recognised in other comprehensive income	As at March 31, 2021
	Rs. Million	Rs. Million	Rs. Million	Rs. Million
Deferred tax assets				
MAT Credit entitlement	436.48	-	-	436.48
Provision for doubtful debt (including impairment on investments and other financial assets)	30,654.41	(667.86)	-	29,986.55
Provision for employee benefits	3.88	0.38	(0.69)	3.57
Borrowings	517.53	(137.09)	-	380.44
Provision for expenses	3.67	(1.25)	-	2.42
Other financial liabilities	225.97	-	-	225.97
Un-utilised income tax losses and unabsorbed depreciation	2,454.35	164.39	-	2,618.74
	34,296.29	(641.43)	(0.69)	33,654.17
Adjustment on account of deferred tax assets restricted to deferred tax liabilities*	34,285.38	(642.38)	-	33,643.00
	10.91	0.95	(0.69)	11.17
Deferred tax liabilities				
Property, Plant and Equipment and Intangible Assets	(10.91)	(0.26)	-	(11.17)
	(10.91)	(0.26)	-	(11.17)
Net deferred tax assets/(liabilities)	-	0.69	(0.69)	-

* As mentioned in note 2 and 3, New Board is taking various steps for the resolution of the Company. The Company has been categorised under the 'Red' category based on its liquidity position. Further, the Company has already surrendered its power trading license and is in the process of novating revenue generating contracts entered into by the Company with Energy Efficiency Services Limited, Oil and Natural Gas Corporation Limited, PDCOR Limited and Puducherry Urban Development Authority to PTC India Limited (refer note 62).

Accordingly, the management has recognised deferred tax assets to the extent of deferred tax liability since it is not probable that sufficient profits will be available in the future years against which deferred tax asset can be realised.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021		As at March 31, 2020	
	Number of shares	Rs. Million	Number of shares	Rs. Million

16 Equity Share capital

The authorised, issued, subscribed and fully paid-up share capital comprises of equity shares and compulsorily convertible preference shares having a par value of Rs. 10 each as follows:

A Equity share capital

Authorised

Equity Shares of Rs. 10 each with voting rights	2,125,000,000	21,250.00	2,125,000,000	21,250.00
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Issued, subscribed and fully paid up

a. Opening balance	1,283,564,664	12,835.65	1,283,564,664	12,835.65
b. Changes during the year	-	-	-	-
c. Closing balance	1,283,564,664	12,835.65	1,283,564,664	12,835.65

Terms and rights attached to equity shares

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.

B Instruments entirely equity in nature

Compulsorily Convertible Preference Share Capital ('CCPS')

Authorised

0.0001% Compulsorily Convertible Preference Shares ('CCPS') of Rs. 10 each	125,000,000	1,250.00	125,000,000	1,250.00
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Issued, subscribed and fully paid up

(a) Opening balance	34,660,767	346.61	34,660,767	346.61
(b) Changes during the year	-	-	-	-
(c) Closing balance	34,660,767	346.61	34,660,767	346.61

Terms and rights attached to preference shares

Subject to the applicable law, each holder of CCPS shall be entitled to receive notice of, and to attend, any meeting of the shareholder of the Company and shall be entitled to vote together with the holders of equity shares of the Company as if such holder of CCPS held the maximum numbers of equity shares in to which the CCPS can be converted. Each CCPS is convertible into one equity share.

These CCPS shall be converted to equity shares on the earlier of (i) the last permissible date on which conversion is required under applicable laws, (ii) the date falling on the 10th anniversary being 2 December, 2021, (iii) receipt of notice in writing by the holder to convert any or all the CCPS into equity shares.

CCPS holders will be entitled to non cumulative dividend of 0.0001% of face value of shares or dividend given to equity shareholder whichever is higher.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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C Details of shares held by each shareholder holding more than 5% shares (also refer note below):

Name of the shareholder	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity share of Rs. 10 each, fully paid				
Infrastructure Leasing & Financial Services Limited, the holding company	1,173,426,464	91.42%	1,173,426,464	91.42%
IL&FS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr. Kaushik Modak	86,000,000	6.70%	86,000,000	6.70%
0.0001% Compulsorily Convertible Preference Share Capital of Rs. 10 each, fully paid				
Deepak Mawandia	24,787,863	71.52%	24,787,863	71.52%
Backbay Equity Partners LLP	9,872,904	28.48%	9,872,904	28.48%

D Details of shares held by the holding company

Out of equity and preference shares issued by the company, shares held by its holding company, ultimate holding company and their subsidiaries/ associates are as below:

	As at March 31, 2021		As at March 31, 2020	
	Number of shares held	Amount Rs. Million	Number of shares held	Amount Rs. Million
Equity share of Rs. 10 each, fully paid				
Infrastructure Leasing & Financial Services Limited, India, the holding company	1,173,426,464	11,734.26	1,173,426,464	11,734.26

Note:

During the previous year ended March 31, 2020, Bay Capital Investment Managers Private Limited holding 178,843 equity shares of Rs. 10 each, Standard Chartered IL&FS Asia Infrastructure Growth Fund Company Limited holding 6,196,966 equity shares of Rs. 10 each and 24,787,863 compulsorily convertible preference shares of Rs. 10 each and Vistra ITCL India Limited (trustees of IL&FS Infrastructure Equity Fund I) holding 9,872,904 compulsorily convertible preference shares of Rs. 10 each has sold and transferred their respective shares to Echjay Industries Private Limited, Deepak Mawandia (nominee director of the Company and beneficial owner of the shares on behalf of Backbay Capital Partners Pte. Ltd.) and Backbay Equity Partners LLP respectively.

The management is of the view that the above transaction with respect to change in shareholding do not come under the restrictions laid down by the NCLAT vide its order dated October 15, 2018 regarding change in status of shareholding, the Resolution Framework laid for the Company (refer note 2 and 3) and accordingly, the Company believes that there was no requirement to obtain approval of Hon'ble NCLT or Hon'ble Supreme Court judge D.K. Jain (retd.) as appointed by Union of India to supervise the entire Asset level resolution process for the said transaction.

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IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021	As at March 31, 2020
	Rs. Million	Rs. Million
17 Other equity		
a. Equity component of compound financial instruments (refer note i below)	2,405.86	2,405.86
b. Securities premium (refer note ii below)		
Opening balance	37,557.27	37,557.27
Add: Additions during the year	-	-
Closing balance	<u>37,557.27</u>	<u>37,557.27</u>
c. General reserve (refer note iii below)	7.60	7.60
d. Debenture redemption reserve (refer note iv below)		
Opening balance	673.61	673.61
Add: Transfer during the year	-	-
Closing balance	<u>673.61</u>	<u>673.61</u>
e. Retained earnings		
Opening balance	(93,966.84)	(94,453.14)
Less: Effect of adoption of Ind AS 116 Leases	-	(0.95)
Add: Profit for the year	374.24	487.25
Closing balance	<u>(93,592.60)</u>	<u>(93,966.84)</u>
f. Other comprehensive income		
i. Remeasurement of defined benefit obligations		
Opening balance	(1.14)	(1.51)
Add: Transfer during the year	1.98	0.57
	<u>0.84</u>	<u>(0.94)</u>
Less: Tax on the above	0.69	0.20
Closing balance	<u>0.15</u>	<u>(1.14)</u>
Grand Total (a+b+c+d+e+f)	<u>(52,948.11)</u>	<u>(53,323.64)</u>

Notes:

i. Equity component of compound financial instrument

The Company issued 247,000 Fully Compulsorily Convertible Debentures (FCCD) of Rs. 10,000 each to its Holding Company, Infrastructure Leasing & Financial Services Limited ("holder") during the year ended March 31, 2012. Terms of the FCCD were changed in the financial year ended March 31, 2017. Per the revised terms of FCCD, the Company agreed to pay an option premium of Rs. 744.00 million to holder on account of early conversion option (as per the original terms) foregone by the holder. Further, as per the revised terms, the Company had an option to convert these FCCD along with the option premium and interest accrued from April 1, 2016 till the date of maturity into fixed number of equity shares. Vide memorandum dated February 8, 2017, the Company has opted for the conversion option. The said FCCD were due for conversion into 41,215,847 fully paid equity share on March 29, 2021, however the same has not been converted into equity shares till date. The management is of the view that no further adjustments are required to be made in these financial statements in this regard.

ii. Securities premium

Securities premium is used to record the premium on issue of shares. The amount is utilised in accordance with the provisions of the Companies Act, 2013.

iii. General reserve

General reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. As the general reserve is created by transfer from one component of equity to another equity, hence items included in general reserve will not be reclassified subsequently to profit and loss.

iv. Debenture redemption reserve

The Company is required by Companies Act, 2013 to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures. The Company has not created any additional debenture redemption reserve during the current and previous year. The management believes that this will not have any adverse impact on these standalone financial statements.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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	As at March 31, 2021		As at March 31, 2020	
	Non-current Rs. Million	Current Maturity Rs. Million	Non-current Rs. Million	Current Maturity Rs. Million
18 Non-current borrowings				
a. Debentures - unsecured				
i. Others (refer note 'i' below)				
- Zero Coupon Non Convertible debentures (refer note 'i A' below)	-	1,000.00	-	1,000.00
- Zero Coupon Non Convertible debentures (refer note 'i B' below)	-	1,000.00	-	1,000.00
- Non Convertible debentures (refer note 'i C' below)	-	500.00	-	500.00
- Non Convertible debentures (refer note 'i D' below)	-	1,950.00	-	1,950.00
- Non Convertible debentures (refer note 'i E' below)	-	2,050.00	-	2,050.00
b. Term loans from banks				
- secured				
i. Yes Bank Limited (refer note 'ii' below)	-	1,814.55	-	1,814.55
ii. Yes Bank Limited (refer note 'iii' below)	-	306.45	-	306.45
iii. Yes Bank Limited (refer note 'iv' below)	-	2,047.67	-	2,047.67
iv. Karnataka Bank Limited (refer note 'v' below)	-	250.00	-	250.00
v. Syndicate Bank Limited (refer note 'vi' below)	-	3,675.24	-	3,769.30
vi. United Bank of India (refer note 'vii' below)	-	1,000.00	-	1,000.00
vii. Yes bank Limited (refer note 'viii' below)	-	1.80	-	1.80
viii. HDFC Bank Limited (refer note 'ix' below)	-	3.79	-	4.63
- unsecured				
i. Yes Bank Limited (refer note 'iii' below)	-	2,758.09	-	2,758.09
ii. Yes Bank Limited (refer note 'iv' below)	-	2,047.67	-	2,047.67
iii. Karnataka Bank Limited (refer note 'v' below)	-	250.00	-	250.00
c. Term loans from financial institutions				
- secured				
from related parties (refer note 59)				
i. IL&FS Limited (refer note 'x' below)	-	335.96	-	335.96
ii. IL&FS Limited (refer note 'xi' below)	-	2,500.00	-	2,500.00
iii. IL&FS Limited (refer note 'xii' below)	-	2,973.50	-	2,973.50
iv. IL&FS Limited (refer note 'xiii' below)	-	4,043.86	-	4,043.86
v. IL&FS Limited (refer note 'xiv' below)	-	3,990.39	-	3,990.39
vi. IL&FS Limited (refer note 'xv' below)	-	2,236.45	-	2,236.45
vii. IL&FS Limited (refer note 'xvi' below)	-	996.85	-	996.85
from other parties				
i. Aditya Birla Finance Limited (refer note 'xvii' below)	-	140.00	-	140.00
ii. IFCI Ltd.(refer note 'xviii' below)	-	1,000.00	-	1,000.00
d. Inter corporate deposit from related parties (refer note 59)				
- unsecured				
i. IL&FS	-	-	-	-
i. Patiala Bio Power Company Limited (refer note (xix 'A'))	-	2,260.16	-	2,260.16
ii. Rohtas Bio Energy Limited (refer note (xix 'B'))	-	1,605.02	-	1,605.02
	-	42,737.45	-	42,832.35
Less: Reclassified to other financial liabilities		42,737.45		42,832.35
	-	-	-	-

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

Notes:

The Company has made various defaults for the repayment of amounts borrowed from different parties as mentioned above. Due to which the lender has right to demand the full amount of loan borrowed by the Company at any time. In order to comply with the provisions of Ind AS, the Company has shown the amount of loan as its current liability.

- i. Details of debentures issued to other party
- A
- a. Amount - Rs 1,000.00 million
 - b. Annualised yield - 11.40% p.a. (March 31, 2020: 11.40% p.a.)
 - c. Terms and conditions: During the year ended March 31, 2017, the Company had issued Redeemable Unlisted Non Convertible Debentures of Rs. 1,000,000 each redeemable at premium of Rs. 382,470 per debenture.
 - d. Repayment date - June 27, 2019
- B
- a. Amount - Rs 1,000.00 million
 - b. Annualised yield - 11.50% p.a. (March 31, 2020: 11.50% p.a.)
 - c. Terms and conditions: During the year ended March 31, 2017, the Company had issued Redeemable Unlisted Non Convertible Debentures of Rs. 1,000,000 each redeemable at premium of Rs. 386,196 per debenture.
 - d. Repayment date - June 7, 2019
- C
- a. Amount - Rs 500.00 million
 - b. Rate of Interest - 11% p.a. (March 31, 2020: 11% p.a.)
 - c. Terms and conditions: During the year ended March 31, 2020, the Company had issued redeemable unlisted non convertible debentures of Rs. 1,000,000 each redeemable at par.
 - d. Repayment date - April 16, 2021
- D
- a. Amount - Rs 1,950.00 million
 - b. Rate of Interest - 9.50% p.a (March 31, 2020: 9.50% p.a.)
 - c. Terms and conditions: During the current year, the Company has issued redeemable listed non convertible debentures of Rs. 1,000,000 each redeemable at par.
 - d. Repayment date - Four equal quarterly installments starting from 25th quarter from the issue date i.e. May 14, 2018
- E
- a. Amount - Rs 1,450.00 million in Series I, Rs 600.00 million in Series II
 - b. Rate of Interest - 9.50% p.a (March 31, 2020: 9.50% p.a.) for Series I
Rate of Interest - 9.53% p.a (March 31, 2020: 9.53% p.a.) for Series II
 - c. Terms and conditions: During the current year, the Company has issued redeemable listed non convertible debentures of Rs. 1,000,000 each redeemable at par.
 - d. Repayment date -
 - Four equal quarterly installments starting from 25th quarter from the issue date i.e. May 28, 2018 for Series I
 - Four equal quarterly installments starting from 25th quarter from the issue date i.e. May 28, 2018 for Series II
- ii. Details of repayment terms and security for the term loan from bank
- a. Rate of Interest - 1 year MCLR (Marginal cost of funds based lending rate)+ 0.55% Spread - 9.50% p.a (March 31, 2020: 9.50% p.a.)
 - b. Terms and security
 - i) Sanctioned and withdrawn amount is Rs. 5,350.00 million
 - ii) Repayment terms
The loan is repayable in 16 unequal quarterly installments starting after a year of 2 years from the date of first disbursement. (i.e. September 25, 2013).
 - iii) Security
 - 10% Fixed deposit margin or collateral in the form of tangible fixed asset (acceptable to the bank) at least having a value of 10% of the outstanding facility.
 - A first pari passu charge over the present and future long term loans and advances and receivables accrued out of such long term loan and advances.
- iii. Details of repayment terms and security for the term loan from bank
- a. Rate of Interest - 1 year MCLR + 0.93% spread - 10.38% p.a (March 31, 2020: 10.38% p.a.)
 - b. Terms and security
 - i) Sanctioned and withdrawn amount is Rs 3,500.00 million
 - ii) The loan is repayable in 15 structured quarterly installments commencing from 31 January, 2018.
 - iii) Security
A first pari passu charge over the present and future long term loans and advances and receivables accrued out of such long term loan and advances equivalent to minimum 10% of the loan outstanding amount.

- iv. Details of repayment terms and security for the term loan from bank
 - a. Rate of Interest - 1 year MCLR + 0.50% spread - 9.50% p.a (March 31, 2020: 9.50% p.a.)
 - b. Terms and security
 - i) Sanctioned and withdrawn amount is Rs 4,150.00 million
 - ii) The loan is repayable in 12 structured quarterly installments commencing from March 31, 2018.
 - iii) Security
 - A first pari passu charge over the total Long term loans and advances and receivables accrued out of such long term loan and advances equivalent to minimum 50% of the loan outstanding amount

- v. Details of repayment terms and security for the term loan from bank
 - a. Rate of Interest - 1 year MCLR (Marginal cost of funds based lending rate)+ 2.50% i.e. 11.25% p.a.(March 31, 2020: 11.25% p.a.)
 - b. Terms and security
 - i) Total Sanction and disbursed amount is Rs. 500 million.
 - ii) Repayment terms
 - Bullet repayment at the end of 3 years from the date of disbursement i.e. December 1, 2016.
 - iii Security
 - 10% Fixed deposit margin or collateral in the form of tangible fixed asset (acceptable to the bank) at least having a value of 10% of the outstanding loan amount
 - First pari passu charge on present and future long term and short term loans and advances and receivable accrued out of such loan equivalent to 50% of the loan outstanding amount

- vi. In earlier years, the Company has availed an External Commercial Borrowings ('ECB') of USD 50 million under the "automatic route". The borrowing has a maturity year of 6 years from the date of disbursement. The Company has taken principal and interest rate swaps against the ECB. (refer note 4.1)
 - a. Rate of Interest - USD 6 month LIBOR + 310 bps i.e. 10.50% p.a. (March 31, 2020: 10.50%)
 - b. Terms and security
 - i) Total sanction and disbursed amount is USD 50 million.
 - ii) Repayment terms
 - Repayment in 3 structured installments commencing from the end of 4 years from the date of first disbursement date i.e. 24 March, 2017
 - iii) Security
 - First pari passu charge on present and future loans and advances equivalent to 110% of the outstanding loan amount.
 - 10% of the outstanding facility to be kept as margin in fixed deposits with the bank throughout the tenure of the loan.

- vii. Details of repayment terms and security for the term loan from bank
 - a. Rate of Interest - one year MCLR+ 2.40% i.e. 11.00% p.a. (March 31, 2020: 11.00% p.a.)
 - b. Terms and security
 - i) Total Sanction and disbursed amount is Rs. 1000.00 million.
 - ii) Repayment terms
 - Two equal half yearly installments at the end of 30th month and 36th month from the date of disbursement i.e. January 29, 2018
 - iii) Security
 - 10% of loan amount by way of Fixed deposit under lien
 - First pari passu charge on present and future long term and short term loans and advances and receivable accrued out of such loan equivalent to 120% of the loan outstanding amount.

- viii. Details of repayment terms and security for the term loan from bank
 - a. Rate of Interest - 8.15% p.a. (March 31, 2020: 8.15% p.a.)
 - b. Terms and security
 - i) Total Sanction and disbursed amount is Rs. 2.34 million.
 - ii) Repayment terms: Payable in 84 equal monthly installments commencing from March 15, 2018.
 - iii) Security: First hypothecation charge on vehicle

- ix. Details of repayment terms and security for the term loan from bank
 - a. Rate of Interest - 8.10% p.a (March 31, 2020: 8.10% p.a.)
 - b. Terms and security
 - i) Total Sanction and disbursed amount is Rs. 6.30 million.
 - ii) Repayment terms: Payable in 84 equal monthly installments commencing from January 5, 2018.
 - iii) Security: First hypothecation charge on vehicle

- x. Details of secured term loan from others
 - a. Rate of Interest - 16% p.a. (March 31, 2020: 16%)
 - b. Terms and security
 - i) Total sanction limit of term loan is Rs. 8,800.00 million and outstanding amount is Rs. 335.96 million (March 31, 2020: Rs. 335.96 million)
 - ii) Repayment terms: Bullet repayment at the end of 5 years from the date of disbursement date i.e. September 30, 2015
 - iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.

- xi. Details of Secured term loan from others
- a. Rate of Interest - 16% p.a. (March 31, 2020: 16%)
 - b. Terms and security
 - i) Total Sanction limit of revolving line of credit is Rs. 2,500.00 million and outstanding amount is Rs. 2500.00 million (March 31, 2020: Rs 2500.00 million.)
 - ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e March 29, 2017.
 - iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.
- xii. Details of Secured term loan from others
- a. Rate of Interest - 16% p.a. (March 31, 2020: 16%)
 - b. Terms and security
 - i) Total Sanction limit is Rs. 3,250 million and outstanding is Rs. 2,973.50 million (March 31, 2020: Rs 2,973.50 million.)
 - ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e March 31, 2017.
 - iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.
- xiii. Details of Secured term loan from others
- a. Rate of Interest - 16% p.a. (March 31, 2020: 16% p.a.)
 - b. Terms and security
 - i) Total revolving line of credit of Rs 4,250 million and outstanding is 4,043.86 million (31, March 2019: Rs. 4043.86 million).
 - ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e. August 3, 2018
 - iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.
- xiv. Details of Secured term loan from others
- a. Rate of Interest - 16% p.a. (March 31, 2020: 16% p.a.)
 - b. Terms and security
 - i) Total revolving line of credit of Rs 4,000 million and outstanding is 3,990.39 million (March 31, 2020: Rs. 3,990.39 million).
 - ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e. April 20, 2018
 - iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.
- xv. Details of Secured term loan from others
- a. Rate of Interest - 16% p.a. (March 31, 2020: 16% p.a.)
 - b. Terms and security
 - i) Total revolving line of credit of 2,500.00 million and outstanding is 2,236.45 million (March 31, 2020: Rs. 2,236.45 million).
 - ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e. April 25, 2018
 - iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.
- xvi. Details of Secured term loan from others
- a. Rate of Interest - 16% p.a. (March 31, 2020: 16% p.a.)
 - b. Terms and security
 - i) Total revolving line of credit of 1,000 million and outstanding is 996.85 million (March 31, 2020: Rs. 996.85 million).
 - ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e. June 29, 2018
 - iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.
- xvii. Details of Secured term loan from others
- Aditya Birla Finance Limited
- a. Rate of Interest - 11.95% p.a. (March 31, 2020: 11.95% p.a)
 - b. Repayment terms: Repayment at the end of 24 months from the date of first disbursement i.e. August 22, 2016. Part of the loan has been repaid during the previous year however Rs 140 million is due and outstanding as on March 31, 2020.
 - c. Security: First pari passu charge on loans and advances and income/receivable accrued out of such loans and advances with minimum security cover of 0.5

xviii. Details of unsecured term loan from others

IFCI Limited

- a. Rate of Interest - IFCI Benchmark Rate + 0.75% premium i.e. 13.80% p.a. (March 31, 2020: 13.80% p.a)
- b. Repayment terms: Eight semi annual installments of Rs 125 mn each after moratorium year of 24 months
- c. Security: First pari passu charge over the present and future loans and advances and receivables accrued out of such loans and advances with minimum security cover of 1.5 times.

xix. Inter-corporate deposit from related parties

A. Patiala Bio Power Energy Limited

- a. Rate of Interest - IFIN Benchmark MCLR + 0.50% spread i.e. 15.50% p.a. (March 31, 2020: 15.50% p.a.)
- b. Repayment terms: ICD's are repayable at the end of 24 months from the date of disbursement. Due date for repayment is March 30, 2019 and is still outstanding as at March 31, 2021.

B. Rohtas Bio Energy Limited

- a. Rate of Interest - IFIN Benchmark MCLR + 0.50% spread i.e. 15.50% p.a.(March 31, 2020: 15.50% p.a.)
- b. Repayment terms: ICD's are repayable at the end of 24 months from the date of disbursement. The repayable date are between August 21, 2019 to March 30, 2021.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021	As at March 31, 2020
	Rs. Million	Rs. Million
19 Other financial liabilities		
I Current		
a. Current maturity of long term borrowings (refer note 18)	42,737.44	42,832.34
b. Interest accrued and due on borrowings (also refer note 42)	1,909.38	1,909.38
c. Margin money payable	577.41	577.13
d. Retention money payable	175.35	175.35
e. Premium payable on redemption of debentures	578.17	578.17
	45,977.75	46,072.37
20 Provisions		
Non-Current		
Provision for employee benefits (refer note 56)		
- Provision for compensated absences	5.33	8.03
	5.33	8.03
21 Provisions		
Current		
Provision for employee benefits (refer note 56)		
- Provision for compensated absences	4.89	4.08
	4.89	4.08

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021	As at March 31, 2020
	Rs. Million	Rs. Million
22 Current borrowings		
Secured		
Loans from banks:		
A. Repayable on demand		
Yes Bank Limited (refer note 'i' below)	494.06	494.06
B. Term loans from banks		
i. Syndicate bank (refer note 'ii' below)	404.50	404.50
Unsecured		
I. Loans from banks:		
A. Buyer's credit (refer note 'vi' below)	778.27	778.27
B. Term loans		
Syndicate bank (refer note 'ii' below)	44.94	44.94
II. Inter corporate deposit from related parties (refer note 59)		
i. IMICL Dighi Maritime Limited (refer note 'iii' below)	1,045.50	1,045.50
ii. IL&FS Cluster Development Initiative Limited (refer note 'iv' below)	200.00	200.00
iii. IL&FS Airport Limited (refer note 'v' below)	53.00	53.00
	<u>3,020.27</u>	<u>3,020.27</u>

Notes:

- i. Cash credit limit of Rs. 500.00 million is secured by first charge on current assets (excluding current investments of the company). The effective rate of interest is 12.25% p.a. (previous year 12.25% p.a).
- ii. Loan of Rs 500.00 million is secured by way of first passu charge over present and future loans and advances equivalent to 90% of loan amount and fixed deposit equivalent to 10% of the loan amount. The rate of interest on loan is 1 year MCLR + 0.80% 9.30% p.a. (March 31, 2020: 9.30% p.a). The loan was due for repayment on September 28, 2018 and has not been repaid till date.
- iii. The deposit was repayable at the end of 6 months from the date of disbursement. Rate of interest is linked to IFIN benchmark rate i.e. as on March 31, 2021: 16% (March 31, 2020: 16% p.a.). The deposit was due for repayment on June 30, 2018.
- iv. The deposit was repayable at the end of 6 months from the date of disbursement. Rate of interest is linked to IFIN benchmark rate i.e as on March 31, 2021: 16% (March 31, 2020: 16% p.a.). The deposit was due for repayment on September 30, 2018 however it is yet to be repaid.
- v. Inter corporate deposit is repayable at the end of 365 days from the date of disbursement. Rate of interest as on March 31, 2021: 15.75%. (March 31, 2020: 15.75%).
- vi. The Company has got the Letter of credits issued from Axis bank limits which were sanctioned to IL&FS Limited. The Vendor named Sterling & Wilson has discounted these letter of credits till October 15, 2018. The Company has not repaid the amount which were due during the period subsequent to October 15, 2018.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	As at March 31, 2021	As at March 31, 2020
	Rs. Million	Rs. Million
23 Trade payables		
Trade payables**		
Total Outstanding dues of micro enterprises and small enterprises (refer note 61)*	0.19	0.40
Total Outstanding dues of creditors other than micro enterprises and small enterprises (also refer note 47(c))#	1,146.15	1,159.13
	1,146.34	1,159.53

* Payable pertaining to Micro and Small Enterprises, as stated above, have been identified by the Company from the available information, which has been relied upon the auditors.

#Based on the balance confirmation from a vender namely M/S Sterling and Wilson Private Limited (“Sterling”), the total amount receivable by the Sterling from the Company is Rs. 1,568.67 million as on March 31, 2021. However, as per the records maintained by the Company, the total amount payable to Sterling is Rs. 924.55 million (net) (Rs. 928.30 million included in trade payable and Rs. 3.75 million is included in the trade receivables) and out of balance of Rs. 644.12 million, Rs. 641.04 million is payable to holding company for Letter of Credit (“LC”) devolved but not paid to Sterling, in compliance with the interim order dated October 15, 2018 of NCLAT and balance Rs. 3.08 million is on account of interest charged by Sterling on account of non-payment of the dues and the same has not been recognised by the Company in these accompanying financial statements to comply with the order of NCLAT. Further, Claim Management Advisor has admitted contingent claims in favour of bank who has issued the LCs and the Holding Company.

**includes payable to related party (refer note 59)

24 Other current liabilities

a. Revenue received in advance	8.50	9.90
b. Statutory dues*	209.28	224.31
c. Advance from customers (refer note 49)	-	17.61
	217.78	251.82

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IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	For the year ended March 31, 2021	For the year ended March 31, 2020
	Rs. Million	Rs. Million
25 Revenue from operations (refer note 44)		
a. Consultancy income*	214.63	181.38
b. Sale of electricity (refer note 48)	9.28	9.26
	223.91	190.64
* This pertains to consultancy fee charged by the Company for the project advisory services as provided by the Company. This includes revenues as earned by the Company from Energy Efficiency Services Limited (refer note 50).		
26 Other income		
A a. Interest income on:		
i. Bank deposits at amortised cost	138.51	98.42
ii. Others financial assets carried at amortised cost (refer note 42)	-	275.30
iii. On other assets	0.04	0.04
b. Interest income on income tax refund	34.27	6.22
c. Guarantee fees	1.40	3.76
	174.22	383.74
B Dividend income on:		
- Equity instruments	156.62	139.69
	156.62	139.69
C Other gains and losses		
a. Net gain on sale of property, plant and equipment	0.02	-
b. Gain on sale of investments (refer note 8)	40.56	-
c. Net gain on foreign currency transactions and translation	94.06	-
d. Net gain arising on financial assets (investment in joint ventures) designated at Fair value through profit or loss (refer note 55)	108.03	193.02
e. Reversal of impairment of financial assets designated as at amortised cost	0.50	449.46
f. Reversal of impairment loss of Property, Plant and Equipment	0.34	-
g. Excess provisions written back	-	0.15
h. Reimbursement of expenses from subsidiaries (refer note 51)	59.84	-
i. Liabilities written back (refer note 49)	17.61	-
	320.96	642.63
	651.80	1,166.06
27 Employee benefits expense		
a. Salaries, wages and incentives	93.77	130.52
b. Contribution to provident and other funds (refer note 56)	9.84	12.32
c. Staff welfare expenses	1.00	1.77
	104.61	144.61

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

	For the year ended March 31, 2021	For the year ended March 31, 2020
	Rs. Million	Rs. Million
28 Finance costs		
a Interest expenses:		
i. On borrowings (refer note 42)	0.67	1.08
ii. On delayed payment of direct & indirect taxes	4.53	0.80
iii. On lease liabilities	0.33	0.50
b Other borrowing cost	2.16	5.03
	<u>7.69</u>	<u>7.41</u>
29 Other expenses		
a. Power and fuel	1.18	1.80
b. Rent	13.58	33.82
c. Repairs and maintenance		
i. Plant and machinery	1.36	0.55
ii. Others	6.00	15.67
d. Insurance	4.20	5.82
e. Rates and taxes	0.45	4.99
f. GST input credit written off (refer note (iii) below)	92.88	-
g. Communication	0.72	0.94
h. Travelling and conveyance	4.47	6.74
i. Printing and stationery	0.26	0.53
j. Advertisement and business promotion#	-	1.96
k. Legal and professional expenses*	82.22	100.73
l. Office maintenance expenses	2.19	2.10
m. Outsource contract	78.81	74.58
n. Director sitting fees	0.44	0.36
o. Payments to auditors (refer note (i) below)	3.50	5.83
p. Impairment loss on financial assets^		
- On trade receivables	45.14	57.02
q. Impairment loss of Property, Plant and Equipment	-	2.33
r. Net loss on sale of Property, Plant and Equipment	0.49	1.74
s. Net loss on foreign currency transactions and translation	-	310.73
t. Corporate social responsibility expenses (refer note (ii) below)	-	-
u. Bad debts written off	-	10.96
v. Miscellaneous expenses	0.60	1.31
	<u>338.49</u>	<u>640.51</u>
Notes		
i. Payments to the auditors comprises (net of GST/Service tax input credit)		
a. Audit Fees	3.50	5.75
b. Other services	-	0.08
	<u>3.50</u>	<u>5.83</u>
ii Pursuant to section 135(5) of the Companies Act, 2013 and rules made thereunder, the Company needs to ensure that at least 2% of the average net profit of the preceding three financial years is spent on Corporate Social Responsibility (CSR) activities. Since the Company did not have average profits in the preceding three financial years, the management believes that no amount is required to be spent on such CSR activities during the year ended March 31, 2021.		
# net of reimbursement of Rs. 0.27 million (previous year 1.27 million)		
* net of reimbursement of Rs. 16.32 million (previous year 20.71 million) (also refer note 51)		
^ net of provision for bad and doubtful debts written back amounting to Rs. Nil (previous year 11.86 million)		
30 Depreciation and amortisation expense		
a. Depreciation of property, plant and equipment	7.11	8.74
b. Amortisation of intangible assets	0.11	0.31
c. Depreciation of Right of use assets	6.14	3.52
	<u>13.36</u>	<u>12.57</u>
31 Impairment (refer note 40)		
a. Financial assets designated as at amortised cost	38.00	13.29
b. Financial assets designated as at cost	-	0.50
c. Financial assets (in respect of other companies) designated at fair value through profit or loss (refer note 55)	-	47.00
	<u>38.00</u>	<u>60.79</u>

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2021

		For the year ended March 31, 2021	For the year ended March 31, 2020
		Rs. Million	Rs. Million
32	Tax expense		
	a. Income tax recognised in the statement of profit or loss		
	i. Current tax		
	Current income tax charge	-	-
	Adjustments in respect of current income tax of previous years	-	3.76
	ii. Deferred tax		
	In respect of the current year	(0.69)	(0.20)
		(0.69)	3.56
	b. Income tax recognised in other comprehensive income		
	i. Remeasurement of defined benefit plans	0.69	0.20
	ii. Effective portion of gains and loss on designated portion of hedging instruments in cash flow hedge	-	-
		0.69	0.20
		-	3.76
	c. The income tax expenses for the year can be reconciled to the accounting profit as follows:		
	i. Profit before tax from continuing operations	374.24	487.25
	ii. Statutory tax rate in India	34.944%	34.944%
	iii. Income tax expenses calculated at enacted tax rate	130.77	170.26
	iv. Effect of income that is exempt from taxation - Dividend income on equity instruments	(54.73)	(48.81)
	v. Impact of Ind AS adjustments	(137.09)	(305.05)
	vi. Effect of unused tax losses and tax assets not recognised as deferred tax asset	61.05	183.60
	vii. Impact of MAT credit not recognised in current year	-	3.76
	Income tax expenses recognised in profit or loss	-	3.76
33	Earning per share	Unit	Year ended March 31, 2021
			Year ended March 31, 2020
	a. Net Profit after tax from continuing operations	Rs. (in million)	374.24
	b. Weighted average number of equity shares	Number of shares	1,283,564,664
	c. Weighted average number of compulsorily convertible preference shares		34,660,767
	d. Total shares considered for the computation of Basic earnings per share (b+c)*		1,318,225,431
	e. Basic earnings per share (a/d)	Rupees	0.28
	f. Potential dilutive equity shares on compulsorily convertible debentures*	Number of shares	41,215,847
	g. Weighted average number of equity shares used in computing diluted earnings per share*	Number of shares	1,359,441,278
	h. Diluted earnings per share (a/g)	Rupees	0.28
			0.36

* The Company has issued Fully Compulsorily Convertible Debentures (FCCD) to its holding company. Per the terms of these FCCD, the Company has an option to convert these FCCD into pre-defined number of equity shares or to pay the same. For the purpose of accounting of these FCCD as per the applicable Ind AS, the Company has opted that these FCCD shall be converted into equity shares but due to the option available as per the terms of these FCCD, the management has not considered these FCCD in the computation of number of the equity shares to compute basic earnings per share and has considered the same to compute the number of potential dilutive equity shares.

Further, these FCCD has not been converted into equity shares during the current year (refer note 17).

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

34 Order of NCLT for re-opening and re-casting of financial statements

The NCLT, vide order dated January 1, 2019, has allowed a petition filed by the Union of India, for re-opening of the books of accounts and re-casting the financial statements under the provisions of Section 130 of the Companies Act, 2013 for the financial years from 2013-14 to 2017-18, of IL&FS Limited (holding company) and two of the fellow subsidiaries, IL&FS Financial Services Limited (“IFIN”) and IL&FS Transportation Network Limited (“ITNL”).

The Company had entered into transactions with IL&FS and other group companies during the above-mentioned years. The process of such re-opening and re-casting of financial statements is currently in progress, pending which, it is not possible to determine the consequential effects arising therefrom, including their effects on the financial statements, in respect of (a) the business transactions in those financial years; (b) the balance sheets as at March 31, 2020 (comparative period end date) and the current year ended March 31, 2021; and (c) the Statement of Profit and Loss for the years ended March 31, 2020 and March 31, 2021.

35 Status of New Board of Directors initiated investigations

As a consequence of the matter described in Note 2 above and various other matters discussed in these standalone Ind-AS financial statements, the Board of Directors of the holding company, in January 2019, have initiated a forensic examination for the period from April 2013 to September 2018, in relation to certain companies of the IL&FS Group, and has appointed an independent third party for performing the forensic audit and to report their findings to the Board of Directors of the holding company.

Pending completion of such examination, no adjustments have been recorded in these standalone Ind-AS financial statements for any consequential effects / matters that may arise in this regard.

36 Claim management and reconciliation of claims received

Pursuant to the “Third Progress Report – Proposed Resolution Framework for the IL&FS Group” dated December 17, 2018 and the “Addendum to the Third Progress Report – Proposed Resolution Framework for IL&FS Group” dated January 15, 2019 (“Resolution Framework Report”) submitted by the Company to the Ministry of Corporate Affairs, Government of India which, in turn, was filed with the Hon’ble National Company Law Appellate Tribunal (“NCLAT”), the creditors of the Company were invited (via advertisement(s) dated May 22, 2019) to submit their claims as at October 15, 2018 with proof, on or before 5 June, 2019 (subsequently extended till June 18, 2020) to a Claims Management Advisor (“CMA”) appointed by the IL&FS group. The amounts claimed by the financial and operational creditors are assessed for admission by the CMA.

The CMA has submitted its report on the status of the claims received and its admission status, indicating a total value of claims received of Rs. 60,033.82 million (including contingent claim of Rs. 6,962.96 million) in respect of the Company. The report is subject to update based on additional information / clarification that may be received from the creditors in due course. Further, there is a claim of Rs. 713.70 million made by a party, Himachal Sorang Power Limited, which has not been included in the said report of CMA.

Management of the Company is in the process of reviewing the claims and reconciliation of such claims with the corresponding amounts as per the Company's books of account (as at March 31, 2021, the Company has liabilities and provisions aggregating Rs 50,982.02 million) is going on. Having regard to the nature, volume and value of claims received, management is of the view that due process will need to be applied to all such claims, in order to finally determine the level of present obligations that would need to be recognised by the Company as liabilities. Accordingly, no adjustments have currently been made in this regard to these standalone Ind-AS financial statements, and these claims have been disclosed as part of contingent liabilities (refer note 47).

37 Investigations by Serious Fraud Investigation Office (“SFIO”) and other regulatory agencies

The MCA, Government of India, has vide its letter dated October 1, 2018 initiated investigation by the SFIO against IL&FS and its group companies under Section 212 (1) of the Companies Act, 2013. As a part of its investigation, SFIO has been seeking information from the holding company and subsidiaries/fellow subsidiaries on an ongoing basis. The investigation is in progress. Further, various other regulatory and law enforcement agencies including the Enforcement Directorate (ED) have initiated investigations against the holding Company and its group companies. The implications if any, arising from the aforesaid developments would be known only after the aforesaid matters are concluded and hence are not determinable at this stage.

38 Non-compliance with laws and regulations

- (a) As a consequence of the matters described in Note 2 above and various other matters discussed in these accompanying standalone Ind-AS financial statements, the Company is not in compliance with certain provisions/requirements of applicable laws and regulations, including but not limited to certain requirements of the Companies Act, 2013 with regard to delay in appointment of Chief financial officer and of chief executive officer, SEBI Regulations applicable for listed entities, Listing Agreement, Income tax Act, 1961 and Goods and Services tax Act, 2017, FEMA Regulations with regard to External Commercial Borrowings, delay in submission of foreign liabilities and assets return, delay in filing of monthly ECB return etc.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

- (b) During the year ended March 31, 2019, the Company had listed its non-convertible debentures on Bombay Stock Exchange on May 29, 2018. Accordingly, the Company is required to submit its half-yearly/quarterly unaudited results in terms of the requirements of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Consequent to the matter discussed in Note 2, the Company has substantially curtailed its normal business operations, and is currently engaged in the various actions described more fully in that note. As a result, and further to the matter stated in Note 3, the Company is in the process of resolving various matters described in that Note. Accordingly, the Company has not submitted its half-yearly unaudited results for the six months ended September 30, 2019, September 30, 2020 and half-year/quarter ended September 30, 2021.

Due to the aforesaid reasons, the financial results for the year ended March 31, 2019, March 31, 2020 and March 31, 2021 also could not be furnished on time as per requirement of listing agreement / regulations. Further, the financial results for the year ended March 31, 2021, and March 31, 2020 does not include results for the quarter and six-months ended March 31, 2021 and March 31, 2020 respectively and related comparatives for the quarter and six-months ended March 31, 2020 respectively.

- (c) The Company has been facing capacity issues due to loss of key employees while meeting the need for servicing information requirements and providing clarifications to multiple investigating agencies, providing information to enable the ongoing asset monetization and restructuring activities and meeting 'going concern' requirements. Further, challenges are being faced by the respective Subsidiaries in terms of valuation of underlying assets, inadequate number of Directors on the Boards of a few companies, dealing with casual vacancy of Statutory Auditors and extended timelines for finalizing and adopting audited financial statements. Accordingly, the Company is unable to provide its consolidated financial results and consolidated financial statements for the year ended March 31, 2019, year ended March 31, 2020 and year ended March 31, 2021 till date.

The management is in the process of evaluating the financial impact and other consequences arising from such non-compliance as stated in note (a) to (c) above and of making a comprehensive assessment of other non-compliances, to determine their financial, operating or other consequences, pending which, no adjustments have been made to the accompanying standalone Ind-AS financial statements.

- (d) The holding company, vide application dated December 17, 2019, requested Hon'ble NCLT to grant extension of time to certain specified group companies as mentioned in that application to hold Annual General Meeting (AGM) and also made additional application dated December 30, 2019, requesting Hon'ble NCLT to either grant exemption from preparing the consolidated financial statements for the year ended March 31, 2019 for certain companies (including the Company), as mentioned in that application or to allow those said companies to present their respective consolidated financial statements for the year ended March 31, 2019 before June 30, 2020. Vide application dated June 30, 2020, the holding company again requested Hon'ble NCLT to allow the companies as mentioned in the said application to present their respective financial statements in the EGM of those respective companies before November 30, 2020. Till date, no such approval has been granted by the Hon'ble NCLT and the IL&FS Group is in the process of seeking further extension for the preparation and presentation of the consolidated financial statements for the year ended March 31, 2019, March 31, 2020 and March 31, 2021 and is of the view that this would have no material impact in terms of fines/penalties.

In response of the above said applications, Ministry of Corporate Affairs (MCA) has filed an Affidavit dated December 4, 2020 with Hon'ble NCLT and submitted that it has no objection to the applications filed by IL&FS Limited for extension of time for holding Annual General Meeting (AGM) subject to following conditions:

- "The financial statements (standalone and/or consolidated) being proposed to be presented before the shareholders in the AGM/EGM, shall not be uploaded or published and further subject to any modifications or qualifications in the recasted financial statements of FY 2013-14 to FY 2017-18 for IL&FS, ITNL and IFIN, whenever the same are finalized. It shall further be subject to approval of the recasted financial statements by the NCLT in terms of the provisions of Section 130 of the Companies Act, 2013 and the order dated January 1, 2019 passed by NCLT.
- The financial statements (standalone and consolidated) being proposed to be presented before the shareholders at the AGM/EGM, shall not be published or uploaded unless consolidated financial statements of IL&FS is ready for publication and same is reflecting recasted accounts with auditors report and directors report including qualifications in the recasted financial statements of FY 2013-14 to FY 2017-18 for IL&FS, ITNL and IFIN, whenever the same are finalized."

The management believes that the above said Affidavit as filed by MCA is not applicable to the Company and is applicable only to its holding company i.e. IL&FS Limited and its two fellow subsidiary companies i.e. ITNL and IFIN, as the financial statements of only the said companies are subject to be re-opening and re-casting as per the order of Hon'ble NCLT and will not have any impact on the financial statements of the Company. Accordingly, these financial statements are not subject to the approval of Hon'ble NCLT or other authority and can be approved and adopted by the Board of Directors of the Company and can be presented to the shareholders in the next AGM. Further, these financial statements can also be published or uploaded as and when required to comply with requirements of listing agreement with SEBI. The said position has already been approved by Board of the Directors in their meeting for adoption of accounts and publication of results as at and for the year ended March 31, 2020.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

- (e) Per RBI Press Release no. 1998-99/1269 dated April 8, 1999 ('Press Release'), the Company will be treated as NBFC if its financial assets are more than 50 per cent of its total assets (netted off by intangible assets) ('Asset Test') and income from financial assets is more than 50 per cent of the gross income ('Income Test') as per the standalone Ind AS financial statements. The Company has made significant investments and has given loans to its subsidiaries and accordingly, satisfies the "Asset Test" and "Income Test" per the requirements of Press Release. The Company was required to seek registration under section 45-IA of the Reserve Bank of India Act, 1934 based on the audited financial statements of March 31, 2019. The Company has sought clarifications from the RBI vide its request letter dated February 25, 2020 however no response has received till date. Further, the Company also satisfied the above-mentioned tests as at and for the year ended March 31, 2020 but has not yet obtained the registration under the said section till date. The management believes that pending clarification from RBI, there would not be any material impact on account of this and accordingly, no adjustments have been made in these financial statements in this regard.

39 Assessment of various legal cases, suits, etc.

As a result of the events up to September 30, 2018, as more fully described in Note 2, there have been various legal cases and suits filed against the Company following the default of borrowings made by the Company, as described in that note. Further, the Company is undergoing a resolution process (refer Note 3) under the order of the National Company Law Tribunal ("NCLT"). During the current year ended March 31, 2021, one of the lender banks, named as Yes Bank, of the Company has also appointed Haribhakti & Co. LLP as forensic auditor to undertake the forensic audit of the Company for the period from September 1, 2013 to March 31, 2020 which is under progress. Pending this, the management is in the process of making assessments and determinations as to liabilities, provisions and contingent liabilities, as per Ind-AS 37, *Provisions, Contingent Liabilities and Contingent Assets*. Pending final outcome of such process, no adjustments have been made to the standalone Ind-AS financial statements in this regard. Also refer Note 47 for contingent liability disclosures.

40 Impairment/reversal of provisions/gain recognised in respect of loans, receivables and investments to/from/in companies

- (a) As a result of the various events during the financial year 2018-19 which are more fully discussed in Note 2 to these standalone Ind-AS financial statements, there is significant uncertainty around the recoverable amounts and valuations, and related provisions for impairment, of the various loans given to, receivables from, and investments in, group companies. All group companies in India have been classified as "Red", "Amber" or "Green" categories, based on various factors more fully discussed in note 3 to the accompanying standalone Ind-AS financial statements.

Management has, in consultation with the New Board and based on instruction received from IL&FS, assessed and determined that the amounts of investments in and loans to entities classified as "Red" and "Amber" are not recoverable substantially (also refer Note 2). Management's approach in this regard does not consider the requirements of the relevant Ind-AS standards in entirety as the Company does not presently have the necessary and/or complete information to support cash flow based tests over its investments, and assumptions and for certain aspects of the expected credit loss model in respect of loans and receivables and in respect of financial statements of 4 subsidiaries, 2 joint ventures and 5 other investee companies for the year ended March 31, 2021, 2 subsidiaries, 1 joint ventures and 5 other investee companies for the year ended March 31, 2020 and 2 subsidiaries, 1 joint venture and 4 other investee companies for the year ended March 31, 2019, entire assessment is based on draft management unaudited financial statements.

On this basis, provision has been made in respect of the financial assets (comprising of loans, receivables and investments) aggregating to Rs. 83.14 million during the current year (Rs. 129.66 million during the year ended March 31, 2020 and Rs. 87,242.09 million during the year ended March 31, 2019), of which provision of Rs. 38.30 million (Rs. 118.76 million during the year ended March 31, 2020 and Rs. 85,342.44 million during the year ended March 31, 2019) is made in relation to various group companies and provision of Rs. 44.84 million (Rs. 10.90 million during the year ended March 31, 2020 and Rs. 1,899.65 million during the year ended March 31, 2019) is made in relation to third parties balances, except in respect of certain entities where certain assets are marketable or there is cash surplus, and management expects realization of those assets.

The Company continue to classify these investments as Non-current Assets and have not carried out assessment that whether the Company should re-classify the same as held for sale in terms of Ind AS 105. Further, in respect of the joint ventures, the Company has recognised gain of 108.03 million (Rs. 193.02 million during the year ended March 31, 2020) on the basis of the net assets of those joint ventures as at March 31, 2021 and in respect of third party, the Company reversed provision of Rs. 11.86 million as recognised by the Company in respect of bad and doubtful debts in earlier years.

The management is of the view that the impairment allowance, fair value gain and reversal of provision in respect of bad and doubtful debts as recognized in these standalone Ind-AS financial statements is based on the best judgement, internal assessment, current scenarios and change in business position of the investee companies. Accordingly, the same has no impact on the carrying amount of the investments, loans and receivables as at March 31, 2020 and for earlier years and does not require any restatement. The management is of the view that the impairment provision/gains as recognised in the current year and previous year is prudent and represents the economic substance of the amounts recoverable as of March 31, 2021.

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- (b) Further, in absence of audited financial statements of certain group entities, management is still in the process of performing and completing the confirmation and reconciliation of inter-company balances with its various subsidiaries, fellow subsidiaries, associates and joint ventures. Pending completion of such reconciliation and confirmation, the management has not made any adjustments that may be required to these standalone Ind-AS financial statements including the disclosures required by Ind-AS 24- Related Party Disclosures.

41 Accounting for guarantees to group companies

The Company has issued various financial guarantees to its group companies. Based on information available with management, the total value of such financial guarantees as at March 31, 2021 is Rs. 8,030.55 million (March 31, 2020: Rs. 14,255.00 million). Management is in the process of reconciling the completeness and status of various claims against financial guarantees issued, devolved, claimed and recorded/ to be recorded in the books of accounts, including those guarantees in respect of which claims have been received as part of the claim management process (refer note 36). Pending such reconciliation, management has not accounted for any such liabilities in relation to these guarantees in these standalone Ind AS financial statements. Also refer Note 47 for contingent liability disclosures.

42 Accounting for contractual interest income in respect of loans to group companies and finance costs on the borrowings

In line with the affidavit filed by the Ministry of Corporate Affairs ("MCA") with the Hon'ble NCLAT on May 21, 2019, the cut-off date of October 15, 2018 ("Cut-Off Date") was proposed, on account of inter alia the fact that the Hon'ble NCLAT had passed the Order on October 15, 2018, which inter alia granted certain reliefs to the IL&FS group and also restricted certain coercive actions by the creditors of the IL&FS group.

In terms of the Resolution Framework Reports, the proposal made is that all liabilities relating to the relevant IL&FS Group Entity, whether financial (including interest, default interest, indemnity claims and additional charges), operational debt (including interest, indemnity or other claims) as well as statutory claims (including tax, employment and labour related claims), whether existing at or relating to a period after October 15, 2018 (the Cut-Off Date, as explained in the previous paragraph) should not continue accruing. Hon'ble NCLAT vide its judgement dated March 12, 2020, has approved the revised Resolution Framework submitted by New Board of IL&FS Limited along with its amendments. In said order, Hon'ble NCLAT has also approved October 15, 2018 as the Cut Off date for initiation of resolution process of the Group.

Accordingly, with respect to interest expense, the management has not recognized finance costs on borrowings (including from third parties) for the year, except for the specific car loans which was approved by the Board considering the same was required for ongoing operations of the Company. No such finance costs have been recognized for the period from October 16, 2018 to March 31, 2021, which approximates Rs. 17,284.42 million.

Further, with respect to interest income, the management has not recognized interest income on loans given and investments made in the companies which are categorized in the 'Red' and 'Amber' category (refer note 3). The interest income which has not been recognized for the period from October 16, 2018 to March 31, 2021, which approximates Rs. 10,624.56 million. These amounts exclude penal/other interest and charges.

With respect to one of the subsidiaries classified as "Green" category (refer note 3), the Company has accrued interest income upto March 31, 2021, except for IL&FS Solar Limited, where the Company did not recognize interest income of Rs. 217.61 million pertaining to the period from January 1, 2020 till December 11, 2020.

During the current year ended March 31, 2021, with respect to one of the subsidiaries classified as "Green" category (refer note 3) named IL&FS Solar Power Limited (ISPL), the Company has received its dues in respect of loans given and interest accrued on that loan till December 31, 2019 only and has not recognised interest income after December 31, 2019. The management is of the view that the Company had recognised interest income i.e. till December 31, 2019 in respect of ISPL based on an expert legal opinion and overall terms of the voluntary prepayment proposal finalized with the one of the customers of ISPL who has bought over the assets of the ISPL during the year ended March 31, 2021. As principal value of loan given and interest accrued on loan till December 31, 2019 has been received during the current year, accordingly, the management is of the view that no further adjustments are required to be made in these financial statements.

The Company has also not-recognised interest expenses amounting to Rs. 40.15 million and Rs. 29.31 million on account of non-deposit of tax deducted at source and Goods and services tax respectively till March 31, 2021.

While above accounting treatment is not as per the Ind AS applicable to the Company, the management believes that the same is as per the NCLAT order dated October 15, 2018 and accordingly, the management believes that the Company has not made any non-compliance in respect of the accounting for the contractual interest income and interest cost.

43 Report of internal auditors / cost auditors / secretarial compliance report

Secretarial audit for the year ended March 31, 2021 is expected to conclude shortly and cost audit is expected to commence shortly. The Company has not appointed internal auditor under section 138 of the Companies Act, 2013 for the year ended March 31, 2020 and accordingly internal audit has not been conducted for the year ended March 31, 2020 till date.

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44 Assessment under Ind AS 115 Revenue from Contract with customer

Ind AS 115 was issued on March 28, 2018 and superseded Ind AS 11 Construction Contracts and Ind AS 18 Revenue and it applies, with limited exceptions, to all revenue arising from contracts with its customers. Ind AS 115 establishes a five-step model to account for revenue arising from contracts with customers and requires that revenue to be recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. Ind AS 115 requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model to contracts with their customers. In addition, the new standard results into the change in accounting policy related to revenue recognition and requires extensive disclosures.

The Company is in business of providing consultancy services, sale of power and revenue from construction contracts. The Company is still under the process of evaluating the impact of the new revenue recognition standard and a reliable estimate of the quantitative impact and disclosures of Ind AS 115 on the Ind AS financial statements will only be possible once the Company completes its assessment and accordingly impact of adoption of Ind AS 115 has not been given in these standalone Ind-AS financial statements (also refer note 50).

45 Consequent to the various matters mentioned in note 2 and 3 to these standalone Ind-AS financial statements, the normal business operations of the Company as they existed until previous year ending March 2018, seized on September 30, 2018, and the New Board had undertaken certain steps as mentioned in that note, to continue the current operations of the Company. While the Company has not disbursed/not borrowed any fresh new loan during the year, however, during the year ended March 31, 2019, from the period from April 1, 2018 to September 30, 2018, the management has identified certain inter-company fund movements, wherein:

- receipt of funds of Rs. 7,270.00 million from its holding company, which were used by the Company to repay old outstanding loans due to the said holding company, on the same date;
- funds inflows of Rs. 4,043.86 million from the holding company, used for onward lending to certain subsidiaries and thereafter, received back from the said subsidiaries on the next day towards settlement of outstanding loans due to the Company;
- transactions related to loans given by the Company to subsidiaries and loan given by the group companies (subsidiary/holding company) to the Company, of which the loans given by the Company to these subsidiaries has been fully provided for;
- the Company has borrowed loans from certain subsidiaries having no business therein, who have borrowed loans from other group companies and lent them to the Company.

While these transactions were approved by the erstwhile Board of Directors, however, the management is in the process of examining these transactions in greater details and identifying commercial substance, nature and business rationale for the said transactions. Pending such assessment, management believes that this will not have any material impact on carrying value of these loans.

46 Going concern assumption used for the preparation of these financial statements

The Company and the IL&FS group in general are undergoing substantial financial stress as at March 31, 2021. The Company has accumulated losses of Rs. 93,592.45 million as at March 31, 2021 (March 31, 2020: Rs 93,967.98 million) for the year ended March 31, 2021 and has net liabilities of Rs 43,765.37 million (March 31, 2020: Rs. 44,003.08 million) as at March 31, 2021. The Company also suffered consistent downgrades in its credit ratings since September 2018, and the same was reduced to 'default grade' subsequent to the defaults in repayment of loans taken by the Company, details of which are discussed in Note 2. As a result of the foregoing, the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed.

As indicated in Note 3, there has been a resolution process run by the holding company's Board of Directors. The resolution plan seeks a transparent resolution keeping in mind larger public interest, financial stability, legality, various stakeholders' interest and commercial feasibility. The resolution plan of management includes sale of entities / assets wherever possible and the Company is taking active steps to monetize its assets and is in discussions with multiple parties to sell its assets. The Company is committed to taking necessary steps to meet its financial commitments to the extent possible. The Company has divested from one of its subsidiary companies named IL&FS Wind Power Service Private Limited and has received amount of Rs. 60.56 million during the year and has deposited the same in an Escrow account. Further, subsequent to the year ended March 31, 2021, the Company has obtained NCLT approval vide order dated September 15, 2021 to sell/assign/transfer certain revenue generating contracts (refer note 62). Also, during the year, the Company has transferred its investment in shares of East Delhi Waste Processing Company Limited at a nil consideration to IL&FS Environment Infrastructure and Services Limited (refer note 8(III)).

During the year ended March 31, 2020, IL&FS Wind Energy Limited (wholly owned subsidiary of the Company) had sold its remaining 51% equity stake in the above mentioned 7 wind SPVs for total consideration of Rs. 5,928.75 million, which is duly approved by NCLT vide its order dated August 28, 2019 to Orix Corporation, Japan and received the sale consideration. Orix Corporation has also repaid the debt of these 7 SPVs due to the Company amounting to Rs. 2,164.50 million in addition to above mentioned consideration to IL&FS Wind Energy Limited.

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The Group has also engaged an independent third party as resolution advisors, to assess the liquidity at the Company and at various group companies in India. As a result, the companies in the IL&FS group have been classified into three categories as more fully discussed and disclosed in Note 3 to these standalone Ind-AS financial statements. These classifications reflect the ability of the companies to pay their financial and operations creditors from their operations in normal course of business and are subject to periodic assessment and review by the management and the Board and with the results being submitted to the National Company Law Tribunal, the last of which have been submitted on January 9, 2020. The ability of the Company to continue as a going concern is predicated upon its ability to monetize its assets, restructure its liabilities and resume its normal operations.

Further pending approval of Committee of Creditors and further approval of NCLT on the distribution of proceeds till date from the sale of subsidiaries and the way forward for the Company, the management is unable to determine the amounts at which the liability of the Company towards its various creditors (operational, financial and other class of creditors) will be settled and the amount of cash that would be available to the Company to continue as going concern. Pending approval/guidance from IL&FS Board, these standalone Ind-AS financial statements have been prepared on going concern basis.

47 Contingent liabilities and commitments

	As at March 31, 2021 Rs. Million	As at March 31, 2020 Rs. Million
a. Contingent liabilities		
i. Guarantees given on behalf of the IEDCL's subsidiaries and its associates to their lenders (see note 'i' below)	8,030.55	14,255.00
ii. Claims against the Company not acknowledged as debt towards demand raised by Income Tax authorities (see note 'ii' below)	581.71	581.71
iii. Other claims against the Company not acknowledged as debts (see note 'iii below')	713.70	713.70
b. Capital commitment		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances paid)	-	-

Notes:

- i. The Company has provided various corporate guarantees as well as bank guarantees on behalf of its subsidiaries and joint venture companies to meet their contractual obligations. The subsidiaries have defaulted in payment of the obligations however no liability is recorded by the Company pending finalization of the claims made as per the claim management report (refer note 36).
- ii. The Income Tax Assessing Officer has disallowed certain expenses, primarily on account of Section 36(i)(iii) of the Income tax Act, 1961 and certain other matters with respect to assessment year 2013-14 to assessment year 2016-17. and the Company has filed appeals before the Tax Authorities at various levels against those orders. Further during the year, Income tax assessing officer has issued the assessment order for assessment years 17-18 and 18-19. The Company has filed appeal for the assessment year 17-18 and in process of filing the appeal for assessment year 18-19. The management has, based on the view given by an independent tax expert, computed the amount of expected contingent liabilities (excluding the impact of penalties and interest thereon) that may arise. Further, the amount as mentioned above, does not include the expected liabilities that may be arise in the cases where the management believes that the chances to lose the tax litigation is remote in nature. Considering the tax expert's view, the management believes that the outcome of the pending cases will be in favour of the Company and accordingly, the amount of expected liabilities has been shown under the contingent liabilities and no further liabilities have been recognised in these accompanying financial statements.

On March 30, 2019, MCA had notified Appendix C to Ind AS 12: *Uncertainty over Income Tax Treatments*, under which the Company has to make an assessment of uncertain tax positions as to whether the tax authority will accept the tax treatment as done by the Company. The management is in process of identification of uncertain tax positions as taken by the Company in earlier years and their assessment on the probability of acceptance of those uncertain tax positions. Pending such formal assessment, the management believes that there should be no adverse impact on the accompanying financial statements on completion of the said exercise.

- iii. In earlier years, the Company had sold its investment in Himachal Sorang Power Limited (HSPL) to TAQA Jyoti Energy ventures private Limited (TAQA). HSPL has demanded IEDCL to pay Rs 713.70 million towards the obligations and losses incurred by HSPL under the Bulk Power Transmission Agreement. The management believes that the Company has reasonably arguable case and will be able to defend the claim, accordingly, no provision is required at this stage.

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c. Other commitment

During the year ended March 31, 2016, the Company and its wholly owned subsidiary, IL&FS Renewable Energy Limited (IREL) (now merged with the Company) had entered into a Share Purchase Agreement ('the agreement') dated March 7, 2016 with Orix Corporation, Japan for sale of shares in its wind power project companies namely Wind Urja India Private Limited ('WUIPL'), Tadas Wind Energy Private Limited ('TWEPL'), Ratedi Wind Energy Private Limited ('RWPL'), Lalpur Wind Energy Private Limited ('LWEPL'), Khandke Wind Energy Private Limited ('KWEPL') wherein wind power projects are housed.

As per the agreement, the Company had consummated the sale of 49% shares in five of the wind power project companies (namely WUIPL, TWEPL, RWPL, LWEPL, KWEPL) for a consideration of Rs. 9,201.22 million wherein 775.20 MW of projects are housed.

Further, during the earlier year ended March 31, 2018, Company has further entered into a Share Purchase Agreement ('the agreement') dated March 30, 2018 with Orix Corporation for sale of 49% shares in two of the wind power project companies i.e. Kaze Energy Limited and Etesian Urja Limited having 98.30 MW of projects, for total consideration of Rs 1,320.00 million. Out of above, Rs. 1,209.00 million were received from Orix Corporation and remaining amount of Rs. 111.00 million is outstanding as at March 31, 2019 as holdback amount.

Further due to delay in commissioning of 32 MW and non-commissioning of 14.4 MW, the Company vide letter dated April 2, 2018 has agreed to pay indemnity amount of Rs. 111.00 million to Orix Corporation and has further agreed that Orix Corporation will release the hold back amount after the payment of indemnity amount by the Company. Accordingly, the Company has provided indemnity amount of Rs. 111.00 million in previous year statement of profit & loss with corresponding liability. As per letter dated April 2, 2018, holdback amount will be released by Orix Corporation upon receipt of indemnity amount and accordingly, the Company believes that no provision is deemed necessary against carrying value of holdback amount of Rs. 111.00 million.

Further, as per the terms of the agreement, the Company has guaranteed the generation from these wind power projects till March 31, 2022. In case the actual generation varies in comparison to the guaranteed generation by more than 5%, then the Company would receive / pay compensation from / to Orix Corporation, Japan. Till date the Company has not received any demand from Orix Corporation against shortfall in generation, based on actual generation till date and various discussion with Orix Corporation, the management believes that no demand is expected from Orix Corporation and accordingly no provision is required in these financial statements.

During the previous year, IL&FS Wind Energy Limited (wholly owned subsidiary of the Company) had sold its remaining 51% equity stake in the above mentioned 7 wind SPVs for total consideration of Rs. 5,928.75 million, which in duly approved by NCLT vide its order dated August 28, 2019 to Orix Corporation, Japan and received the sale consideration. Orix Corporation has also repaid the debt of these 7 SPVs due to the Company amounting to Rs. 2,164.50 million in addition to above mentioned consideration to IL&FS Wind Energy Limited. Accordingly, the Company has received Rs. 2,164.50 million during the year and the same has been deposited into the bank account under interest bearing fixed deposit as per the NCLT order dated August 28, 2019. The amount shall be used or distributed in accordance with the further orders as and when issued by NCLT and shall not be used for any other purpose. The management believes that the Company has no further liability to ORIX corporation in respect of all these entities accordingly, no adjustment is required in these accompanying Ind-AS standalone financial statements.

- 48 IL&FS Renewable Energy Limited, now merged with IL&FS Energy Development Company Limited (collectively referred as "the Company") had entered into a Power Purchase Agreement (PPA) with Amity University ("Amity") dated October 16, 2014. Per the terms of the PPA, the Company had installed 1 MW of Solar Rooftop Plant ("the Plant") at Amity University, Noida. The Plant was commissioned on March 7, 2015. The Company has issued notice to Amity vide letter dated March 11, 2019 and April 10, 2019 for payment of outstanding dues till March 31, 2019 amounting to Rs. 3.83 million. As no response from Amity is received by the Company, the Company sent legal notices dated July 1, 2019 and has terminated the PPA as per the terms of the said PPA and has also demanded Buy Out Price as per the clause 12.2 (a) of the PPA. After an exchange of various letters between both the parties, the Company invoked its right for resolution by arbitration to arbitral tribunal in accordance with the provisions of the Arbitration and Conciliation Act, 1996 and appointed Hon'ble Justice Ajit Prakash Shah (retd.) as nominee arbitrator. As Amity failed to nominate and appoint its arbitrator, the Company filed a petition in accordance with the provisions of the Arbitration and Conciliation Act, 1996 before the High Court, Delhi for the appointment of arbitrator on behalf of Amity.

Despite terminating PPA, the Company has continued to supply electricity to Amity and has invoiced an amount of Rs. 10.29 million during the current year ended March 31, 2021. As at March 31, 2021, the Company has total receivable of Rs. 22.38 million and has also claimed Rs. 49.02 million from Amity as Buy Out Price against the solar plant having net block of Rs. 39.61 million as at March 31, 2021 as per the books of the Company. The management based on the expert legal opinion is of the view that the Company has fair chances to win the case and has accordingly, not impaired the solar plant having carrying value of Rs. 39.61 million (refer note 6) in these accompanying standalone Ind-AS financial statements. The management believes that the amount as recognised in these Ind AS financial statements are based on the appropriate assumptions/best and reasonable estimates, accordingly, no further adjustments are required to be made in this regard.

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49. During the year ended March 31, 2019, vide agreement dated May 7, 2018, the Company had entered into Framework Agreement (“the Agreement”) with a customer. Per the terms of the Agreement, the Company has agreed to provide its services in different phases (pre-development phase, detailed due diligence phase and development phase) for the development of 30GW of solar parks at indicative price of Rs. 3.50 million to Rs. 4.50 million per MW.

In order to carry out certain activities under the pre-development phase, the customer paid an advance amount of Rs. 25.00 million to the Company against the Agreement having approximate price of Rs. 4,000.00 million. The Company had incurred expenses amounting to Rs. 3.29 million during the year ended March 31, 2019 and charged the same in the statement of profit & loss account. During the previous year, board of directors, vide board resolution dated May 23, 2019, has given its approval for incurring of further expenses of Rs. 4.00 million under the Agreement and has also resolved that no further activities to be performed under the said Agreement. The Company incurred total expenses of Rs. 7.39 million and has submitted its reports to the customer.

The Company has not received any correspondence from the customer with regard to the clearance of the reports submitted by the Company. Expenses as incurred by the Company had been adjusted from the advance amount received by the Company. Further, the management is of the view that as the Company has full filled its obligations towards the Agreement and no further deliverables are pending, accordingly, the management believes that the liability of Rs. 17.61 million needs to be reversed in the books of account. The Board of directors vide their meeting held on dated February 10, 2021 has given their approval for the reversal of Rs. 17.61 million and accordingly, the same has been recognised as an income in the statement of profit & loss for the year ended March 31, 2021. The management believes that the adjustment made in these financial statements are based on its best estimates and no further adjustments are required to be made in this respect.

- 50 During the year ended March 31, 2020, the Company had reversed revenue of Rs. 29.21 million (excluding taxes) on account of change in the basis of computation of revenue as advised by its customer named Energy Efficiency Services Limited (“EESL”), who has given its direction for exclusion of O&M cost from the project cost for its GHMC project. As at March 31, 2021, the Company has receivables of Rs. 105.49 million (after taking the impact of said reversal), which the management believes that fully recoverable in nature.

Further, subsequent to the year ended March 31, 2021, the management has finalized the reconciliation with the said customer in respect of the same and has recognised revenue of Rs. 2.06 million during the current year. The management believes that no further adjustments are required to be made in these standalone financial statements in this regard.

- 51 As mentioned in the note 2 of the accompanying standalone Ind AS financial statements of the Company, New Board of the holding company appointed various consultants, legal advisors under the resolution framework process for the whole IL&FS group entities. Professional fee of some of the consultants/advisors is agreed by the holding company and the same is allocated to 4 business verticals of the IL&FS Group based on the debt ratio of these said business verticals as below:

Name of the Vertical	Debt ratio
IL&FS Limited	21%
IL&FS Financial Services Limited vertical	18%
IL&FS Transportation Networks Limited vertical	42%
IL&FS Energy Development Company Limited vertical (IL&FS Energy Vertical)	19%

Based on the above said ratio, the New Board has allocated the expenses of the consultants/advisors in the above said groups and the consultants/advisors have billed the amount as per the said ratio to the respective vertical. The Company has further computed the amount of expenses to be apportioned to its SPV companies based on the debt ratio as on October 15, 2018 as mentioned below:

Name of the SPV company	Debt ratio
IL&FS Energy Development Company Limited, the Company	13.29%
Subsidiary companies	
IL&FS Wind Energy Limited (IWEL)	1.19%
SPVs of IL&FS Wind Energy Limited	21.30%
IL&FS Tamil Nadu Power Company Limited (ITPCL)	39.94%
Mahidad Wind Energy Private Limited	0.41%
IL&FS Solar Power Limited	3.09%
Joint Ventures	
ONGC Tripura Power Company Limited	19.81%
Cross Border Power Transmission Limited	0.97%
	100.00%

The management has considered external debt of only those companies which were considered for the computation of debt of whole IL&FS Energy Vertical.

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Further, considering the restructuring plan of ITPCL, pending for NCLAT approval, the amount has been apportioned for ITPCL till June 2020 only and after that, the amount of common expenses has been allocated by the holding company i.e. IL&FS to ITPCL directly. In respect of Wind SPVs, IWEL had sold its investment in its SPV companies (refer note 47(c)) during the year ended March 31, 2020, accordingly, amount of expenses in respect of these entities have not been apportioned during the current year ended March 31, 2021.

As the Joint Venture Companies (JV Companies) are not managed by the IL&FS Group, hence, the management is of the view that expenses need not to be allocated to JV Companies.

The Board of Directors of the Company vide their meeting held on July 1, 2021 after taking approval from the Board of the holding company, has given its approval for the allocation of expenses based on the above ratio. Accordingly, during the current year, the Company has allocated Rs. 59.84 million to its subsidiaries pertaining to the expenses incurred till March 31, 2020 and Rs. 16.59 million to its subsidiaries for the expenses incurred during the year ended March 31, 2021, which has been considered as fully recoverable.

The management believes that the adjustment made in these financial statements is based on their best estimates and based on the information available with the Company. Accordingly, no further adjustments are required to be made in these financial statements in this regard.

- 52** As per Sub-section 11 of Section 186 of Companies Act, 2013 read with Schedule VI to Companies Act 2013, the provisions of Section 186 except Sub-section 1 are not applicable on a company engaged in the business of providing infrastructural facilities which includes generation of power through renewable sources. The Company has 1MW rooftop solar power plant which depicts the Company is engaged in the business of generation of power through renewable source. Accordingly, provisions of Section 186 are not applicable on the Company.
- 53** In earlier years, the Company had entered into a contract with Energy Efficiency Services Limited (“EESL”) for providing consultancy services related to the street lighting projects of EESL in different states of India. The Company charged fixed percentage as its revenue based on the project cost of the street light project in respective state and is also utilizing the services of the third-party consultants along with its employees who are specifically working for the EESL projects. The management is in process of making a detailed assessment of profitability of the said contract, accordingly, no adjustments have been made in respect of the foreseeable losses, if any, in respect of the said contract (also refer note 62). However, the Company did not have any derivative contracts for which there were any material foreseeable losses. The management believes that none of its contract is onerous in nature and accordingly, no adjustments are required to be made in this regard.
- 54** There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

55 Financial Instruments

1. Capital management

The Company has defaulted in respect of several of its loan obligations. The Company remains overleveraged and is striving to sell its assets in order to meet its repayment obligations.

The capital structure of the Company consists of net debt of Rs. 40,718.03 million (March 31, 2020 Rs 42,946.63 million) (borrowing as detailed in notes 18, 19 and 22 off set by cash and bank balances as detailed in note 10 and 12) and total equity of Rs. (39,765.85) million (March 31, 2020 Rs (40,141.38) million).

Gearing ratio

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

		Amount (Rs. in Mn)	
		As at	As at
		March 31, 2021	March 31, 2020
A	Debt (see note (i) below)	45,757.72	45,852.61
B	Cash and bank balances (see note (ii) below)	5,039.69	2,905.98
C	Net debt (A-B)	40,718.03	42,946.63
D	Total Equity	(39,765.85)	(40,141.38)
E	Total Capital (C-D)	952.18	2,805.25
F	Net debt to Total Capital (C/E)	4,276.30%	1,530.94%

Notes:

- (i) Debt is defined as long term and short-term borrowings (excluding derivatives, financial guarantee contracts and contingent consideration) as described in note 18, 19 and 22
- (ii) Cash and bank balance include cash and cash equivalents, bank balance and deposits held as margin money with lenders as described in note 10 and 12.

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2. Categories of Financial Instruments	Amount (Rs. in Mn)	
Particulars	As at March 31, 2021	As at March 31, 2020
Financial assets		
Mandatory measured at FVTPL		
a) Investments in other entities	316.08	316.08
Designated measured at FVTPL		
a) Investments in joint ventures	2,525.96	2,417.93
Measured at amortised cost		
a) Investments	-	-
b) Loans	1,087.01	2,199.08
c) Trade receivables	159.92	374.43
d) Cash and cash equivalents	2319.21	156.48
e) Bank balances	2,720.48	2,749.50
f) Other financial assets	563.37	874.63
Financial liabilities		
Measured at amortised cost		
a) Borrowings (including current maturity of long-term borrowings)	45,757.71	45,852.61
b) Trade payables	1,146.34	1,159.53
c) Other financial liabilities (excluding current maturity of long-term borrowings) (including lease liabilities)	3,249.97	3,250.54

3. Financial risk management objectives

Refer note 2 and 3 of these financial statements, which states that the normal business operations of the Company as they existed until previous year have ceased, and the new board has undertaken certain steps as mentioned in that note, accordingly the Company's corporate finance department is in consultation with parent company is in process of setting up objective to address the risks including market risk (including currency risk, interest risk and other risk), credit risk and liquidity risk.

4. Market Risk

The Company is exposed to the financial risk of changes in foreign currency exchange rates (refer 4.1 below) and interest rates (refer 4.2 below):

4.1 Foreign currency risk management

The carrying amounts of Companies US Dollar denominated monetary assets and monetary liabilities at the end of the reporting period are as follows

Currency	Assets		Liabilities	
	As at March 31, 2021	As at March 31, 2020	As at March 31, 2021	As at March 31, 2020
USD (\$)	0.05	0.05	50.17	50.17
Equivalent INR	3.68	3.15	3,687.73	3,780.79

Foreign currency sensitivity analysis

The Company is mainly exposed to USD. The following table details the Companies sensitivity to a 5% increase and decrease in the Rupee against the relevant foreign currency. The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjust their translation at the year-end for a 5% change in foreign currency rates. A positive number below indicates an increase in profit or equity where the Rupee strengthens 5% against the relevant currency. For a 5% weakening of the Rupee against the relevant currency, there would be a comparable impact on the profit or equity.

	Amount (Rs. in Mn)	
	As at March 31, 2021	As at March 31, 2020
Impact on profit or loss for the year	184.39/ (184.39)	189.04/ (189.04)
Impact on total equity as at the end of reporting date	184.39/ (184.39)	189.04/ (189.04)

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Currency swap contract

The Company had taken foreign currency loans during the previous years. It was the policy of the Company to enter into Currency derivative contracts like (a) Principal only swaps; (b) Coupon only swaps; (c) Currency interest rate swaps; (d) Currency options to fully hedge the foreign currency risk to hedge the exposure of currency risk.

Vide master agreement dated March 03, 2017, the Company had entered into Cross Currency Swap agreement (“the swap”) with Syndicate Bank, India to hedge its USD 50.00 million External Commercial Borrowing (“ECB”) from Syndicate Bank, London at interest rate of 6 month USD LIBOR + 310 bps and have swapped it for INR 3,271.25 million at 10.50% fixed interest rate for a period equivalent to the term of ECB loan. At inception of the swap, the company has designated the instrument as a hedge instrument and has opted for hedge accounting as per principle given in Ind AS.

Due to events occurred with the Company (as fully explained in note 2 and note 3 above) Syndicate Bank during the previous year has terminated the swap agreement. The Company vide letter dated March 25, 2019, has responded to the termination letters from bank stating that the based on the interim order issued by NCLAT dated October 15, 2018, the termination of the swap agreement shall be violation of the interim order and have requested the Bank vide letter dated April 2, 2019 to revoke notice dated March 20, 2019 and cancel the termination of the swap. Vide letter dated April 09, 2019 from Syndicate Bank, they have referred the matter to their legal team, till date the Company has not received any further communication from the Bank. However, on conservative approach the Company has done accounting based on mark to market of the loan through profit and loss as at the year end.

4.2 Interest Rate Risk Management

The Company is exposed to interest rate risk at it borrows funds at both fixed and floating interest rates. Due to the matters discussed in note 2 and note 42 the Company has not accrued interest expense post October 15, 2018.

Interest rate sensitivity analysis:

As during the current year, the Company has not accrued any interest as mentioned in note 42 hence no interest sensitivity analysis has been done by the Company.

Interest rate swap contracts:

No interest swap contract is entered in the current year.

4.2 Other price risk

The Company is exposed to equity price risks arising from equity investments. As detailed in note 40 the management has, in consultation with the New Board and based on instruction received from IL&FS, assessed and determined that the amounts of investments in entities classified as "Red" and "Amber" are not recoverable fully (also refer Note 2). Management's approach in this regard does not consider the requirements of the relevant Ind-AS standards in entirety as the Company does not presently have the necessary and/or complete information to support cash flow-based tests over its investments. In the view of the management, the fair value arrived at is prudent and represents the economic substance of the amounts recoverable as of March 31, 2021.

5. 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. As a consequence of the matters described in note 2 the receivables of the Company have been substantially impaired.

6. Liquidity risk management

During the year ended March 31, 2020, the Company has defaulted on its interest and principal obligations which are p continued in current year also. Accordingly, in terms of the loan agreements all the liability on account of interest and principal is classified as current liability.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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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:

Particulars					Rs. Million	
	within 1 year	1 year to 5 years	More than 5 years	Total	Carrying amount	
As at March 31, 2021						
Payable to Non-group parties:						
• Borrowings (see note 18,19 and 22)	22,738.75	-	-	22,738.75	22,738.75	
• Trade payables	900.04	-	-	900.04	900.04	
• Other financial liabilities	996.45	2.73	-	999.18	999.18	
Payable to Group companies	25,581.44	-	-	25,581.44	25,581.44	
Grand Total	50,153.45	2.73	-	50,156.18	50,156.75	
As at March 31, 2020						
Payable to Non-group parties:						
• Borrowings (see note 18,19 and 22)	22,833.66	-	-	22,833.66	22,833.66	
• Trade payables	908.94	-	-	908.94	908.94	
• Other financial liabilities	993.44	6.60	-	1,000.04	1,000.04	
Payable to Group companies	25,520.05	-	-	25,520.05	25,520.05	
Grand Total	50,256.09	6.60	-	50,262.69	50,262.69	

The Company is in the process of monetizing its entire investments in operating assets to generate cashflows in order to meet its obligations.

7. Fair value measurement

Investments of the Company in equity instruments of Joint Venture Companies and Other companies (unquoted) are measured at fair value through profit or loss at the end of each reporting period.

The following table gives information about how the Company determines fair values of investments.

A. Investment in joint ventures

S. No.	Name of the Joint Venture	Rs. Million	
		March 31, 2021	March 31, 2020
1	ONGC Tripura Power Company Limited	1,475.99	1,537.19
2	Saurya Urja Company of Rajasthan Limited	568.03	421.36
3	Cross Border Power Transmission Company Limited	436.45	417.22
4	Power Transmission Company Nepal Limited	45.49	42.16
5	Bihar Power Infrastructure Company Private Limited	-	-
6	Assam Power Project Development Company Limited	-	-
	Total	2,525.96	2,417.93

The reconciliation of fair value investments in joint venture is as follows:

Particulars	Rs. Million			
	As at March 31, 2021	at March 31, 2020	As at March 31, 2020	at March 31, 2021
Opening balance	2,417.93		2,224.91	
Purchases during the year	-		-	
Sold during the year	-		-	
Gain/(loss) recognized in statement of profit and loss account (refer note 26)	108.03		193.02	
	2,525.96		2,417.93	

Basis of valuation

Investments in joint ventures have been valued based on the net asset value/subsequent realisable value of these investments as per the financial statements of the respective joint ventures.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

B. Investment in other companies

S. No.	Name of the Joint Venture	Rs. million	
		March 31, 2021	March 31, 2020
1	KVK Nilanchal Power Private Limited	-	-
2	SV Power Private Limited	-	-
3	Shalivana Green Energy	-	-
4	Units in Urjankur Nidhi Trust	316.08	316.08
		316.08	316.08

The reconciliation of fair value investments in other companies is as follows:

Particulars	Rs. Million			
	As March 31, 2021	at	As March 31, 2020	at
Opening balance	316.08		363.08	
Purchases during the year	-		-	
Sold during the year	-		-	
Gain/(loss) recognized in statement of profit and loss account (refer note 31)	-		(47.00)	
	316.08		316.08	

Basis of valuation

Investments other than investment in Urjankur Nidhi Trust have been valued based on the net asset value of these investments. Units in Urjankur Nidhi Trust have been valued based on the Agreement to Sell entered for the same with the prospective buyer (refer note 8(III)).

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IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

56 Employee benefits

In accordance with Ind AS 19, the requisite disclosures are as follows:

a. Defined contribution plan

The Company makes contribution towards provident fund and superannuation fund to a defined contribution retirement benefit plan for qualifying employees. The provident fund plan is administered by the Regional Provident Fund Commissioner and the superannuation fund is administered by the Trustees of IL&FS Energy Development Company Limited superannuation fund. Under the schemes, the Company is required to contribute a specified percentage of salary cost to the retirement benefit scheme to fund the benefits.

On account of defined contribution plans, a sum of Rs. 7.69 million (March 31, 2020 Rs. 10.71 million) has been charged to Statement of Profit and Loss.

- b.** The Code on Social Security 2020 ('Code'), which received the Presidential Assent on September 28, 2020, subsumes nine laws relating to social security, retirement and employee benefits, including the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the Payment of Gratuity Act, 1972. The effective date of the Code is yet to be notified and related rules are yet to be framed. The impact of the change, if any, will be assessed and recognized post notification of the relevant provisions and in the period the Code becomes effective.

c. Defined benefit plan

(i) Gratuity plan

The Company has a defined benefit gratuity plan in India (funded) which is governed by Payment of Gratuity Act, 1972. The Company's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund.

The fund is managed by a trust namely IL&FS Energy Development Company Limited-Group Gratuity Trust which is governed by the Board of Trustees. The Board of Trustees are responsible for the administration of the plan assets and for the definition of the investment strategy. The gratuity liability arises on retirement, withdrawal, resignation and death of an employee.

(ii) Compensated absences plan

As per stipulation of Ind AS 19, the leave balance is classified into short term and long term based on best estimates after considering the past trends and has been valued on an actuarial basis by an independent actuary using Projected Unit Credit Method.

c. Disclosures as required under IND AS 19 on "Employee Benefits" for Gratuity are as under:

The Company has taken the group policy with the HDFC life to meet its obligation towards gratuity.

These plans typically expose the Company to actuarial risks such as: investment risk, interest rate risk, salary risk, assets liability matching risk, mortality risk and concentration risk.

Investment Risk	The present value of defined plan liability is calculated using a discount rate which is determined with reference to market yields at the end of reporting period on Government Bonds. If the return on plan assets is below this rate, it will increase plan deficit. Currently for the plan in India, it has relatively balanced mix of investments in government securities and other debt instruments.
Interest Rate Risk	A fall in the discount rate which is linked to the G-Sec. Rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset
Salary Risk	The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability
Asset Liability Matching Risk	The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.
Mortality risk	Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.
Concentration Risk	Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

In respect of gratuity, the actuarial valuation was carried out as at March 31, 2021 by member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

		Rs. Million	
Particulars	Year ended March 31, 2021	Year ended March 31, 2020	
I	Movement in the present value of defined benefit obligations:		
Benefit obligations at the beginning	20.51	45.96	
Service Cost	2.31	1.96	
Interest Cost	1.11	3.06	
Remeasurement - Actuarial (gains)/losses			
- Due to Change in Demographic assumptions	0.60	-	
- Due to Change in financial assumptions	0.31	0.60	
- Due to experience	(3.14)	(2.72)	
Liability Transferred In		4.33	
Liability Transferred Out	-	-	
Benefits paid	(4.09)	(32.68)	
Benefit obligations at the end	17.61	20.51	
II	Movement in the fair value of plan assets:		
Fair value of plan assets at the beginning	21.51	48.20	
Interest Income	1.17	3.21	
Transfer of assets		4.33	
Transfer out assets	-	-	
Remeasurement - Return on plan assets excluding amounts included in interest income	(0.25)	(1.54)	
Contributions	-	-	
Adjustment			
Benefits paid	(4.09)	(32.68)	
Fair value of plan assets at the end	18.34	21.51	
III	Amount recognized in Statement of profit and loss account under employee benefit expenses:		
Service Cost	2.30	1.96	
Other adjustment			
Net interest on net defined benefit liabilities	(0.05)	(0.15)	
	2.25	1.81	
IV	Amount recognized in other comprehensive income:		
Remeasurement of the net defined benefit liability/(asset)			
Actuarial (gains)/losses	-	-	
- Due to Change in Demographic assumptions	(2.23)	(2.12)	
- Due to Change in financial assumptions	-	-	
- Due to experience	-	-	
(Return)/loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(0.25)	(1.54)	
	(1.98)	(0.58)	

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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	Particulars	Rs. Million	
		Year ended March 31, 2021	Year ended March 31, 2020
V	The amount included in the balance sheet arising from Obligations in respect of defined benefit plan is as follows:		
	Present value of funded obligation	17.61	20.51
	Fair value of plan assets	(18.34)	(21.51)
	Unfunded status	(0.73)	(1.01)
	Net liability/(assets) arising from defined benefit obligations (refer note 14)	(0.73)	(1.01)
VI	The fair value of the plan assets at the end of the reporting period of each category are as follows:		
	Fair value of plan assets of gratuity		
	Stable Managed Fund – Managed by HDFC Life	17.61	16.34
VII	Assumptions		
	Discount Rate	3.86%	5.45%
	Rate of return on plan assets	3.86%	5.45%
	Salary escalation	3.00%	3.00%
	Mortality	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
VIII	Category of assets		
	Government of India Assets	-	-
	State Government Securities	-	-
	Special Deposits Scheme	-	-
	Debt Instruments	-	-
	Corporate Bonds	-	-
	Cash and Cash Equivalents	0.73	5.17
	Insurance fund	17.61	16.34
	Asset-Backed Securities	-	-
	Structured Debt	-	-
	Other	-	-
	Total	18.34	21.51
IX	Maturity Analysis of the Benefit Payments: from the fund Projected Benefits Payable in Future Years from the date of reporting		
	1 year	8.25	4.61
	2-5 years	9.04	13.34
	6-10 years	1.13	4.65
	More than 10 years	0.05	1.31
	Total	18.47	23.91
X	Average Expected Future Service	1	3

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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Significant actuarial assumptions for the determination of the defined obligation are discount rate, expected salary increase and employee turnover. The sensitivity analyses below have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

Particular	As at March 31, 2021	As at March 31, 2020
Effect of +1% change in rate of discounting	(0.20)	(0.50)
Effect of -1% change in rate of discounting	0.21	0.53
Effect of +1% change in rate of salary increase	0.21	0.54
Effect of -1% change in rate of salary increase	(0.20)	(0.52)
Effect of +1% change in rate of employee turnover	0.01	0.04
Effect of -1% change in rate of employee turnover	(0.01)	(0.07)

Notes:

- i. The discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of obligations.
- ii. The expected return is based on the expectation of the average long term rate of return expected on the investments of the fund during the estimated term of the obligations.
- iii. Estimate of amount of contribution in the immediate next year is Rs. 0.28 million (March 31, 2018 Rs. 1.30 million)
- iv. The estimate of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

Actuarial assumptions for long-term compensated absences

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Discount rate	3.86%	5.45%
Salary escalation	3.00%	3.00%
Attrition	43.00%	23.00%

57 Segment reporting

The Company had three operating segments i.e. Consultancy services, Construction contract and Generation and sale of power. Consequent to the various matters mentioned in Note 2 and 3 to these financial statements, the normal business operations of the Company as they existed until September 30, 2018 have ceased. The new Board, which has been identified as being the Chief Operating Decision Maker (CODM), has been overseeing and focusing on the realizability of investments in each of the Group entities. However, as the Company has already surrendered the power trading license, has no income from construction contracts post September 30, 2018 and has no or very limited income from loans post October 15, 2018, the new Board does not evaluate/monitor the income recognized during the year as separate segments. Accordingly, the management believes that there are no reportable operating segments which require disclosure under Ind AS 108 "Operating Segments".

58 Leases

The Company has lease contracts for its various office premises used in its operations with lease terms between 2 to 5 years. The Company has used the following practical expedients when applying Ind AS 116 to leases previously classified as Operating leases under Ind AS 17:

- Applied a single discount rate based on Fixed deposit rate as at present, the Company is not incurring any expense on borrowings.
- Applied the exemption not to recognize right-of-use asset and liabilities for leases with remaining lease term of 12 months or less.

The Company also has certain leases of offices with lease terms of 12 months or less. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year

Particulars	Amount (Rs. in million)
As at March 31, 2019	12.87
Additions	-
Less: Depreciation expense	3.52
As at March 31, 2020	9.35
Additions	5.22
Less: Depreciation expense	6.14
As at March 31, 2021	8.43

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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Set out below are the carrying amounts of lease liability recognised and the movements during the year

Particulars	As at March 31, 2021 (Rs. in million)	As at March 31, 2020 (Rs. in million)
Opening Balance	10.51	13.65
Additions	5.58	-
Accretion of interest	0.33	0.50
Payments	6.76	3.64
Closing Balance	9.66	10.51
Current	6.93	3.91
Non-current	2.73	6.60

The following are the amounts recognised in the statement of profit or loss

Particulars	As at March 31, 2021 (Rs. in million)	As at March 31, 2020 (Rs. in million)
Depreciation expense of right-of-use assets	6.14	3.52
Interest expense on lease liabilities	0.33	0.50
Expense relating to short-term leases with a remaining maturity of less than 12 months (included in Rent)	2.84	15.88
Expense relating to leases having short term maturity	13.48	15.04
Total	22.79	34.94

The Company shifted its office premises in a new leased building with effect from March 6, 2020 based on the lease agreement entered into by the holding company (IL&FS Limited) with the respective lessor. However, the same was not accounted for under Ind AS 116 during the previous year ended March 31, 2020 as no agreement was entered into between the Company and its holding company. During the current year ended March 31, 2021, vide Leave and License Deed (“the Agreement”) dated March 9, 2021, entered into between the Company and the holding company, the Company has accounted for rent expense as per the provision of Ind AS 116 for the current year and the management based on its internal assessment believes that this will have no impact on the Right of Use Assets and Lease liabilities as at March 31, 2020, accordingly, no adjustments are required to be made in respect of this in the comparative financial statements for the year ended March 31, 2020. Subsequent to the year ended March 31, 2021, the Company has given termination letter dated September 01, 2021 to terminate the Agreement with effect from December 01, 2021, the management basis its internal assessment believes that the impact of this need not to be considered in these standalone financial statements.

Further, the management has accounted for Right to Use Asset under Ind AS 116 related to offices which are being specifically used for the services provided by the Company in respect of contracts related to Energy Efficiency Services Limited, PDCOR Limited, Puducherry Urban Development Agency and Oil and Natural Gas Corporation based on a lease period of 5 years since the inception of lease.

Subsequent to the year ended March 31, 2021, the Company has obtained necessary approvals from Hon'ble Justice D.K. Jain and NCLT for the transfer of the revenue generating contracts entered into with these parties to PTC India Limited (refer note 62). Pending novation of these contracts, the management has not made any adjustments in this regard on its assessment under Ind AS 116 and is of the view that the impact of the on-going sale/transfer/assignment of the Contracts on the Right to Use asset will be given in the subsequent years.

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59 Related Party Disclosure

- a) Related Party Listing (as certified by the management)

Holding Company

Infrastructure Leasing & Financial Services Limited

Subsidiary Companies

IL&FS Tamil Nadu Power Company Limited
Khandke Wind Energy Private Limited (till October 15, 2019)
Lalpur Wind Energy Private Limited (till October 15, 2019)
Mahidad Wind Energy Private Limited
Sipla Wind Energy Limited
Tadas Wind Energy Private Limited (till October 15, 2019)
IL&FS Solar Power Limited
IL&FS Wind Energy Limited
Wind Urja India Private Limited (till October 15, 2019)
Shendra Green Energy Limited
Jogihali Wind Energy Private Limited
Vejas Power Projects Limited
Ratedi Wind Power Private Limited (till October 15, 2019)
Rohtas Bio Energy Limited
Kaze Energy Limited (till October 15, 2019)
Etesian Urja Limited (till October 15, 2019)
Cuddalore Solar Power Private Limited
Patiala Bio Power Company Limited
Mota Layja Gas Power Company Limited
Nana Layja Power Company Limited
IL&FS Wind Power Services Limited (till April 9, 2020)
Ramagiri Renewable Energy Limited
Maritime International Offshore PTE Limited

Fellow Subsidiaries

IL&FS Financial Services Limited
East Delhi Waste Processing Company Private Limited
Porto Novo Maritime Limited
Sealand Ports Private Limited
IL&FS Securities Services Limited
IL&FS Airport Limited
IL&FS Cluster Development Initiative Limited
IL&FS Maritime Infrastructure Company Limited
Livia India Limited
IL&FS Transportation Networks Limited
IL&FS Investment Managers Limited
IMICL Dighi Maritime Limited
IL&FS Environmental Infrastructure & Service Limited

Joint Venture/Associates/Affiliates

Saurya Urja Company of Rajasthan Limited
Bihar Power Infrastructure Company Private Limited
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited
Cross Border Power Transmission Company Limited
Power Transmission Company Nepal Limited
ONGC Tripura Power Company Limited
PDCOR Limited
Noida Toll Bridge Company Limited
Mangalore SEZ Limited
Jharkhand Infrastructure Development Corporation Limited

Key Managerial Personnel

Mr. Ashwani Kumar (Chief Executive Officer with effect from August 02, 2017 till September 6, 2019)
Mr. Feby Koshy (Chief Executive Officer with effect from October 13, 2020)
Mr. Anand Nair (Chief Financial Officer) (with effect from May 22, 2018 till October 11, 2019)
Mr. Ritendra Bhattacharjee, Chief Financial Officer (with effect from February 10, 2021)
Mr. Jignesh Nagda (Company Secretary) (with effect from August 14, 2018 till May 10, 2019)
Ms. Shilpa Parekh (Company Secretary) (with effect from May 23, 2019 till September 30, 2021)
Mr. Dinesh Ladwa (Company Secretary) (with effect from October 26, 2021)

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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b) Details of transactions entered during the current year and previous year

Particulars	Mar 31, 2021 Rs. Million	Mar 31, 2020 Rs. Million
<u>A) Holding Company</u>		
Infrastructure Leasing & Financial Services Limited		
Rent	14.28	26.89
Legal & Professional Expenses	1.74	2.64
Office Maintenance expenses	0.71	1.16
Salaries, wages and incentives - Gross Charged by Holding Company	3.34	6.88
Reimbursement of Expenses	0.06	-
Total	20.12	37.57
<u>B) Subsidiary companies</u>		
Interest income		
Shendra Green Energy Limited		
Lalpur Wind Energy Private Limited	-	26.40
IL&FS Solar Power Limited	-	167.06
Tadas Wind Energy Private Limited	-	46.81
Kaze Energy Limited	-	9.20
Etesian Urja Limited	-	0.00
Total	-	249.47
Reimbursement of expenses		
IL&FS Tamil Nadu Power Company Limited	46.10	-
IL&FS Wind Energy Limited	-	21.98
IL&FS Solar Power Limited	5.41	-
Cuddalore Solar Power Limited	0.02	-
Mahidad Wind Energy Private Limited	0.92	-
Shendra Green Energy Limited	1.47	-
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	1.50	-
Nana Layja Power Company Limited	0.88	-
IL&FS Wind Energy Limited	48.20	-
Mota Layja Gas Power Company Limited	0.03	-
Vejas Power Projects Limited	0.01	-
Patiala Bio Power Company Limited	2.11	-
Rohtas Bio Energy Private Limited	1.71	-
Sipla Wind Energy Limited	0.30	-
Total	108.66	21.98
Deposits Paid (Assets)		
IL&FS Wind Energy Limited	-	2.07
Total	-	2.07
Deposits Received Back (Assets)		
IL&FS Wind Energy Limited	-	2.07
Total	-	2.07
Loan/Inter Corporate Deposits received back during the Year (Assets)		
Lalpur Wind Energy Private Limited	-	407.59
Tadas Wind Energy Private Limited	-	664.34
Kaze Energy Limited	-	177.57
Etesian Urja Limited	-	0.03
Total	-	1,249.53

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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Particulars	Mar 31, 2021 Rs. Million	Mar 31, 2020 Rs. Million
<u>C) Fellow Subsidiaries</u>		
Reimbursement of Expenses		
IL&FS Engineering & Construction Company Limited	-	0.22
Total	-	0.22
<u>D) Joint Venture / Affiliates</u>		
Consultancy Fee Income:		
ONGC Tripura Power Company Limited	0.31	-
PDCOR Limited	-	2.84
Total	0.31	2.84
Guarantee Fees Income		
Saurya Urja Company of Rajasthan Limited	-	1.25
Total	-	1.25
Interest Income		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	-	25.83
Total	-	25.83
Dividend Income		
ONGC Tripura Power Company Limited	107.79	121.26
Power Transmission Company Nepal Limited	10.13	-
Cross Border Power Transmission Company Limited	38.71	18.43
Total	156.62	139.69
Reimbursement of expenses		
Cross Border Power Transmission Company Limited	-	0.88
Saurya Urja Company of Rajasthan Limited	3.40	8.57
Total	3.40	9.45
<u>E) Managerial Remuneration</u>		
Salaries, Wages, and Incentives		
Feby Koshy	4.35	-
Ritendra Bhattacharjee	1.20	-
Anand B Nair	-	7.42
Shilpa Parekh	1.87	1.38
Jignesh Nagda	-	0.37
Ashwani Kumar	-	7.50
Total	7.42	16.67

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

c) Balances outstanding as at March 31, 2021 and March 31, 2020

Particulars	March 31, 2021 Rs. Million	March 31, 2020 Rs. Million
<u>A) Holding Company</u>		
Infrastructure Leasing & Financial Services Limited		
Share Capital	11,734.26	11,734.26
Current - Borrowings	17,855.28	17,855.28
Trade Payables	127.66	126.80
Other equity	2,405.86	2,405.86
Current - Interest Accrued and Due on Borrowings	995.60	995.60
Other Receivable	0.19	0.19
Interest Accrued and Due on Investment	190.64	190.64
Investment in Debentures	57.07	57.07
Total	33,366.56	33,365.70
<u>B) Subsidiary Companies</u>		
Non-Current - Borrowings (Including Current Maturity)		
Patiala Bio Power Company Private Limited	2,260.16	2,260.16
Rohtas Bio Energy Limited	1,605.02	1,605.02
Total	3,865.18	3,865.18
Current - Interest accrued and due on borrowings		
Vejas Power Projects Limited		
Patiala Bio Power Company Private Limited	328.25	328.25
Rohtas Bio Energy Limited	166.56	166.56
IL&FS Solar Power Limited	1.76	1.76
IL&FS Tamil Nadu Power Company Limited	24.18	24.18
Total	520.75	520.75
Non current - Margin money		
IL&FS Tamil Nadu Power Company Limited	327.13	327.13
Total	327.13	327.13
Trade payables		
Sipla Wind Energy Private Limited	0.02	0.02
IL&FS Wind Power Services Limited	-	0.34
Total	0.02	0.36
Current - Loans and advances		
Shendra Green Energy Limited	298.94	298.94
IL&FS Solar Power Limited	-	1,112.46
IL&FS Tamil Nadu Power Company Limited	6,678.64	6,678.64
Jogihali Wind Energy Private Limited	1,163.01	1,163.01
Sipla Wind Energy Limited	2,450.75	2,450.75
Rohtas Bio Energy Limited	1,111.59	1,111.59
Cuddalore Solar Power Private Limited	3.33	3.33
Patiala Bio Power Company Limited	179.49	179.49
Mahidad Wind Energy Private Limited	2,104.47	2,104.47
Ramagiri Renewable Energy Limited	124.10	124.10
Nana Layja Power Company Limited	792.65	792.65
IL&FS Wind Energy Limited	1,073.80	1,073.80
Total	15,980.78	17,093.23
Inter corporate deposits		
IL&FS Wind Energy Limited	481.90	481.90
Cuddalore Solar Power Limited	0.40	0.40
Mota Layja Gas Power Company Limited	9.47	9.47
Total	491.77	491.77

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Particulars	March 31, 2021 Rs. Million	March 31, 2020 Rs. Million
Trade receivables		
IL&FS Tamil Nadu Power Company Limited	169.12	169.12
IL&FS Wind Energy Limited	21.30	21.30
Patiala Bio Power Company Private Limited	1.39	-
Cuddalore Solar Power Limited	0.61	-
IL&FS Solar Power Limited	-	502.97
IL&FS Wind Power Services Limited	-	0.07
Shendra Green Energy Limited	0.16	-
Total	192.59	693.46
Current - Other Receivables		
IL&FS Wind Energy Limited	39.60	-
Sipla Wind Energy Limited	0.35	-
Mahidad Wind Energy Private Limited	1.09	-
IL&FS Solar Power Limited	6.39	-
IL&FS Tamil Nadu Power Company Limited	54.39	-
Nana Layja Power Company Limited	1.02	-
Shendra Green Energy Limited	1.58	-
Mota Layja Gas Power Company Limited	0.03	-
Patiala Bio Power Company Private Limited	0.81	-
Rohtas Bio Energy Limited	0.02	-
Cuddalore Solar Power Limited	0.02	-
Vejas Power Projects Limited	0.01	-
Total	117.64	-
Current - Interest accrued on loans and investments		
IL&FS Tamil Nadu Power Company Limited	3,675.02	3,675.02
Cuddalore Solar Power Limited	0.14	0.14
Mahidad Wind Energy Private Limited	618.99	618.99
Nana Layja Power Company Limited	64.22	64.22
IL&FS Wind Energy Limited	499.53	499.53
Jogihali Wind Energy Private Limited	607.29	607.29
Patiala Bio Power Company Private Limited	24.49	24.49
Rohtas Bio Energy Limited	89.36	89.36
Sipla Wind Energy Limited	528.20	528.20
Shendra Green Energy Limited	93.88	93.88
Mota Layja Gas Power Company Limited	0.80	0.80
IL&FS Solar Power Limited	-	418.25
Ramagiri Renewable Energy Limited	47.55	47.55
Total	6,249.48	6,667.72
Current - Receivable for sale of investments		
IL&FS Wind Energy Limited	300.00	300.00
Total	300.00	300.00
Investment in Equity/deemed equity Instruments		
Nana Layja Power Company Limited	360.50	360.50
Ramagiri Renewable Energy Limited	31.80	31.80
Sipla Wind Energy Limited	0.80	0.80
IL&FS Tamil Nadu Power Company Limited	42,263.32	42,263.32
Vejas Power Projects Limited	1.00	1.00
Mota Layja Gas Power Company Limited	0.50	0.50
IL&FS Wind Energy Limited	4,900.50	4,900.50
Maritime International Offshore PTE Limited	3.15	3.15
Patiala Bio Power Company Private Limited	0.50	0.50
Rohtas Bio Energy Limited	0.50	0.50
Jogihali Wind Energy Private Limited	0.10	0.10
Mahidad Wind Energy Private Limited	0.10	0.10
IL&FS Wind Power Services Limited	-	20.00

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Particulars	March 31, 2021 Rs. Million	March 31, 2020 Rs. Million
Cuddalore Solar Power Private Limited	0.50	0.50
IL&FS Solar Power Limited	0.50	0.50
Shendra Green Energy Limited	240.40	240.40
Total	47,804.17	47,824.17
Investment in Deemed Equity (On Account of Interest Waiver)		
Sipla Wind Energy Limited	71.09	71.09
Total	71.09	71.09
Investment in debentures		
IL&FS Tamilnadu Power Company Limited	2,400.00	2,400.00
Sipla Wind Energy Limited	1,087.00	1,087.00
Rohtas Bio Energy Private Limited	31.10	31.10
Patiala Bio Power Company Limited	45.50	45.50
Jogihali Wind Energy Private Limited	1,271.00	1,271.00
Mahidad Wind Energy Private Limited	1,389.00	1,389.00
Shendra Green Energy Limited	771.50	771.50
IL&FS Wind Energy Limited	860.68	860.68
Total	7,855.78	7,855.78
Guarantees outstanding		
Tadas Wind Energy Private Limited		-
Khandke Wind Energy Private Limited		-
IL&FS Wind Energy Limited	2,546.58	2,546.58
IL&FS Solar Power Limited	-	6,139.34
IL&FS Tamil Nadu Power Company Limited	5,233.98	5,233.98
Total	7,780.56	13,919.90
Sundry Advances		
IL&FS Wind Energy Limited	1.75	0.30
Total	13016.29	0.30
<u>C) Fellow Subsidiaries</u>		
Short Term Borrowings		
IL&FS Cluster Development Initiative Limited	200.00	200.00
IL&FS Airport Limited	53.00	53.00
IMICL Dighi Maritime Limited	1,045.50	1,045.50
Total	1,298.50	1,298.50
Current - Interest accrued and due on borrowings		
IL&FS Securities Services Limited		
IL&FS Airport Limited	4.08	4.08
IMICL Deghi Maritime Limited	81.67	81.67
IL&FS Cluster Development Initiative Limited	15.62	15.62
IL&FS Financial Services Limited	26.53	26.53
Total	127.90	127.90
Trade Payables		
IL&FS Financial Services Limited	120.83	120.83
IL&FS Investment Managers Limited	0.02	0.02
IL&FS Engineering & Construction Company Limited	0.02	0.02
Livia India Limited	3.48	3.48
IL&FS Securities Services Limited	-	0.72
IL&FS Transportation Networks Limited	2.67	2.80
Total	127.02	127.87

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Particulars	March 31, 2021 Rs. Million	March 31, 2020 Rs. Million
Payable Related to Sale of Investment		
IL&FS Investment Managers Limited	22.20	22.20
Total	22.20	22.20
Current - Loans and Advances		
East Delhi Waste Processing Company Limited	-	349.99
Total	-	349.99
Current - Inter corporate deposit		
IL&FS Financial Services Limited	-	-
Porto Novo Maritime Limited	50.80	50.80
Sealand Ports Private Limited	400.00	400.00
Total	450.80	450.80
Trade receivables		
IL&FS Maritime Infrastructure Company Limited	5.27	5.27
IL&FS Engineering & Construction Company Limited	0.26	0.26
Noida Toll Bridge Company Limited	0.23	0.23
Mangalore SEZ Limited	0.46	0.46
East Delhi Waste Processing Company Private Limited	-	3.62
Total	6.22	9.84
Current - Receivable for sale of investment		
IL&FS Environmental Infrastructure & Service Limited	-	1,380.00
Total	-	1,380.00
Current - Interest accrued on loans and investments		
Porto Novo Maritime Limited	17.28	17.28
East Delhi Waste Processing Company Private Limited	-	110.77
Sealand Ports Private Limited	423.23	423.23
Total	440.51	551.28
<u>Affiliates / Joint Ventures</u>		
Current - Margin money payable		
Saurya Urja Company of Rajasthan Limited	250.00	250.00
Total	250.00	250.00
Current - Interest accrued on borrowings		
Saurya Urja Company of Rajasthan Limited	6.27	6.27
Total	6.27	6.27
Non-Current - Loans and advances		
Assam Power Projects Development Company Limited	10.00	10.00
Bihar Power Infrastructure Company Private Limited	125.00	125.00
Total	135.00	135.00
Current - Interest accrued on loans and investments		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	46.64	47.26
Total	62.91	47.26
Current - Loans and advances		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	142.70	142.70
Total	142.70	142.70
Current - Inter Corporate deposit		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	116.38	116.38
Total	116.38	116.38

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

Particulars	March 31, 2021 Rs. Million	March 31, 2020 Rs. Million
Trade Payable		
Saurya Urja Company of Rajasthan Limited	0.41	-
Total	0.41	-
Trade receivables		
Bihar Power Infrastructure Company Private Limited	1.97	1.97
Cross Border Power Transmission Company Limited	0.17	0.67
Power Transmission Company Nepal Limited	0.32	0.72
Saurya Urja Company of Rajasthan Limited	22.74	18.57
PDCOR Limited	4.98	6.14
Jharkhand Infrastructure Development Corporation Limited	3.46	3.46
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	2.14	0.49
Total	35.79	32.02
Investment - Equity Instruments		
Cross Border Power Transmission Company Limited	436.45	417.22
ONGC Tripura Power Company Limited	1475.99	1,537.19
Power Transmission Company Nepal Limited	45.49	42.16
Saurya Urja Company of Rajasthan Limited	568.03	421.36
Total	2,525.96	2,417.93
Investment - Equity Instruments - Held for Sale		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	281.66	281.66
Total	281.66	281.66
Guarantees Given		
Saurya Urja Company of Rajasthan Limited	250.00	250.00
Total	250.00	250.00

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

60 Non-cash transaction

During the year ended March 31, 2021, the Company has not entered into non-cash transaction:

61 Disclosure under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED)

Particulars	March 31, 2021 Rs. Million	March 31, 2020 Rs. Million
The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting period.	0.03	0.40
The amount of interest paid by the buyer in terms of Section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

- 62** Under the Resolution Framework (refer note 3) of the Company, the holding company has invited Expression of Interest (“EoI”) for sale/transfer/assignment of its revenue generating contracts related to Energy Efficiency Services Limited, PDCOR Limited, Puducherry Urban Development Agency and Oil and Natural Gas Corporation, of the Company along with all the assets and liabilities related to these contracts. As per the terms of draft Business Transfer Agreement (“BTA”) agreed with the PTC India Limited, all the cash flows pertaining to above projects will belong to the final selected bidder i.e. PTC India Limited with effect from April 01, 2020. The bidding process has been completed and after obtaining approval from the Committee of Creditors of the Company and from the New Board of the holding company, Company submitted an application seeking approval from the Hon’ble Justice D.K. Jain for the transfer of the said contracts.

Subsequent to the year ended March 31, 2021, Hon’ble Justice D.K. Jain has given its approval vide letter dated June 9, 2021 and the Company has filed an application with NCLT for its approval and the same has been approved by NCLT vide its order dated September 15, 2021.

The Company has entered into BTA with PTC India Limited on July 05, 2021 and is in process of novating these revenue generating contracts. Considering the approval from Justice Jain and NCLT has been obtained subsequent to the year end, which were substantive approvals and pending novation of the revenue generating contracts, the management has not made any adjustments in relation to the above-mentioned transaction and has recognised revenue of Rs. 214.63 million in these standalone financial statements and has not adjusted the carrying value of the assets and liabilities as at March 31, 2021, as has been recognised in these accompanying Ind AS financial statements.

- 63** The World Health Organization has declared the novel coronavirus (COVID- 19) as a pandemic on March 11, 2020. The Central Government in India also declared a national lockdown from March 25, 2020 to May 31, 2020, through various notifications, and subsequently the Central Government has also announced various unlocks. The Company remains fully compliance with the guidelines and direction of both Central and State Government.

The impact of the COVID-19 pandemic on the financial position of the company as well as resolution process will depend on future developments, including among other things, extent and severity of the pandemic, mitigating actions by governments and regulators, time taken for economy to recover, etc.

The Hon’ble National Company Law Tribunal (NCLT) vide its Order dated October 01, 2018, allowed the Union of India petition seeking immediate suspension of the then Board of Directors of the Company and appointment of new Directors to the Board of the Company on the recommendations of the UOI (collectively known as the “New Board”). Since then, a resolution process is being implemented for the Company and its group companies by the New Board in proceedings before the NCLT and the Hon’ble National Company Law Appellate Tribunal (“NCLAT”) under Sections 241-242 of the Companies Act, 2013

With respect to advisory activities of the company, the work has picked up with the unlocking of various activities. The Company, being primarily being investment company, currently believes that the impact of COVID-19 on the accompanying financial statements will not be material. The management has also estimated future cash flows for the Company and believes that the Company shall be able to meet its liabilities for next one year as and when they fall due. However, considering the unpredictable situation giving rise to inherent uncertainty around the extent and timing of the potential future impact of the COVID 19 pandemic, the impact of COVID-19 on the Company’s financial statements may differ from that estimated as on the date of approval of these financial statements.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS

64 These financial statements were approved for issue by the Board of directors on November 19, 2021.

For **S.R. Batliboi & Co. LLP**
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

AMIT GUPTA
Digitally signed by AMIT GUPTA
DN: cn=AMIT GUPTA, c=IN,
o=Personal,
email=gupta.amit@srb.in
Location: Gurugram
Date: 2021.11.19 23:13:18 +05'30'

per **Amit Gupta**
Partner
Membership Number: 501396

For and on behalf of Board of Directors of
IL&FS Energy Development Company Limited

GIRISH CHANDRA CHATURVEDI
Digitally signed by GIRISH CHANDRA
CHATURVEDI
DN: cn=GIRISH CHATURVEDI, o=IL&FS Energy Development Company Limited, ou=Directors, email=girish.chaturvedi@il&fs.com, c=IN
Date: 2021.11.19 22:05:59 +05'30'

G C Chaturvedi
Director
DIN: 00110996

Kaushik Modak
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Date: 2021.11.19 22:55:32 +05'30'

Kaushik Modik
Director
DIN: 01266560

Ritendra Bhattacharjee
Digitally signed by Ritendra
Bhattacharjee
Date: 2021.11.19 20:54:22 +05'30'

Ritendra Bhattacharjee
Chief Finance Officer

CHANDRA SHEKHAR RAJAN
Digitally signed by CHANDRA
SHEKHAR RAJAN
Date: 2021.11.19 21:09:14 +05'30'

C S Rajan
Director
DIN: 00126063

Feby Koshy Bin Koshy
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Date: 2021.11.19 20:54:01 +05'30'

Feby Koshy
Chief Executive Officer

Dinesh Suryakant Ladwa
Digitally signed by Dinesh
Suryakant Ladwa
Date: 2021.11.19 20:44:58 +05'30'

Dinesh Ladwa
Company Secretary
Membership Number: A-17210

Place: Gurugram
Date: November 19, 2021

Place: New Delhi
Date: November 19, 2021