

To,
Department of Corporate Services
BSE Limited,
Phiroze Jeejeebhoy Tower,
Dalal Street,
Mumbai – 400001

August 14, 2023

Sub: Outcome of Board Meeting

Scrip Code: 957953 & Company Code: 11925 – ISIN No. INE938L08098, INE938L08080 and INE938L08072

Dear All,

In terms of the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, this is to inform you that a meeting of the Board of Directors of the Company today, have inter alia approved the following.

1. Approved and adopted Un-audited financial results for the quarter ended June 30, 2023 along with Limited Review Report with modified opinion issued by the M/s C N K & Associates LLP, the Statutory Auditors of the Company. Annexure-I
2. Approved appointment of Mr. Nishant Upadhyay, as Company Secretary and Compliance Officer of the Company. Annexure - 2

Kindly take the above on record and acknowledge receipt of the same.

Thanking you

For IL&FS Energy Development Company Limited

Ritendra Bhattacharjee
Chief Financial Officer (CFO)
Encl.: As above

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
Statement of Standalone Financial Results for the period ended June 30, 2023

	Quarter Ended June 30, 2023	Quarter Ended March 31, 2023	Quarter Ended June 30, 2022	For the year ended March 31, 2023
	Rs. Million (Unaudited)	Rs. Million (Unaudited)	Rs. Million (Unaudited)	Rs. Million (Audited)
		Refer Note 16		
I Revenue from operations	0.43	0.99	2.82	4.57
II Other income	720.98	237.13	80.36	550.21
III Total income (I + II)	721.41	238.12	83.18	554.78
IV Expenses				
i. Employee benefits expense	9.89	10.89	9.54	43.46
ii. Finance costs	0.04	0.09	0.56	1.31
iii. Depreciation and amortisation expense	0.11	(0.20)	2.16	3.56
iv. Impairment of financial assets (net)	-	111.00	-	111.00
v. Other expenses	50.18	76.08	19.11	131.13
Total expenses (IV)	60.22	197.86	31.37	290.46
V Profit (loss) before tax (III - IV)	661.19	40.26	51.81	264.32
VI Tax expense				
i. Current tax	-	-	-	-
ii. Current tax- pertaining to adjustments of earlier years	-	-	-	-
iii. Deferred tax	-	(0.31)	-	(0.31)
Total tax expense (VI)	-	(0.31)	-	(0.31)
VII Profit/(Loss) for the period/year from continuing operations (V - VI)	661.19	40.57	51.81	264.63
VIII Discontinuing Operations				
Profit(loss) for the period /year from discontinuing operations	-	-	8.15	6.41
Tax expense of discontinued operations	-	-	-	-
Profit for the period/ year from discontinuing operations	-	-	8.15	6.41
Other comprehensive income				
i. Items that will not be reclassified to profit or loss				
a. Remeasurement of defined benefit plans	-	0.90	-	0.90
b. Income tax relating to items that will not be reclassified to profit or loss	-	(0.31)	-	(0.31)
IX Other comprehensive income for the period/ year, net of tax	-	0.59	-	0.59
X Total comprehensive income for the period/ year, net of tax (VII+ VIII+IX)	661.19	41.16	59.96	271.63
Earnings per share (EPS) (not annualised)				
i. Basic (Rs.)	0.50	0.03	0.04	0.20
ii. Diluted (Rs.)	0.50	0.03	0.04	0.20

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

Disclosures pursuant to Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (LODR) as at June 30, 2023

This disclosure is pursuant to Regulation 52(4), 52(6), 52(7), 54(2) and 55 of LODR

No	Particulars	Period ended June 30, 2023	Period ended March 31, 2023	Period ended June 30, 2022	Year ended March 31, 2023
1	Capital Redemption Reserve	NIL	NIL	NIL	NIL
2	Debenture Redemption Reserve	Rs. 673.61 million	Rs. 673.61 million	Rs. 673.61 million	Rs. 673.61 million
3	Net worth	Rs.(38283.41) million	Rs. (38940.36) million	Rs. (39152.01) million	Rs. (38940.36) million
4	Net Profit / (Loss) after Tax	Rs.661.19 million	Rs. 271.63 million	Rs. 59.96 million	Rs. 271.63 million
5	Earnings/ (Loss) per share	Rs. 0.50	Rs. 0.20	Rs. 0.04	Rs. 0.20
6	Profit / (loss) for the quarter and cumulative profit for the period/year	Cumulative profit / (loss) for the period Rs 661.19 million.	Cumulative profit / (loss) for the period Rs 271.63 million.	Cumulative profit / (loss) for the period Rs. 59.96 million.	Cumulative profit / (loss) for the period Rs 271.63 million.
	Formulae for computation of ratios				
	a. Debt Equity Ratio (refer note 1 & 12 below)	Not determinable	Not determinable	Not determinable	Not determinable
	b. Debt Service Coverage Ratio (refer note 2 below)	Not applicable	Not applicable	Not applicable	Not applicable
	c. Interest Service Coverage Ratio (refer note 3 below)	Not applicable	Not applicable	Not applicable	Not applicable
	d. Current Ratio(refer note 4 below)	0.09	0.17	0.18	0.17
	e. Long term debt/total assets (Refer note 10)	Not applicable	Not applicable	Not applicable	Not applicable
	f. debtors turnover ratio (refer note 5 below)	0.00	0.02	0.82	0.02
	g. Operating margin (refer note no 11)	-13895.35%	-292.82%	-35.75%	-292.82%
	h. net profit margin (refer note 6 below) (includes discontinued operation)	91.65%	44.73%	44.14%	44.73%
	i. total debt to total assets (refer note 8 below)	614.17%	397.44%	386.63%	397.44%
	j. Current liability ratio (refer note 9 below)	99.99%	99.99%	99.99%	99.99%
8	The end use of the proceeds of issue of NCD has been in line with the objects stated in the respective Offer Documents of the Issue.				

Notes

- 1 Debt/Equity Ratio = Total debt- (cash and cash equivalent+Bank balances) ÷ Shareholder's equity
- 2 Debt Service Coverage Ratio: (Earnings before interest and tax) / (Interest Expense + Principal repayments made during the year) - This ratio is not applicable since the Company has stopped repayment of borrowing due to moratorium period (refer note 3 of financial results)
- 3 Interest Service Coverage Ratio = (Earnings before interest and tax) / (Interest Expense) - This ratio is not applicable since the Company has stopped repayment of borrowing due to moratorium period (refer note 3 of financial results)
- 4 Current Ratio = Current assets/Current liabilities
- 5 Debtors turnover = Revenue from operation/ average debtors
- 6 Net profit ratio = Net profit/Total Income
- 7 Bad debts to accounts receivables = Bad debts/Gross receivables
- 8 Total Debt to Total Assets = Total debt/Total assets
- 9 Current liability ratio = Current liability/total liabilities
- 10 Not applicable as company has no long term debt as on 30th June 2023, 31st March 2023,30th June 2022, and March 31, 2022.
- 11 Operating margin = (Profit Before Tax – Other Income + Finance Cost + Impairment Loss) / (Revenue from Operation)
- 12 Denominator negative hence ratio not determinable

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE RESULTS

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 unit 101, First Floor, ABW Rectangle – 1, Saket District Centre, Saket, New Delhi - 110017. The Company was 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. Further, the credit rating of the Company and its holding company was downgraded to ‘D’ (lowest grade) on October 5, 2018 and in 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.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE RESULTS

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 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 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 entity which had earlier classified the group entities into "Green", "Amber" and "Red" have periodically reclassified in some of the entities based on their restructuring and cash flow based solvency test

4. 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 date has been extended till August 18, 2022. 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 admitted of Rs. 63,853.37 million (including contingent claim of Rs. 9,722.43 million) in respect of the Company. 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.

Further during the current period, Board of the Company has approved the interim distribution of Rs 5,859.09 million. Company has released the amount of Rs. 5,416.83 million to the creditors who have complied with the requirement as per the approved distribution till June 30, 2023. Further the additional amount of Rs 12.33 million retained by lenders (resulting from actual maturity proceeds of DSRA FDs) has been considered as auto debit as per the claim process.

Management of the Company has reconciled the claims and provided the differential amount of Rs 20.42 million in books of account.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE RESULTS

5. 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), Economic Office Wing, Mumbai 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. Further during the previous year, one of creditor of the Company has filed a complaint to EoW against the Company, IL&FS Solar Power Limited (ISPL) (Subsidiary of the Company) and Embassy Group pertaining to the 100 MW solar project which was sold to Embassy Group in 2019-20 by ISPL and the matter is being investigated by EoW. Management is of the view that there is no impact on standalone IND AS financials as the liability of the creditor is already admitted by the claim management agency and will be dealt with as per the approved resolution framework. During the current period, one of the lender has filed FIR against the Company and search operation was conducted by the CBI at Company’s registered office. The matter is being examined by the CBI.

6. 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 results, 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 in earlier years, 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.
- (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 quarterly/half-yearly unaudited results to the stock exchange since September 2019 till FY 21-22 as applicable.

The management is in the process of evaluating the financial impact and other consequences arising from such non-compliance as stated in note (a) and (b) 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 results.

- (c) As per Reserve Bank of India 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 financial results. The Company does not fulfil 50-50 test as on 30th June 2023. Accordingly provisions pertaining to registration as Non-Banking Finance Company are not applicable to the Company.

7. 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 previous 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. The lender Yes Bank has referred the matter to Economic Office Wing Mumbai (EoW, Mumbai) to investigate the same and preliminary assessment is going on. The Company has submitted its response to the EoW, Mumbai. Pending the conclusion, 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 results in this regard.

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

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 results, 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 results.

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Further, during the current period, in respect of the joint ventures, the Company has not recognized any gain/loss on account of fair value during the period (Rs. 48.92 million during the previous year ended March 31, 2023 on the basis of the net assets of one of the joint ventures as at March 31, 2023) and impact of the same on results is not likely to be material.

On this basis, provision has been made in respect of the financial assets (comprising of loans, receivables and investments) aggregating to Rs. 13.53 million during the current period (Rs. 170.50 million during the year ended March 31, 2023), of which provision of Rs. 13.53 million (Rs. 57.69 million during the year ended March 31, 2023) is made in relation to various group companies and provision of Rs. Nil (Rs. 112.81 million during the year ended March 31, 2023) is made in relation to third parties balances and provision of Nil towards property plant and equipment, except in respect of certain entities where certain assets are marketable or there is cash surplus, and management expects realization of those assets.

Further, Subsequent to the current period, Company has received the funds from IWEL based on the Interim distribution. Company has made reversal of impairment of loans and advances/interest receivable of Rs 626.31 million towards based on the same during the current period and impairment loss of Rs.11.80 on financials assets is booked (included in 13.53 million above).

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 results 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 June 30, 2023 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 June 30, 2023.

9. 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 June 30, 2023 is Rs. 5,254.28, million (March 31, 2023: Rs. 7,780.55 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 4). Pending such reconciliation, management has not accounted for any such liabilities in relation to these guarantees in these standalone Ind AS financial results.

10. 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 period, 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 June 30, 2023.

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 June 30, 2023.

The Company has also not - recognized interest expenses amounting to Rs. 83.51 million and Rs. 62.26 million on account of non-deposit of tax deducted at source and Goods and services tax respectively till June 30, 2023.

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.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE RESULTS

11. Going concern assumption used for the preparation of these financial results

The Company and the IL&FS group in general are undergoing substantial financial stress as at June 30, 2023. The Company has accumulated losses of Rs. 92,108.07 million as at June 30, 2023 (March 31, 2023: Rs 92,769.24 million) and has net liabilities of Rs 40,990.62 million as at June 30, 2023 (March 31, 2023: Rs. 41,636.96 million). 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 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 results. 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 results have been prepared on going concern basis.

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

12. Contingent liabilities and commitments

	As at June 30, 2023 Rs. Million	As at March 31, 2023 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)	5,254.28	7,780.55
ii. Claims against the Company not acknowledged as debt towards demand raised by Income Tax authorities (see note 'ii' below)	1,089.08	1,089.08
iii. Other liabilities (see note 'iii' below')	0.15	0.15
iv. Other claims against the Company not acknowledged as debts (see note 'iv' 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)	-	-

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE RESULTS

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 4).
- 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 for assessment year 18-19. Further during the FY 21-22, Income tax department has attached the bank accounts for recovery of its demand for FY 17-18 and FY 18-19 however the same were made operational by the order of Hon'ble NCLT to meet out the RPC and going concern payments. The Hon'ble NCLT has vacated the attachments and ordered the department to files its claim to claim management agency. Department has filed its claim and same has been admitted by the claim management agency as claim under adjudication as Company had filed the appeals against the said orders.

Summary of tax demands and forum at which these are contested are as below:

Name of Statute	Nature of Dues	Amount (Rs Mn)*	Period	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	4,565.56	A.Y. 2015-16 A.Y. 2016-17 A.Y. 2017-18 A.Y. 2018-19 A.Y. 2021-22	Commissioner of Income Tax (Appeals)
The Income Tax Act, 1961	Income Tax	483.96	A.Y. 2019-20	Rectification u/154 Filed

* including interest till 30-06-2023

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 results.

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 results on completion of the said exercise.

- iii. Company has its debentures listed on the Bombay Stock Exchange. Company had received the notice of penalty towards noncompliance of LoDR. As per the provisions of the notice, the fines will continue to be computed further till the time of rectification of the non-compliance to the satisfaction of the Exchange or till the scrip of the listed entity is suspended from trading for non-compliance with aforesaid provisions.
- iv. 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.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE RESULTS

13. 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 which were to be converted into fixed number of equity shares as 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 regards.
14. Compulsorily Convertible Preference Share Capital ('CCPS') issued by the Company were required to be converted into equity on 2 December, 2021. The same are yet not converted into equity shares.
15. 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. Since the claim management process that is being followed is the same as IBC, foreign currency loan value has been restricted to the liability in INR as on October 15, 2018 and accordingly Company has recognised the liability of foreign currency loan based on the claim admitted by claim management agency. If foreign currency loan would have been converted into period/year end rate, the results for the period June 30, 2023 have been understated by Rs 6.69 million (overstated by Rs.320.49 million for the period Oct 15, 2018 till March 2023) respectively with corresponding impact on borrowings.
16. The figures for the quarter ended March 31, 2023 are the balancing figures between audited figures in respect of the full financial year and unaudited year to date figures upto the end of third quarter of the respective financial year, which were subject to limited review.
17. Previous period figures has been regrouped/ reclassified wherever necessary to confirm with the current period figures.
18. These financial results were approved for issue by the Board of directors on August 14, 2023.

August 14, 2023

To,
BSE Limited
Listing Department
BSE Limited
P.J. Tower, Dalal Street,
Mumbai 400001

Security Name: IL&FS Energy Development Company Limited - Scrip Code: 957953, Company Code: 11925 & ISIN No. INE938L08098, INE938L08080 and INE938L08072

Dear Sir,

Re: Declaration in respect of qualified opinion on Unaudited Financial Results for the Quarter ended June 30, 2023

In terms of SEBI Circular CIR/CFD/CMD/56/2016 dated May 27, 2016, we hereby declare and confirm that the Statutory Auditors of the Company, viz., CNK & Associates LLP, have issued Qualified Audit Report on Standalone Financial Results of the Company for the Quarter ended June 30, 2023. Copy of the statement on Impact of Audit Qualifications is enclosed as Annexure – I.

Thanking You

Yours Faithfully,

For **IL&FS Energy Development Company Limited**

Ritendra Bhattacharjee
Chief Financial Officer

Annexure I
Statement on Impact of Audit Qualifications for the Period ended June 30, 2023 [See Regulation 52 of the SEBI (LODR) (Amendment) Regulations 2016]

S. No	Particulars	Unaudited figures (as reported before adjusting for qualifications) (Rs in millions)	Adjusted figures (as reported after adjusting for qualifications)
1	Turnover/Total Income	721.41	Not determinable
2	Total expenditure	60.22	
3	Net profit (before tax) from continuing operations	661.19	
4	Net Profit after tax from continuing operations	661.19	
5	Net Profit after tax from discontinuing operations	-	
6	Other Comprehensive Income	-	
7	Net Profit after tax for the year	661.19	
8	Earnings per share	0.50	
9	Total Assets	6,575.81	
10	Total Liabilities	44,859.21	
11	Net worth	(38,283.41)	
12	Any other financial item(s) (as felt appropriate by the management)	None	

Encl: a. a.

II Audit qualifications (each audit qualification separately)

1	Details of Audit Qualification		Basis for Qualified Opinion
		1	As mentioned in note 10 to the Statement, non-provision of interest expense amounting to Rs.145.77 million (March 31, 2023 - Rs. 137.30 million) on unpaid statutory dues relating to Tax Deducted at Source of and Goods and Service Tax liability
		2	We draw attention to Note 15 of the Statement, stating that value of amounts payable in foreign currency has been restricted to the liability in INR as crystalized on October 15, 2018 and not restated as at closing rate on reporting date as per reasons mentioned in the note. The same is not in compliance with Ind AS 21 – The effects of changes in Foreign Exchange Rates. Accordingly, profit for the quarter and three months ended June 30, 2023 has been understated by Rs.8.70 million (previous year overstated by Rs. 320.49 million). As a result, borrowing as on reporting date, is understated by Rs. 402.81 million (previous year Rs. 411.51 million) with corresponding impact on retained earnings
		3	Management Assessment:
		(a)	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 7 and note 9 respectively to the Statement
		(b)	of recoverability of income tax assets of Rs. 1254.44 million (previous year - Rs. 1,245.68 million) as mentioned in note 12 on account of pending assessment of uncertain tax positions as per requirement of Appendix C of Ind AS 12 “Income Taxes”, tax assets arising out of merger of IL&FS Renewable Energy Limited with the Company, on-going tax litigations and pending tax assessments
		(c)	for non-conversion of Compulsorily Convertible Preference Shares having face value of Rs. 346.61 million (March 31, 2023-Rs. 346.61 million) into equity shares on due date of conversion as referred to in note 13 to the Statement
		(d)	for non-conversion of Fully Compulsorily Convertible Debentures having face value of Rs. 2,470.00 million (March

			31, 2023-Rs. 2,470.00 million) into fixed number of equity shares on due date of conversion as referred to in note 6 to the Statement
		4	<p>Material Uncertainty Related to Going Concern</p> <p>We draw attention to note 10 of the accompanying standalone financial statements which states that:</p> <p>(i) The Company has defaulted in repayment of interest and principal on the debt taken from related parties and others aggregating to Rs. 42,841.32 million and the said defaults are continuing till the date of this report where interest is booked upto October 15, 2018;</p> <p>(ii) As at June 30, 2023, the current liabilities of the Company exceeds the current assets by Rs.40,986.99 million .</p> <p>(iii) As at June 30, 2023, the Company has accumulated loss of Rs.92,108.07 million and its net-worth is fully eroded ;</p> <p>These situation indicates that a material uncertainty exists that may cast significant doubt on the Company’s ability to continue as a going concern. Consequently, we are unable to determine the Company’s ability to continue as a going concern.</p> <p>Our opinion on the Statement is not modified for the above matters.</p>
2	Type of Audit Qualification: Qualified Opinion / Disclaimer of opinion / Adverse Opinion		Qualified opinion
3	Frequency of qualification: Whether appeared first time / repetitive / since how long continuing		Continuing from previous years
4	For Audit Qualification(s) where the impact is quantified by the auditor, Management's Views:		Not applicable

5	For Audit Qualification(s) where the impact is not quantified by the auditor: (i) Management's estimation on the impact of audit qualification:			Not determinable
	ii) If management is unable to estimate the impact, reasons for the same			As detailed in notes to the financial results
6	Auditors' Comments on (i) or (ii) above:			Nil

For C N K & Associates LLP
Chartered Accountants
ICAI FRN 101961W/W-100036

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

Vijay Mehta
Partner
Membership No. 106533

Priya Prempal Shetty
Director
DIN: 08858814

C S Rajan
Director
DIN: 0126063

Kaushik Modak
Director
DIN: 01266560

Feby Koshy Bin Koshy
Chief Executive Officer

Ritendra Bhattacharjee
Chief Financial Officer

Date: 14-08-2023
Place: Mumbai

Independent Auditor's Review Report on the Quarterly Unaudited Financial Results of IL&FS Energy Development Company Limited pursuant to the Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended

To
The Board of Directors of
IL & FS Energy Development Company Limited

Qualified Opinion

We have reviewed the accompanying statement of unaudited financial results of IL&FS Energy Development Company Limited (the "Company") for the quarter ended June 30, 2023 (the "Statement"), attached herewith, being submitted by the Company pursuant to the requirement of Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").

In our opinion and to the best of our information and according to the explanations given to us, the Statement:

- i. is presented in accordance with the requirements of Regulation 52 of the Listing Regulations in this regard; and
- ii. except for the possible effects of the matters described in Basis for Qualified Opinion section of our report, gives a true and fair view in conformity with the recognition and measurement principals laid down in the applicable Indian accounting standards and other accounting principles generally accepted in India, of the net profit, other comprehensive income and other financial information for the quarter and three months ended June 30, 2023.

Basis for Qualified Opinion

1. As mentioned in note 10 to the Statement, non provision of interest expense amounting to Rs.145.77 million (March 31, 2023 - Rs. 137.30 million) on unpaid statutory dues relating to Tax Deducted at Source of and Goods and Service Tax liability;
2. We draw attention to Note 15 of the Statement, stating that value of amounts payable in foreign currency has been restricted to the liability in INR as crystalized on October 15, 2018 and not restated as at closing rate on reporting date as per reasons mentioned in the note. The same is not in compliance with Ind AS 21 – The effects of changes in Foreign Exchange Rates. Accordingly, profit for the quarter and three months ended June 30, 2023 has been understated by Rs.8.70 million (previous year overstated by Rs. 320.49 million). As a result, borrowing as on reporting date, is understated by Rs. 402.81 million (previous year Rs. 411.51 million) with corresponding impact on retained earnings.
3. Management assessment:
 - a) 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 7 and note 9 respectively to the Statement;

- b) of recoverability of income tax assets of Rs. 1,254.44 million (previous year - Rs. 1,245.68 million) as mentioned in note 12 on account of pending assessment of uncertain tax positions as per requirement of Appendix C of Ind AS 12 "Income Taxes", tax assets arising out of merger of IL&FS Renewable Energy Limited with the Company, on-going tax litigations and pending tax assessments;
- c) for non-conversion of Compulsorily Convertible Preference Shares having face value of Rs. 346.61 million (March 31, 2023-Rs. 346.61 million) into equity shares on due date of conversion as referred to in note 13 to the Statement;
- d) for non-conversion of Fully Compulsorily Convertible Debentures having face value of Rs. 2,470.00 million (March 31, 2023-Rs. 2,470.00 million) into fixed number of equity shares on due date of conversion as referred to in note 6 to the Statement.

We are unable to comment on the consequential effects of the above matters on the Statement.

Above matters were also qualified in our report on the standalone financial statements for the year ended March 31, 2023.

We conducted our review of the statement in accordance with the Standards on Review Engagements (SRE) 2410- "Review of Interim Financial Information performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the applicable Indian Accounting Standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Regulation 52 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 including the manner in which it is to be disclosed or that it contains any material misstatement.

Material Uncertainty Related to Going Concern

We draw attention to note 10 of the Statement which states that:

- i. The Company has defaulted in repayment of interest and principal on the debt taken from related parties and others aggregating to Rs. 42,841.32 million and the said defaults are continuing till the date of this report where interest is booked upto October 15, 2018;
- ii. As at June 30, 2023, the current liabilities of the Company exceeds the current assets by Rs.40,986.99 million;
- iii. As at June 30, 2023, the Company has accumulated loss of Rs.92,108.07 million and its net-worth is fully eroded;

These situation indicates that a material uncertainty exists that may cast significant doubt on the Company's ability to continue as a going concern. Consequently, we are unable to determine the Company's ability to continue as a going concern.

Our opinion on the Statement is not modified for the above matters.

Emphasis of Matters

1. We draw attention to our observation in above paragraph of 'Material uncertainty related to Going Concern' whereby, in spite of facts mentioned therein, the Statement are prepared on 'Going Concern' basis;
2. As mentioned in note 2 to the Statement, pursuant to National Company Law Appellate Tribunal (NCLAT) Order dated March 12, 2020 related to crystallization of claims as of cut-off date (i.e. October 15, 2018), no interest, additional interest, default interest, penal charges or other similar charges to be accrued after the cut-off date;
3. As stated in note 6 to the Statement, the Company is not in compliance with certain requirements / provisions of applicable laws and regulations as more fully stated in that note.

Pending final determination by management of the financial and other consequences arising from such non-compliances, no adjustments have been made to the Statement.

Our opinion is not modified in respect of these matters.

FOR C N K & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

Firm Registration Number: 101961W/W-100036

Vijay Mehta

Partner

Membership Number: 106533

UDIN: 23106533BGXNIR1298

Place: Mumbai

Date: August 14, 2023

Annexure – 2 – Disclosure pursuant to SEBI Circular No.: CIR/CFD/CMD/4/2015 dated: 09-09-2015

Sr.No	Particulars	Details
1	Reason for change viz.,	Appointment due to vacancy caused resignation of previous company secretary
2	Date of Appointment	14-08-2023
3	As applicable & terms of appointment	Not Applicable
4	Profile	Mr. Upadhyay (A23414) has over 15 years of experience in corporate secretarial field and he is associate member of The Institute of Company Secretaries of India. He is not related to any Director, Promoter or KMP of the Company