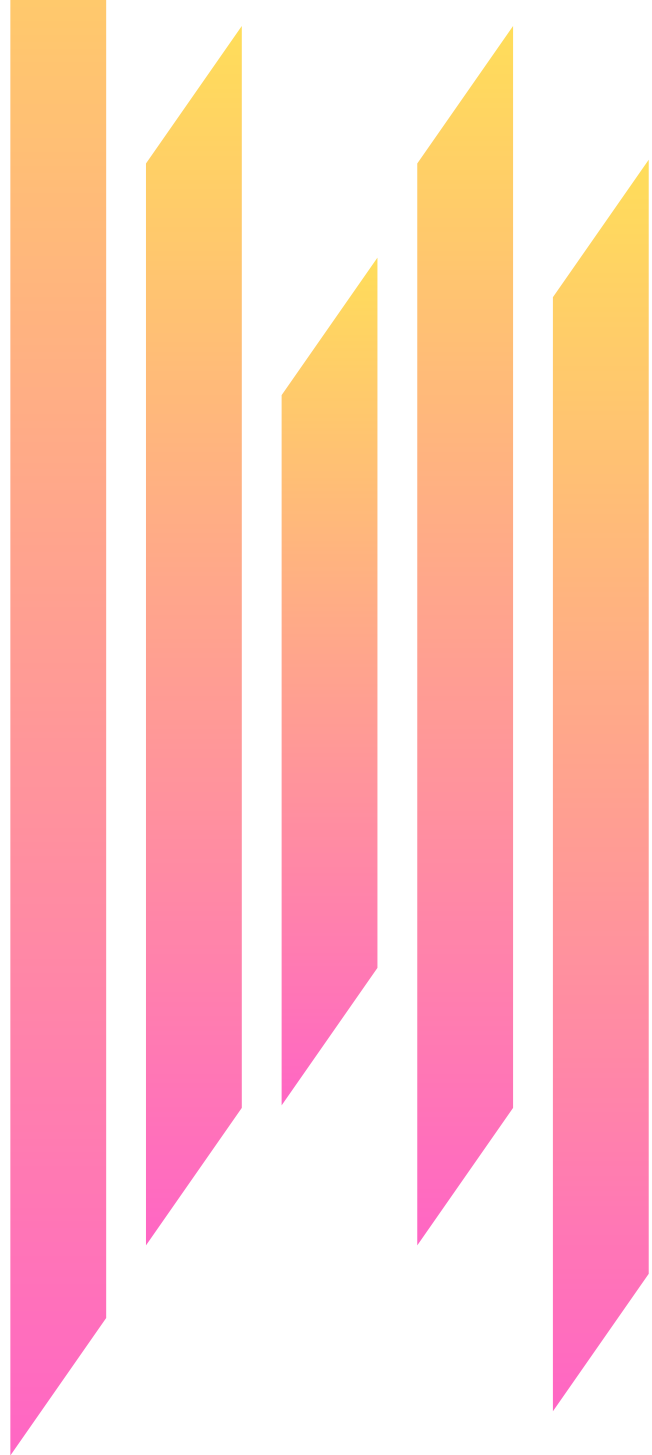




16TH ANNUAL REPORT 2022-2023

**IL&FS ENERGY DEVELOPMENT
COMPANY LIMITED**

CORPORATE INFORMATION

AUDITORS

M/s CNK & Associates LLP
Chartered Accountants

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
Unit # 101, First Floor, ABW Rectangle – 1,
Saket District Centre, Saket, New Delhi - 110017
Tel: 022 2653 3333 | Fax: 022 2653 3038 | Website: <https://www.ilfsenergy.com>
CIN U40300DL2007PLC163679

Board of Directors of the Company	
MR. GIRISH CHANDRA CHATURVEDI	Chairman and Director (Effective November 1, 2018, up to October 1, 2022)
MR. C S RAJAN	Director (Effective April 15, 2019)
MR KAUSHIK MODAK	Director (Effective December 16, 2020)
MS. PRIYA PREMPAL SHETTY	Additional Director (Effective October 1, 2022)
MR. FEBY KOSHY	Chief Executive Officer (Effective October 13, 2020)
MR RITENDRA BHATTACHARJEE	Chief Financial Officer (Effective from February 10, 2021)
MR DINESH SURYAKANT LADWA	Company Secretary & Compliance Officer (Effective October 26, 2021 to May 2, 2023)
MR DHAWAL VORA	Company Secretary & Compliance Officer (Effective May 30, 2023 to June 9, 2023)
MR N K UPADHYAY	Company Secretary & Compliance Officer (Effective August 14, 2023)

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IL&FS Energy Development Company Limited

CIN: U40300DL2007PLC163679

Registered Office: 101, First Floor, ABW Rectangle-1, Saket District Centre,
Saket, New Delhi -110017 (India), Website: www.ilfsenergy.com

NOTICE

Notice is hereby given that the 16th (Sixteenth) Annual General Meeting (AGM) at Shorter Notice of the Members of IL&FS Energy Development Company Limited (the “Company”) is scheduled to be held on (“Tuesday”) 26th, September 2023 at 10.30 a.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 Consolidated Financial Statements of the company for the year ended March 31, 2022, together with the Auditors thereon;
2. To receive, consider and adopt the Audited Stand-alone Financial Statements of the company for the year ended March 31, 2023, together with the Reports of the Board of Directors and the Auditors thereon.
3. To receive, consider and adopt the Audited Consolidated Financial Statements of the company for the year ended March 31, 2023, together with the Auditors thereon;
4. To appoint a director in place of Mr. C S Rajan (DIN: 00126063), who retires by rotation and being eligible offers his candidature for re-appointment.

SPECIAL BUSINESS**5. Ratification of remuneration of the Cost Auditors for FY 2023-24**

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 2023-24 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.

6. Regularization of Additional Director, Ms. Priya Prempal Shetty (DIN: 08858814) as Director of the Company

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

“RESOLVED THAT Ms. Priya Prempal Shetty (DIN: 08858814), who was appointed as an Additional Director of the Company by the Board of Directors terms of section as per 161(1) of the Companies Act, 2013 (the “Act”) with effect from October 1, 2022, who holds office up to the date of this Annual General Meeting and who is eligible for appointment and has consented to act as Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation.”

RESOLVED FURTHER THAT any of the Directors or the Chief Executive Officer, Chief Financial Officer or the Company Secretary be and are hereby individually authorized to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, proper, or desirable and to execute all documents and writings as may be necessary, proper, desirable or expedient to give effect to this resolution.”

By Order of the Board of Directors

For IL&FS Energy Development Company Limited

S/d
N K Upadhyay
Company Secretary

Registered Office:
101, First Floor, ABW Rectangle - 1,
Saket District Centre, Saket,
New Delhi -110017 (India),
CIN: U40300DL2007PLC163679

Date: September 6, 2023
Place: Mumbai

Notes:

The IL&FS Group has been facing capacity issues due to limited key employee resources 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.

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. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 ("the Act") with respect to Item no. 4,5 and 6 of the Notice is annexed hereto and forms part of this Notice.
2. The Register of Members of the Company shall remain closed from Friday, September 22, 2023, to Tuesday, September 26, 2023 (both days inclusive) for the purpose of AGM.
3. In view of the COVID-19 pandemic, the Ministry of Corporate Affairs, Government of India ("MCA") issued General Circular Nos. 14/2020, 17/2020, 20/2020, 02/2021, 19/2021, 21/2021, 2/2022 and 10/2022 dated April 8, 2020, April 13, 2020, May 5, 2020, January 13, 2021, December 8, 2021, December 14, 2021, May 5, 2022 and December 28, 2022, respectively, ("MCA Circulars") allowing, inter-alia, conducting of AGMs through Video Conferencing / Other Audio-Visual Means ("VC / OAVM") facility on or before September 30, 2023, in accordance with the requirements provided in paragraphs 3 and 4 of the MCA General Circular No. 20/2020.
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. 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 2023.
6. 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
7. Corporate Members are requested to send email at nishant.upadhyay@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.

8. 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.
9. 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

Topic: Notice of IL&FS Energy Development Company Limited IEDCL AGM

Time: September 26, 2023 10:30 AM India

Join Zoom Meeting

<https://zoom.us/j/98975776623?pwd=RkJOUUdiOVdJMytYckIyQVJYK2FQZz09>

Meeting ID: 989 7577 6623

Passcode: 0000

10. 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.
11. The members / authorised representatives can click on the link in the email and join the meeting.
12. Help-line number for assistance: 9923335666. 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.
13. Members can raise questions during the meeting or in advance at Nishant.Upadhyay@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.
14. 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 a 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 Nishant.Upadhyay@ilfsindia.com from their email ID registered with the Company / as mentioned in the resolution for corporate authorization received by the Company.
15. The Notice of AGM and Annual Report is 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 Nishant.Upadhyay@ilfsindia.com.
16. 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 Nishant.Upadhyay@ilfsindia.com

17. The Meeting shall be deemed to be held at the Registered office of the Company at 101, First Floor, ABW Rectangle - 1, Saket District Centre, Saket, New Delhi -110017 (India),
18. Since the AGM will be held through VC / OAVM, the route map to the venue is not annexed to this Notice.

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

Item No. 5: Remuneration to the Cost Auditors for FY 2023-24

Your Board of Directors basis the recommendation received from the Audit Committee has approved the appointment of M/s. ABK & Associates, Cost Accountants, Mumbai (Firm Registration Number 000036) has appointed as Cost Auditors of the Company to conduct the cost audit of the records of the Company for FY 2023-24 amounting to Rs.60,000/- (Rupees Sixty Thousand) plus taxes as applicable and reimbursement of out-of-pocket expenses if any.

Your Board recommends passing of the resolution at Item No. 5 as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel are interested in the said resolution.

Item No 6: Regularization of Additional Director, Ms. Priya Prempal Shetty (DIN: 08858814) as Director of the Company

Information on Directors seeking appointment/ re-appointment as required under Regulation 36(3) of the SEBI Listing Regulations:

Ms. Priya Prempal Shetty was appointed as an Additional Director w.e.f October 1, 2022, under the provisions of section 161(1) of the Companies Act, 2013, whose term is up to the ensuing Annual General Meeting of the Company. Your Board of Directors recommends the appointment of Ms. Priya Prempal Shetty as a Director of the Company liable to retire by rotation by passing of resolution at Item No. 6 as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel are interested in the said resolution.

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

N K Upadhyay
Company Secretary

Place: Mumbai
Date: September 6, 2023

Details of Director seeking appointment / reappointment / regularization at the Annual General Meeting. (Pursuant to Reg. 36(3) of SEB (LODR) Regulations, 2015)

Name	Chandra Shekar Rajan	Priya Prempal Shetty
DIN	00126063	08858814
Age	68 years	52 years
Educational Qualifications	IAS 1978 Batch	Masters in Management Studies from Mumbai University and Bachelor of Commerce from Mumbai University
Experience	Mr. Rajan is an IAS Officer of the 1978 Batch, who retired as a Chief Secretary, Govt. of Rajasthan. More than 40 years of experience in various capacities in Agriculture and Rural Development, Powers, Roads, Industries.	Ms. Shetty has over two decades of experience in Investment Banking.
Last Remuneration drawn	Not Applicable	Not Applicable
Terms and Conditions of appointment / reappointment	Non-Executive Director liable to retire by rotation	Non-Executive Director liable to retire by rotation
Number of Board Meetings attended during the year	Six	Three
Directorships held in other Companies	1.Kotak Mahindra Bank Limited 2.IL&FS Transportation Networks Limited 3.Infrastructure Leasing and Financial Services Limited 4.IL&FS Financial Services Limited 5.Roadstar Investment Managers Limited 6.Kotak Mahindra Prime Limited	1. IL&FS Investment Managers Limited 2. Saurya Urja Company of Rajasthan Limited 3. Gujarat Road and Infrastructure Company Limited 4. ISSL Settlement & Transaction Services Limited 5. IL&FS Cluster Development Initiative Limited 6. Skill Training Assessment Management Partners Limited
No. of Shares held in the Company	Nil	Nil

DIRECTOR'S REPORT

Dear Shareholders,

IL&FS Energy Development Company Limited (IEDCL)

Your Directors are pleased to present the 16th (Sixteenth) Boards' Report along with the Audited Financial Statements for the year ended March 31, 2023

FINANCIAL RESULTS:

For the year ended	Consolidated		Standalone	
	March 31, 2023	March 31, 2022	March 31, 2023	March 31, 2022
Total Income	28,542.35	28,100.88	554.78	683.79
Expenses	22,004.61	17,189.58	290.46	170.02
Profit/ (Loss) before Interest, Depreciation and Tax	8,679.73	13,142.06	269.19	529.82
Interest & Finance Charges	151.7	240.78	1.31	0.89
Profit Before Depreciation and Taxes	8,528.03	12,901.28	267.88	528.93
Depreciation and amortization expenses	1,990.29	1,989.98	3.56	15.16
Profit/ (Loss) Before Taxes from Continuing operations	6,537.74	10,911.3	264.32	513.77
Share of Loss/Profit from Associate/Joint Ventures	107.56	157.59		0
Provision for taxes	138.53	79.06	-0.31	0.68
Profit / (Loss) for the year (after tax) from continuing operations	6,506.77	10,989.83	264.63	513.09
Profit / (Loss) from Discontinued Operations after tax	165.39	50.75	6.41	63.33
Other comprehensive income	-11.36	5.58	0.59	1.54
Total Comprehensive Income for the year after Tax	6,660.8	11,046.16	271.63	577.96
Balance Profit/ (Loss) brought forward from Previous Year	-79,018.06	-87,460.91	-93,040.28	-93,616.70
Balance of OCI brought forward from Previous Year	0		1.69	0.15
Add: Profit / (loss) for the year	5,849.82	8,995.69	271.04	576.42
Add: other Comprehensive Income	-0.15	4.34	0.59	1.54
Restatement Impact		-557.18		

CIN: U40300DL2007PLC163679

Regd. Office: 101, First Floor, ABW Rectangle-1, Saket District Centre,
Saket, New Delhi -110017 (India)

Balance Profit/ (Loss) carried forward to Balance Sheet	-73,168.38	-79018.06	-92,769.24	-93,040.28

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, 2023.

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, 2023.

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, 2023, it stood at Rs.13,182,254,310/- divided into 1,283,564,664 fully paid-up equity shares of Rs.10 each and 34,660,767 fully paid-up 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 listed on BSE. In view of the moratorium, the Company has not serviced interest on the NCDs since October 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 months 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.

The IEDCL has successfully sold its Advisory Business to PTC India Limited during the year under review for Rs.14.90 Crores. Along with the Advisory Business, all employees who were associated with the Advisory Business were also transferred to the PTC India Limited.

During the year share purchase Agreement was executed between IEDCL, Ramagiri Renewable Energy Limited and Maithan Alloys Limited on June 04, 2022. Pursuant to NCLT approval dated June 10, 2022, the transfer was made effective on January 13, 2023.

During the year under review, IEDCL sold its entire shareholding in Urjankur Shree Tatyasaheb Kore Warana Power Company Limited. The transaction was executed on July 22, 2022.

During the year Second stage application was filed by Cuddalore Solar Power Limited (CSPL) with the Regional Director of MCA, Mumbai for winding up u/s 361 of the Companies Act, 2013. The Regional Director has issued an order dated March 31, 2023 appointing an Official Liquidator (OL) from the order date and the OL has been directed to proceed further with Summary Liquidation process of CSPL. Subsequently, the OL has taken over CSPL and handover of all documents & files to the OL has been completed.

During the year Mota Layja Gas Power Company Limited (MLGPCL) received 2nd Stage NCLT approval in June 20, 2022, wherein an IRP (Ms Prajakta Menezes) is appointed and the IRP has initiated further actions, as necessary. However, since the IRP could not undertake the resolution of the entity, the IRP filed an application with NCLT and hearing was conducted on July 17, 2023 for liquidation of the entity. The order of NCLT is reserved and appointment of the Liquidator is expected vide the same

During the year Nana Layja Power Company Limited (NLPCL) received the 2nd Stage NCLT approval in June 20, 2022 and an IRP was appointed. IRP could not take up the resolution and hence approached NCLT for liquidation. Subsequently, a liquidator (Mr Ramchandra Dallaram Choudhary) has been appointed by the NCLT and the liquidation is under process. Since there are possible recoveries from MLGPCL, the liquidator is awaiting for the same to proceed further.

MATERIAL DEVELOPMENTS POST MARCH 31, 2023

In accordance with the NCLAT approval dated May 31, 2022 towards interim distribution, and pursuant to the approval of the IEDCL Board as well as approval from the IL&FS board, the interim distribution was initiated by the Company in June 2023 as briefed below:

	<u>Creditor class</u>	<u>Total claims (Rs Cr) 15th Oct 2018</u>	<u>Interim Distribution (net of auto debit, buffers) (Rs Cr)</u>	<u>Distribution of lien marked FD amounts (other than Debenture holders) (Rs Cr)</u>	<u>Distribution to Debenture holders from lien marked FDs (Rs Cr)</u>	<u>Total (Rs Cr)</u>
<u>A</u>	<u>Secured Creditors</u>	<u>3,865.30</u>	<u>526.44</u>	<u>53.3</u>	<u>4.86</u>	<u>584.60</u>
<u>B</u>	<u>Unsecured Financial Creditors</u>	<u>2,056.30</u>	<u>1.3</u>	<u>=</u>	<u>-</u>	<u>1.30</u>

	<u>Creditor class</u>	<u>Total claims (Rs Cr) 15th Oct 2018</u>	<u>Interim Distribution (net of auto debit, buffers) (Rs Cr)</u>	<u>Distribution of lien marked FD amounts (other than Debenture holders) (Rs Cr)</u>	<u>Distribution to Debenture holders from lien marked FDs (Rs Cr)</u>	<u>Total (Rs Cr)</u>
<u>C</u>	<u>Government Dues</u>	<u>387.8</u>	-	-	-	<u>0.00</u>
<u>D</u>	<u>Operational Creditors</u>	<u>127.7</u>	-	-	-	<u>0.00</u>
<u>E</u>	<u>Other Creditors</u>	<u>25.7</u>	-	-	-	<u>0.00</u>
-	<u>Total</u>	<u>6,462.80</u>	<u>527.74</u>	<u>53.30</u>	<u>4.86</u>	<u>585.90</u>

DEVELOPMENTS IN RESOLUTION OF SUBSIDIARY COMPANIES:

- 1) **BPIPCL:** First stage approval of NCLT was received by Bihar Power Infrastructure Company Pvt. Ltd. (BPICPL) in October 2022. Subsequently second stage application was filed with NCLT, Kolkata on Dec 10, 2021, and hearings were held. During the last hearing held on January 6, 2023, the tribunal had asked to submit a short note on the factual matrix. Accordingly the said note was submitted by KCO before NCLT, Kolkata on January 16, 2023, and the matter is now reserved for orders
- 2) **ISPL:** First stage order of NCLT for IL&FS Solar Power Limited (ISPL) was obtained in October 2022. The Second Stage winding up petition u/s 271 (a) has been filed with NCLT, Mumbai on January 15, 2023, and the hearing for the same is awaited. There are technical defects pending to be cured due to NCLT registry system error. A praecipe has been filed pointing out the technical glitches in the re-filing portal. Regular follow-up is being done with the registry by the Legal Team

Prior to making first stage application with NCLT, ISPL had settled all class of its creditors subsisting as on December 31, 2019, as Embassy group made voluntary prepayment of its debt under a deferred payment agreement. IEDCL has received about Rs. 195 Cr towards loan settlement & operational credits, from ISPL
- 3) **JWEPL:** First stage order of NCLT for Jogihalli Wind Energy Private Limited (JWEPL) was obtained in October 2022. The Second Stage winding up petition u/s 271 (a) has been filed with NCLT, Mumbai on January 15, 2023, and the hearing for the same is awaited.
- 4) **SWEL:** First stage order of NCLT for Sipla Wind Energy Limited (SWEL) was received in October 2022. The second stage winding up petition u/s 271 (a) has been filed with NCLT, Mumbai on January 15, 2023, and the hearing for the same is awaited.
- 5) **PBPCL:** First stage order of NCLT for Patiala Bio Power Company Ltd (PBPCL) was obtained in October 2022. The second stage winding up petition u/s 271 (a) has been

filed with NCLT, Mumbai on February 10, 2023 and the hearing for the same is awaited. The first round of objections have been cleared

- 6) **MWEPL:** First stage order of NCLT for Mahidad Wind Energy Private limited (MWEPL) was issued in October 2022 and the second stage windup up petition under Section 10 of IBC has been filed with NCLT, Mumbai on March 2, 2023 and the first round of objections have been cleared. The hearing for the same is awaited.
- 7) **APPDCL:** First stage order of NCLT for Assam Power Project Development Company Limited (APPDCL) was issued in October 2022 and the second stage windup up petition u/s 361 of Companies Act, 2013 was filed before the Regional Director, Guwahati on February 22, 2023. The matter was heard on May 16, 2023 and ,the RD raised many queries with the local counsel. Subsequently, based on the clarifications sought by the local counsel, the RD directed APPDCL to issue an advertisement/paper publication about the winding up of the company. In the subsequent hearing the RD mentioned that the final order is ready, however, the same will be pronounced. The matter was next listed on 30 August 2023 for the pronouncement but RD was out of station on 30.08.2023 and therefore the matter is now fixed on 05.09.2023
- 8) **Maritime International Offshore Pte Ltd MIOPL (Foreign entity):** The NCLT order (1st stage) was received on Sept 23, 2022. Subsequently, the shareholder's approval has been obtained for filing of winding-up petition before the Singapore Court

The Engagement Letter has been finalised with a Singaporean Lawyer. The application for winding up is also finalised. The payment to the Singapore Lawyer being a foreign remittance and as it falls under FEMA guidelines, the Bank has obtained approval from RBI (approval has certain riders). Pursuant to the same the Bank has taken declaration from IEDCL on the various investigations which are currently underway. Bank is evaluating further and expected to disburse the funds to the Singaporean Lawyer shortly, post which the winding up actions will be initiated in Singapore in accordance with the law of the land.

- 9) **Vejas Power Projects Ltd (VPPL):** Interim distribution of Rs 94.97 Cr (entirely to IFIN) done in March 2023. The resolution of VPPL is contingent upon resolution of the debt availed by Wind World Wind Farms (MP) Private Limited (Borrower) amounting to Rs. 370 Cr including interest accrued (interest considered till Jan 31, 2023). Vaayu Infrastructure LLP (Vaayu) and Vishwind Infrastructure LLP (Vishwind) are corporate guarantors to the loan availed by the Borrower. Since the Borrower defaulted on repayment of the loan, revenue from power generation by the hypothecated assets of wind farms belonging to both the guarantors viz. Vaayu & Vishwind, to the tune of approx. 20 crores annually.

Though VPPL filed for Corporate Insolvency Resolution Process of Vaayu under Section 7 of the IBC 2016, the application was dismissed by NCLT and further the appeal of VPPL challenging the order was also rejected by NCLAT. Subsequently, considering the views of legal team and recommendation of A&M, it was decided by the GEC to appoint two Valuers and determine value the Financial Assets (revenue stream of hypothecated assets of Vaayu & Vishwind) of VPPL, which is underway currently. Post determining the value of the financial assets, process for sale of the

Financial Assets will be considered, and closure of the entity to be initiated subsequently.

- 10) **Rohtas Bio Energy Ltd (RBEL):** Interim distribution of Rs 8.45Cr (entirely to IFIN) done in March 2023. RBEL is expecting ~ Rs. 42 Cr of recovery from the loan provided to Jorabat Shillong Expressway Ltd (JSEL) upon its resolution. Also, RBEL is a creditor to VPPL, and hence, basis the potential sale of VPPL's financial assets, some recovery is expected by RBEL from VPPL as well. Closure activities of RBEL is contingent on the said recoveries and subsequent interim distribution.
- 11) **IL&FS Wind Energy Limited (IWEL):** This entity completed the sale of its 51% holding in seven wind SPVs to ORIX Corporation in Oct 2019 and received a consideration amounting to Rs 593 Cr. However, resolution of IWEL has been pending mainly on account of an appeal filed by one of its secured financial creditors (IDF) with Hon'ble Supreme Court.

Of late, NCLAT approved interim distribution of the funds available with IWEL. Accordingly the GEC decided to undertake LV determination of the entity as on cut-off date by following discounted cash-flow method for its subsidiaries and the valuation reports were received by end of June 2023. Subsequently, the interim distribution workings were carried out as per the SOP and final approval of IL&FS Board was received on July 20, 2023, for interim distribution of approx. Rs. 650 crores by IWEL (out of the total available fund of approx. Rs 668 crores including interest accrued of FDs). Out of the total Net Distribution Pool of Rs. 650 Cr, IFIN and IDF have been paid about Rs 253 Cr each (> 99% recovery) and IEDCL recovered about Rs 144 Cr (~ 45% recovery).

Considering the recovery of >99% through the interim distribution, IDF is expected to withdraw its appeal in the Hon'ble Supreme Court. Also, as IWEL doesn't have any other operations, it is proposed to take up the entity for closure and A&M is working on the modalities in this regard.

OPERATIONS:

As on March 31, 2023, Your Company's operating power generation portfolio stood at 1,200 MW (i.e. ITPCL 1,200 MW). In addition, Solar Parks aggregating to 1,300 MW have been developed in Joint Venture with Government of Rajasthan. The first solar park of 1,000 MW capacity is operational and the second 300 MW solar park is complete & handed over to a corporate client. On the transmission side 128 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. The total units generated during FY'22-23 was 2303 million units compared to 3094 million units during FY'21-22. The Plant Load Factor (PLF) was about 21.90% during FY'22-

23 compared to about 29.43% during FY'21-22. The technical plant availability during FY'22-23 was about 82.76%. Total revenue on a standalone basis during FY'22-23 was Rs. 2457 crores compared to Rs. 2703 crores during FY'21-22. Other income included in the above on a standalone basis for the year FY'22-23 was Rs. 114 crores. The Earnings Before Interest, Depreciation and Tax (before impairment loss & onetime expenses) was Rs 632 crores during FY'22-23 compared to Rs.1246 crores during FY'21-22. During FY'22-23, the Company earned profit before tax of Rs 420 crores compared to Rs. 1073 crores during FY'21-22.

(2) 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, Nepal Electricity Authority & Hydroelectricity Investment and Development Company Limited, 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 2023, the availability of both the India and the Nepal sections of the transmission line stood at around 100%. The total revenue of India SPV and Nepal SPV was approximately FY 2022-2023 Rs.330 million and FY 2021-2022 Rs.207 million respectively.

(3) Solar Business: Your Company has developed solar parks aggregating to 1,300 MW under Saurya Urja Company of Rajasthan Limited (SUCRL), 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), Adani Green (erstwhile Soft Bank Energy)(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.

The development of second of 300 MW solar park at Haphasar, Bikaner is complete and it has been handed over to a corporate client. During FY 2023, SUCRL's revenue was approximately Rs.359 million.

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 2022-23: Nil
- (2) The Companies that had ceased to be a Direct subsidiary during the FY 2022-23: 1
- (3) The Companies that had ceased to be a Direct subsidiary and became Indirect Subsidiary(ies) during FY 2022-23: Nil
- (4) The Companies that had ceased to be an Indirect Subsidiary during FY 2022-23: Nil
- (5) Companies which have become or ceased to be Joint Venture during the FY 2022-23: Nil
- (6) Companies which have become or ceased to become Associates during the FY 2022-23: 1

The Company has been facing capacity issues due lack of key employee resources 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, and extended timelines for finalizing and adopting audited financial statements.

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 (three) Directors namely, Mr. G C Chaturvedi (as Nominee Director), Mr Vineet Nayyar and Mr C. S. Rajan (as Nominee Director) on the Board of the Company.

Changes in the Board of Directors during the financial year 2022-2023.

Sr. No.	Director	Appointment / Resignation Date
1.	Mr. G C Chaturvedi	<i>Resigned w.e.f. October 1, 2022</i>
4.	Ms. Priya Prempal Shetty	<i>Appointed w.e.f. October 1, 2022</i>

Mr. C S Rajan, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer himself for re-appointment. The Board recommends his appointment as Director of the Company.

Ms. Priya Prempal Shetty, was appointed as an Additional Director of the Company in terms of provisions of section 161(1) of the Companies Act, 2013. The term of Ms. Priya Prempal Shetty is upto the ensuing Annual General Meeting of the Company and the Board recommends her appointed as Director liable to retire by rotation.

(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, 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 fees 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:

6 (Six) Board Meetings were held during the year under review (FY 2022-23), i.e., 15/07/2022, 02/09/2022, 22/09/2022, 10/11/2022, 14/11/2022 and 14/02/2023.

COMMITTEES OF THE COMPANY:

1. Statutory Committees of The Board:

(a) Audit Committee:

As of March 31, 2023 the Audit Committee of the Board of Directors of the Company comprises of Mr. Kaushik Modak, Chairman, Mr. C S Rajan and Ms. Priya Prempal Shetty.

Audit Committee Meeting was held on 02/09/2022, 22/09/2022, 10/11/2022, 14/11/2022 and 14/02/2023 in the 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"):

Consequent upon resignation of Mr. G C Chaturvedi, the NRC was reconstituted and Ms. Priya Prempal Shetty was made part of the NRC.

As of March 31, 2023 the Nomination Remuneration Committee comprises of Mr. C S Rajan, Mr Kaushik Modak and Ms. Priya Shetty.

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 26, 2019.

NRC Committee Meeting was held on 14/02/2023 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.

The CSR Committee was dissolved in light of accumulated losses in the Balance Sheet of the Company and the primary objective of the Company to work towards resolution as per the orders of Hon. NCLAT. Pursuant to the appointment of the New Board and mandate provided, the focus has been on the Resolution Framework.

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 Feby Koshy, Chief Executive Officer (effective October 13, 2020).
- Mr Ritendra Bhattacharjee, Chief Financial Officer from December 30, 2020
- Mr Dinesh Suryakant Ladwa, Company Secretary & Compliance officer of the Company (Resigned with effect from May 2, 2023)
- Mr. Dhawal Vora, Company Secretary & Compliance Officer of the Company (effective from May 30 , 2023)
- Mr. Dhawal Vora, Company Secretary & Compliance officer of the Company (Resigned with effect from June 09, 2023)
- Mr. Nishant Upadhyay, Company Secretary & Compliance Officer of the Company (effective from August 14, 2023)

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 notes 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 the 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.

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 2022-23, 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, 2023 stood at 13 (previous year 26).

The New Board placed on record it's 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 2022-23.

The Board has proposed re-appointment of M/s. ABK & Associates, Cost Accountants as cost auditors for FY 2023-24 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 2023-24 and the proposal to that effect has been included in the Notice of AGM

AUDITORS:

(1) STATUTORY AUDITORS:

M/s CNK & Associates, LLP Chartered Accountants term is till the conclusion of the Annual General Meeting to be held for FY 2026-27. The Statutory Auditors have issued qualified Audit Report for Standalone financial statements and on Consolidated Financial Statements.

The Management Representation on the qualifications / observations / remarks of Statutory Auditor pertaining to year ended March 31, 2023 on Standalone Financial Statements and Consolidated Financial Statements are as under:

Management Response to Auditor Qualification [Standalone Financial Statements FY 2022-2023]

Sl No	Auditor Qualification	Management Response
	Basis for Disclaimer of Opinion	
1	We draw attention to Note 57 to the accompanying standalone financial statements, 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 year ended March 31, 2023 has been overstated by Rs.320.49 million (previous year by Rs. 115.12 million). As a result, borrowing as on reporting date, is understated by Rs. 411.51 million (previous year Rs. 91.02 million) with corresponding impact on retained earnings	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 foreign currency variation has not been recognised subsequent to that.
2	As mentioned in note 39 to the	As a result of the events occurred

SI No	Auditor Qualification	Management Response
	accompanying standalone financial statements, the Company has made provision for impairment of financial assets (comprising of loans, receivables and investments) of Rs.170.50 million (previous year - Rs. 31.86 million) (net of reversal). Further, the Company has also recognised gain of Rs. 48.92 million (previous year - Rs.144.45 million) on the investments made in the joint ventures based on the net worth In the absence of audited financial statements of 8 subsidiary, 4 joint ventures and 3 other investee companies for the year ended March 31, 2023, 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 in its entirety	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 model in respect of loans and receivables. Further provision has been made in respect of the balance of loans, receivables and investments 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. The Company has the policy to recognize the investments in joint venture companies at fair value. However, as the entire group is

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Saket, New Delhi -110017 (India)

SI No	Auditor Qualification	Management Response
		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.
3	As mentioned in note 41 to the standalone financial statements, non provision of interest expense amounting to Rs.137.30 million (previous year - Rs. 101.01 million) on unpaid statutory dues relating to Tax Deducted at Source of and Goods and Service Tax liability	These statutory dues are for the period pre-Oct 2018. Hence, interest cost for period post 15th October 2018 has not been accounted as per NCLAT order(s).
4	Note 35 to the standalone financial statements, relating to contractual liabilities not accounted for, for the reasons stated in the said note. Pending the final assessment and determination of various claims received as stated in note we are unable to comment on the adjustments that may be required in this regard, to the standalone financial statements	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 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 August 18, 2022) 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

SI No	Auditor Qualification	Management Response
		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
5	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 38 and note 40 respectively to the accompanying standalone financial statements	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). 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

SI No	Auditor Qualification	Management Response
		these group entities is 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.
(b)	of recoverability of income tax assets of Rs. 1245.68 million (previous year - Rs. 1,198.48 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 "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	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.
(c)	for non-conversion of Compulsorily Convertible Preference Shares having face value of Rs. 346.61 million (previous year - Rs. 346.61 million) into equity shares on due date of conversion as referred to in note 16	As these preference shares were issued prior to 15th October 2018, being the cut-off date as per NCLT order, they will be settled as per outcome of the resolution process.
(d)	for non-conversion of Fully Compulsorily Convertible Debentures having face value of Rs. 2,470.00 million (previous year - Rs.2,470.00 million) into fixed number of equity shares on due date of conversion as referred to in note 17	As these debentures were issued prior to 15th October 2018, being the cut-off date as per NCLT order, they will be settled as per outcome of the resolution process. Further, legal opinion was also sought wherein it was opined that the Company in effect will be discharging its pre-October '18 liabilities by way of conversion of the FCCDs to equity shares. Thus there is a risk that other creditors of IEDCL may raise concern in this regard or require alternate options for discharge of their liabilities which may not be in line with the process established under the Resolution Framework. Based on the above opinion, it was decided not to proceed with the conversion of the FCCDs.
6	Material Uncertainty Related to Going Concern	Company and the IL&FS group, in general, are undergoing substantial

SI No	Auditor Qualification	Management Response
	We draw attention to note 18 and 44 of the accompanying standalone financial statements 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. 48,266.23 million and the said defaults are continuing till the date of this report where interest is booked up to October 15, 2018; (ii) As at March 31, 2023, the current liabilities of the Company exceeds the current assets by Rs.41,636.95 million; (iii) As at March 31, 2023, the Company has accumulated loss of Rs.92,769.24 million and its net-worth is fully eroded; These situations indicate 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.	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. The Company is in the process of monetizing its assets and the Company is committed to take necessary steps to meet its financial commitments to the extent possible. 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.
7	Emphasis of Matter	
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 standalone financial statements are prepared on 'Going Concern' basis;	Same as above Point No 5 above.
2	As mentioned in Note 2 to the standalone financial statements, 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,	Pursuant to NCLAT order(s), a moratorium is applicable on the IL&FS group of companies including the Company. Based on the same, no interest can be accrued after the cut-off date of 15 th October 2018.

SI No	Auditor Qualification	Management Response
	additional interest, default interest, penal charges or other similar charges to be accrued after the cut-off date;	
3	As stated in Note 37 to the accompanying standalone financial statements, 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 accompanying financial statements.	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. The Company intends to comply with the necessary requirements to the extent possible. 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.

Management Response to Auditor Qualification [Consolidated Financial Statements – FY 2022-2023]

Management Response to Auditor's qualification for CFS 2022-23

SI No	Auditor's Qualification / Emphasis of Matter	Management Response
1	We draw attention to Note 63 to the Consolidated Financial Statements, stating that value of amounts payable in foreign currency has been restricted to the liability in INR as crystallized 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,	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

Sl No	Auditor's Qualification / Emphasis of Matter	Management Response
	consolidated profit for the year ended March 31, 2023 has been overstated by Rs. 757.86 million (PY Rs. 268.60million). Also, borrowings and trade and other payables as on reporting date is understated by Rs. 411.51 million (PY Rs. 91.02 million) and Rs. 559.29 million (PY Rs. 121.92 million) respectively with corresponding impact on retained earnings	to the liability in INR as on October 15, 2018 and accordingly foreign currency variation has not been recognised subsequent to that.
2	As mentioned in note 38 of Consolidated Financial Statements, the Holding Company has made provision for impairment of financial assets (comprising of loans, receivables and investments) of Rs. 112.81 million (PY Rs. 26.57 million) (net of reversal). 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 in its entirety. Thus, we are unable to comment on the possible effects of the aforesaid on the Consolidated Financial Statements as at and for the year ended March 31, 2023.	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, 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 model in respect of loans and receivables. On this basis, further provision has been made in

Sl No	Auditor's Qualification / Emphasis of Matter	Management Response
		respect of the balance of loans, receivables and investments, aggregating arising from transactions up to September 30, 2018, except in respect of certain entities where security is available, and management expects realization of those securities. In view of the above, impairment provision made is prudent and represents the economic substance of the amounts recoverable.
3	As mentioned in note 39 to the Consolidated Financial Statements, Holding Company has made non provision of interest expense amounting to Rs.137.30 million (PY Rs. 101.01 million) on unpaid statutory dues relating to Tax Deducted at Source and Goods and Service Tax liability	These statutory dues are for the period pre Oct 2018. However, interest cost for period post 15th October 2018 has not been accounted as per NCLAT order(s).
4	Holding Company's Management assessment: (i) of recoverability of income tax assets of Rs.1,245.68 million (PY Rs. 1,198.48 million) 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 Holding Company, ongoing tax litigations and pending tax assessments and impact of matters related to qualified opinion; (ii) for non-conversion of Compulsorily Convertible Preference Shares having face	(i) Income tax assessment from Assessment Year FY 2011-12 to FY 2021-22 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. (ii) As these preference shares were issued prior to 15th October 2018, being the cut-off date as per NCLAT order, they will be settled as per outcome of the resolution process

Sl No	Auditor's Qualification / Emphasis of Matter	Management Response
	value of Rs. 346.61 million into equity shares on due date of conversion as referred to in note 17; (iii) 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 18.	(iii) As these debentures were issued prior to 15th October 2018, being the cut-off date as per NCLAT order, they will be settled as per outcome of the resolution process. Further, legal opinion was also sought wherein it was opined that the Company in effect will be discharging its pre-October '18 liabilities by way of conversion of the FCCDs to equity shares. Thus there is a risk that other creditors of IEDCL may raise concern in this regard or require alternate options for discharge of their liabilities which may not be in line with the process established under the Resolution Framework. Based on the above opinion, it was decided not to proceed with the conversion of the FCCD. (iv)
5	Note 5a to the Consolidated Financial Statements regarding determination of recoverable value, and provision of impairment of property, plant and equipment in the previous year by ITPCL. As discussed in that Note, any future changes to estimates, assumptions and dependencies on external factors, including inter alia the extension of power purchase agreement with the state electricity distribution company / entering into new revenue agreements, continued validity of the various assumptions made, consideration by management, may affect the	Every financial year the Company is carrying out the impairment assessment for the recoverable value of the property, plant and equipment as stipulated in the IND AS, accordingly the impairment provisions are accounted and carrying value of property, plant and equipment are adjusted.

SI No	Auditor's Qualification / Emphasis of Matter	Management Response
	recoverable value of the related assets and consequently the provision for impairment recorded by the ITPCL	
6	Note 35 to the Consolidated Financial Statements, relating to contractual liabilities not accounted for, by ITPCL for the reasons stated in the said note. In our opinion, ITPCL may be required to account for the liabilities aggregating Rs. 6,655.58 million as at March 31, 2023 (PY Rs.6,655.58 million). Further, pending the final assessment and determination of various claims received as stated in Note 35 we are unable to comment on the adjustments that may be required in this regard, to the Consolidated Financial Statements	Claims management exercise has been initiated by the New Board for IL&FS and its group companies including ITPCL. The details in relation to the same are available on the website of IL&FS - www.ilfsindia.com . In this regard, the creditors' claims management is undertaken by Grant Thornton (GT), the claims management consultant. The Creditor claims in respect of IL&FS have been invited, verified and admitted by M/s Grant Thornton, with a cut-off date of October 15, 2018 in line with NCLAT directions. This claims management process duly records the nature of security charge specific to each creditor. Adjustments if any arising out of this exercise shall be carried out after final reconciliation/implementation of debt resolution
	Material Uncertainty Related to Going Concern	
1	On the basis of audit reports on Standalone Financial Statements of the Holding Company and Respective Financial Statements as mentioned earlier of its material subsidiaries i.e. ITPCL and IWEL, we report as under: 1. Holding Company has defaulted in repayment of interest and principal on the debt taken from related parties and others aggregating to Rs. 43,904.48 million and the said defaults are continuing till the date of this	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.

SI No	Auditor's Qualification / Emphasis of Matter	Management Response
	report where interest is booked upto October 15, 2018. As at March 31, 2023, the current liabilities of the Holding Company exceeds the current assets by Rs. 41,636.95 million. Further, it has accumulated loss of Rs. 92,769.24 million and its net-worth is fully eroded;; 2. As at March 31, 2023, though the consolidated net worth of ITPCL group as on March 31, 2023 is Rs. 19,403.62 million, if the non-provision of finance cost estimated to Rs. 39,250.04 million is considered till the reporting date, the net worth would be negative Rs. 19,846.42 million. As reported in the said note ITPCL has defaulted on payments of borrowings. Further the current liabilities of the ITPCL Group aggregating to Rs. 95,107.27 million exceed the current assets aggregating to Rs. 45,577.67 million; 3. As at March 31, 2023, current liabilities of IWEL exceeds current assets by Rs. 1,852.62 million for which there is no clarity on how the said liabilities would be met. Further, IWEL has defaulted in repayment of interest and principal on the debt taken from related parties and others aggregating to Rs. 5,079.20 million and the said defaults are continuing till the date of this report. As stated in Note 2 of the	

SI No	Auditor's Qualification / Emphasis of Matter	Management Response
	Consolidated Financial Statements, the distribution framework as per the revised resolution process approved by the NCLAT vide its order dated March 12, 2020 has been challenged by one the company's lender in the Hon'ble Supreme Court of India; These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a 'going concern'	
	Emphasis of Matter	
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 Consolidated Financial Statements are prepared on 'Going Concern' basis.	As mentioned above, 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.
2	As mentioned in: (i) Note 2 to the Consolidated Financial Statements, wherein it is stated that 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 for loans from banks and debentures, and October 31 2018 for cash credit accounts), no interest, additional	(i) Interest cost for period post 15th October 2018 has not been accounted as per NCLAT order(s).

SI No	Auditor's Qualification / Emphasis of Matter	Management Response
	interest, default interest, penal charges or other similar charges to be accrued after the cutoff date; (ii) As stated in Note 37 to the Consolidated Financial Statements, the Group 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 of Chief Executive Officer, non-preparation of Consolidated Financial Statements within the timeframe as required under the Companies Act, 2013, etc. Further in case of ITPCL there is non-compliance of certain loan covenants. Pending final determination by management of the financial and other consequences arising from such non-compliances, no adjustments have been made to the Consolidated Financial Statements (iii) Attention is drawn to Note 43 to the Consolidated Financial	(ii) The Company was not in compliance with certain provisions / requirements of applicable laws and regulations. These include certain requirements of Companies Act, 2013, listing agreement entered into with the stock exchange, and GST Act as applicable to the Company. Where the management has identified any noncompliance subsequent to September 30, 2018, these have been reported or are in the process of being reported to the relevant regulator, and the Company intends to comply with the necessary requirements or further directions at the earliest. The Management is in the process of evaluating the financial and other consequences arising from such non-compliance and of making a comprehensive assessment of other non-compliances, to determine their financials, operating or other consequences (iii) The difference represents additional / penal interest charged by various banks in the consortium, which were not payable by ITPCL as a consequence of the moratorium

SI No	Auditor's Qualification / Emphasis of Matter	Management Response
	Statements, wherein it is stated that for reasons stated in that note, ITPCL has not recorded the net difference of Rs. 30,478.10 million as of March 31, 2023 (PY Rs. 19,172.40 million) between balances as per books of ITPCL and as per bank and financial institutions in respect of loans from banks and financial institutions Pending final determination by management of the financial and other consequences arising from such non-compliances, no adjustments have been made to the accompanying Consolidated Financial Statements	granted by Hon'ble NCLAT. Accordingly, ITPCL did not accepted / admitted the same A couple of lenders (Banks/ FIs) did not send the confirmation directly to the auditors. In spite of repeated follow up there was no response from the two lenders for sending direct confirmation to the auditors. In view of this, their Loan Statements were relied upon with respect to the loan balances

Management Response to Auditor Qualification [Consolidated Financial Statements – FY 2021-2022]

Sr No	Auditor's Qualification / Emphasis of Matter	Management Response
1	As mentioned in note 42 of Consolidated Financial Statements, the Holding Company has made provision for impairment of financial assets (comprising of loans, receivables and investments) of Rs. 26.57 million (net of reversal). 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	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.

Sr No	Auditor's Qualification / Emphasis of Matter	Management Response
	relevant Ind AS in its entirety. Thus, we are unable to comment on the possible effects of the aforesaid on the accompanying Consolidated Financial Statements as at and for the year ended March 31, 2022.	Management, in consultation with the New Board, 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 model in respect of loans and receivables. On this basis, further provision has been made in respect of the balance of loans, receivables and investments, aggregating arising from transactions up to September 30, 2018, except in respect of certain entities where security is available, and management expects realization of those securities. In view of the above, impairment provision made is prudent and represents the economic substance of the amounts recoverable.
2	As mentioned in note 43 to the Consolidated Financial Statements, non-provision of interest expense amounting to Rs.101.01 million on unpaid statutory dues relating to Tax Deducted at Source and Goods and Service Tax liability	These statutory dues are for the period pre Oct 2018. However, interest cost for period post 15th October 2018 has not been accounted as per NCLAT order(s).
3	Holding Company's Management assessment: (iv) of recoverability of income tax assets of Rs.1,198.48 million as mentioned in note 14 on account of pending assessment of uncertain tax positions as per requirement of Appendix C of Ind AS 12 "Income Taxes", tax	(v) Income tax assessment from Assessment Year FY 2011-12 to FY 2020-21 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

Sr No	Auditor's Qualification / Emphasis of Matter	Management Response
	assets arising out of merger of IL&FS Renewable Energy Limited with the Holding Company, on-going tax litigations and pending tax assessments and impact of matters related to qualified opinion; (v) for non-conversion of Compulsorily Convertible Preference Shares having face value of Rs. 346.61 million into equity shares on due date of conversion as referred to in note 17; (vi) 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 18. (vii) 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 note 5b and compliance with the requirement of Ind AS 105 'Non-Current Assets Held for Sale and Discontinued	other Assessment years. (vi) As these preference shares were issued prior to 15th October 2018, being the cut-off date as per NCLAT order, they will be settled as per outcome of the resolution process (vii) As these debentures were issued prior to 15th October 2018, being the cut-off date as per NCLAT order, they will be settled as per outcome of the resolution process. Further, legal opinion was also sought wherein it was opined that the Company in effect will be discharging its pre-October '18 liabilities by way of conversion of the FCCDs to equity shares. Thus there is a risk that other creditors of IEDCL may raise concern in this regard or require alternate options for discharge of their liabilities which may not be in line with the process established under the Resolution Framework. Based on the above opinion, it was decided not to proceed with the conversion of the FCCD. (viii) As the company was 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 taken on lease for the said division, cannot be ascertained

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Sr No	Auditor's Qualification / Emphasis of Matter	Management Response
	Operations.	
	Note 5a to the Consolidated Financial Statements regarding determination of recoverable value, and provision of impairment of property, plant and equipment in the previous year by IL&FS Tamil Nadu Power Company Limited (ITPCL). As discussed in that Note, any future changes to estimates, assumptions and dependencies on external factors, including inter alia the extension of power purchase agreement with the state electricity distribution company / entering into new revenue agreements, continued validity of the various assumptions made, consideration by management, may affect the recoverable value of the related assets and consequently the provision for impairment recorded by the ITPCL	Every financial year the Company is carrying out the impairment assessment for the recoverable value of the property, plant and equipment as stipulated in the IND AS, accordingly the impairment provisions are accounted and carrying value of property, plant and equipment are adjusted.
	Note 38 to the Consolidated Financial Statements, relating to contractual liabilities not accounted for, by ITPCL for the reasons stated in the said note. In our opinion, ITPCL may be required to account for the liabilities aggregating Rs. 6,655.58 million as at March 31, 2022 (PY Rs.5,461.85 million). Further, pending the final assessment and determination of various claims received as stated in Note 38 we are unable to comment on the adjustments that may be required in this regard, to the Consolidated Financial Statements.	In accordance with the NCLAT order ITPCL did not accounted for interest on debt / dues to the creditors post the cut-off date of 15 October 2018 up to 31March 2021. This will be accounted basis the approval of restructuring plan filed with Honorable NCLAT and the same is shown as contingent liability in the financial books. Claims management exercise has been initiated by the New Board for IL&FS and its group companies including ITPCL. The details in relation to the same are available on the website of IL&FS - www.ilfsindia.com. In this regard, the creditors' claims management is undertaken by Grant Thornton (GT), the claims management consultant. The Creditor claims in respect of IL&FS have been invited, verified and admitted by M/s Grant Thornton, with a cut-off date of October 15, 2018 in line with NCLAT directions. This claims management process duly records the nature of security charge specific to each creditor. Adjustments if any arising out of

Sr No	Auditor's Qualification / Emphasis of Matter	Management Response
		this exercise shall be carried out after final reconciliation
	Material Uncertainty Related to Going Concern	
	On the basis of audit reports on Standalone Financial Statements of the Holding Company and Respective Financial Statements as mentioned earlier of its material subsidiaries i.e. ITPCL and IWEL, we report as under: 4. Holding Company has defaulted in repayment of interest and principal on the debt taken from related parties and others aggregating to Rs.43,962.60 million and the said defaults are continuing till the date of this report where interest is booked upto October 15, 2018. As at March 31, 2022, the current liabilities of the Holding Company aggregating to Rs.41,744.75 million exceed the current assets. Further has accumulated loss of Rs.93,131.30 million and its net-worth is fully eroded; 5. As at March 31, 2022, though the consolidated net worth of ITPCL group as on March 31, 2022 is Rs. 15,586.58 million, if the non-provision of finance cost estimated to Rs.28,818.12 million is considered till the reporting date, the net worth would be negative Rs. 23,257.26 million. As reported in the said note ITPCL has defaulted on payments of borrowings. Further the current liabilities of the ITPCL Group aggregating to Rs. 43,620.44 million exceed the current assets aggregating to Rs. 37,973.83 million; 6. As at March 31, 2022, current	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.

Sr No	Auditor's Qualification / Emphasis of Matter	Management Response
	liabilities of IWEL exceeds current assets by Rs. 2,075.11 million for which there is no clarity on how the said liabilities would be met. Further IWEL, has defaulted in repayment of interest and principal on the debt taken from related parties and others aggregating to Rs. 5,079.20 million and the said defaults are continuing till the date of this report. As stated in Note 2.1 (a) of the accompanying Consolidated Financial Statements, the distribution framework as per the revised resolution process approved by the NCLAT vide its order dated March 12, 2020 has been challenged by one of the company's lender in the Hon'ble Supreme Court of India; These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a 'going concern'	
	Emphasis of Matter	
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 Consolidated Financial Statements are prepared on 'Going Concern' basis.	As mentioned above, 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.
2	As mentioned in: (iv) Note 41 to the accompanying Consolidated Financial Statements, one of the lenders of the Holding Company has initiated forensic audit of the Holding Company for the period from September 1, 2013 to March	(iv) One of the lender banks of the Company, 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 submitted its report to the lender and no

Sr No	Auditor's Qualification / Emphasis of Matter	Management Response
	31, 2020; (v) Note 38 to the accompanying Consolidated Financial Statements, management of the Holding Company and respective subsidiaries is in the process of compiling, reconciling and finalizing claims with its books of account in accordance with the Resolution Framework;	communication has been received by the Company from the lender. Pending final outcome of above report no adjustments were made to the standalone Ind-AS financial statements in this regard. Also refer Note 54 for contingent liability disclosures. (v) 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 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 August 18, 2022) to the 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

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Sr No	Auditor's Qualification / Emphasis of Matter	Management Response
	(vi) Note 39 to the accompanying Consolidated Financial Statements, there are ongoing investigations by various regulatory authorities and agencies on IL&FS and its fellow subsidiaries; vii) As mentioned in Note 2 to the accompanying Consolidated Financial Statements, wherein it is stated that 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 for loans from banks and debentures, and October 31 2018 for cash credit accounts), no interest, additional interest, default interest, penal charges or other similar charges to be accrued after the cut-off date; viii) Note 36, relating to the regulatory order for re-opening of books of accounts and recasting of financial statements of certain groups companies, and note 37, relating to the forensic investigation process initiated but not yet concluded in respect of entities in the group, including the Holding Company, possible consequential effects of which on the Consolidated Financial Statements cannot be determined as of even date.	possible obligations that would need to be recognised by the Company as liabilities. (vi) There are ongoing investigation by various regulatory authorities on holding company and its subsidiaries. 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. Once the matters are concluded, the Company will make the required adjustments as necessary. vii) Interest cost for period post 15th October 2018 has not been accounted as per NCLAT order(s). viii) 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 five financial years between 2013-14 to 2017-18 of the ultimate 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.

Sr No	Auditor's Qualification / Emphasis of Matter	Management Response
	(ix) As stated in Note 40 to the accompanying Consolidated Financial Statements, the Group 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, non-appointment of Chief Financial Officer and internal auditors, non-preparation of Consolidated Financial Statements within the timeframe as required under the Companies Act, 2013, non-payment of GST liability, non-registration as non-banking finance company under Section 45-IA of Reserve Bank of India Act, 1934, etc. Further in case of ITPCL there is non-compliance	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 were not determinable at this stage. 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. (ix) The Company was not in compliance with certain provisions / requirements of applicable laws and regulations. These include certain requirements of Companies Act, 2013, listing agreement entered into with the stock exchange, and GST Act as applicable to the Company. Where the management has identified any noncompliance subsequent to September 30, 2018, these have been reported or are in the process of being reported to the relevant regulator, and the Company intends to comply with the necessary requirements or further directions at the earliest. The Management is in the process of evaluating the financial and other consequences arising from such non-compliance and of making a comprehensive assessment of other non-compliances, to determine their financials, operating or other consequences

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Sr No	Auditor's Qualification / Emphasis of Matter	Management Response
	of certain loan covenants. (x) Attention is drawn to Note 49 to the accompanying Consolidated Financial Statements, wherein it is stated that for reasons stated in that note, ITPCL has not recorded the net difference of Rs. 19,172.40 million as of March 31, 2022 (previous year Rs. 13,985.45 million) between balances as per books of ITPCL and as per bank and financial institutions in respect of loans from banks and financial institutions Pending final determination by management of the financial and other consequences arising from such non-compliances, no adjustments have been made to the accompanying Consolidated Financial Statements.	(x) The difference represents additional / penal interest charged by various banks in the consortium, which were not payable by ITPCL as a consequence of the moratorium granted by Hon'ble NCLAT. Accordingly, ITPCL did not accepted / admitted the same A couple of lenders (Banks/ FIs) did not send the confirmation directly to the auditors. In spite of repeated follow up there was no response from the two lenders for sending direct confirmation to the auditors. In view of this, their Loan Statements were relied upon with respect to the loan balances

(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 2022-23. The Report of the Secretarial Auditor is annexed as Annexure IV to this Report.

The Management Representation on the qualifications / observations / remarks of Statutory Auditor pertaining to year ended March 31, 2023 are as under:

Management Response to Secretarial Auditor's Qualifications

Qualification	Management Responses

a) The Company has defaulted on the re-payment of loans and interest on its borrowing obligations during the financial year 2022-2023	Hon'ble NCLT, Mumbai suspended the erstwhile board of directors of IL&FS on October 1, 2018 and New Board of Directors were appointed for managing the affairs of IL&FS and its group companies (including IEDCL). Further, the Hon'ble NCLAT passed a Moratorium Order and also approved a Resolution Framework for resolution of IL&FS and its group companies. In accordance with the NCLAT orders and under the guidance of the New Board, resolution process of the Company is underway.
b)The Company has not disclosed to stock exchange regarding maintenance of 100% asset cover to discharge the principal payment at all times for the non-convertible debt securities issued as required under Regulation 54 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015	Refer response to Qualification (a) above. Further, the New Board of Directors will ensure the requisite process, as directed under the orders passed by NCLT/ NCLAT, as necessary. Also, the Company has made its submissions to Bombay Stock Exchange (BSE), citing the reasons for the non-compliance under Regulation 54 of SEBI (Listing Obligation and disclosure requirement)
c) The Company has not filed Half Yearly certificate from Statutory Auditor regarding maintenance of 100% asset cover to the stock exchange as required in the regulation 56 of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015	Refer response to Qualification (a) above. Further, the New Board of Directors will ensure the requisite process, as directed under the orders passed by NCLT/ NCLAT, as necessary. Also, the Company has made its submissions to Bombay Stock Exchange (BSE), citing the reasons for the non-compliances of SEBI (Listing Obligation and disclosure requirement) Regulations, 2015
d) The Company has not taken or reviewed credit rating by the credit rating agency as required under regulation 55 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015	Refer response to Qualification (a) above. Since the IL&FS group (including the Company) is in resolution as per the orders of NCLT/NCLAT, the Company has not taken or required to take / reviewed credit rating by the credit rating agency as required under regulation 55 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
e) The Company has filed Form MGT-14 towards passing of resolution vide its Board Meeting held on	This occurred due to clerical mistake.

20.09.2022 instead of 22.09.2022	
f) The Company has not filed the quarterly Compliance Certificate on Structural Digital Database (SDD) as required Regulation 3(5) and 3(6) of the SEBI (Prohibition on Insider Trading) Regulations, 2015	Company is in process making a representation with SEBI for exemption from compliance requirement of Regulation 3(5) and 3(6) of the SEBI (Prohibition on Insider Trading) Regulations, 2015
g) The Company has not maintained a functional website as required under Regulation 62 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015	Company has complied with this requirement in second quarter of the current financial year.

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, 2022 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 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**

CHANDRA
SHEKHAR
RAJAN

Digitally signed by
CHANDRA SHEKHAR
RAJAN
Date: 2023.09.06 17:02:21
+05'30'

Chandra Shekhar Rajan
Director
DIN 00126063

KAUSHIK
MODAK

Digitally signed by
KAUSHIK MODAK
Date: 2023.09.06
15:21:08 +05'30'

Kaushik Modak
Director
DIN 01266560

PRIYA PREMPAL
SHETTY

Digitally signed by PRIYA
PREMPAL SHETTY
Date: 2023.09.06
14:33:41 +05'30'

Priya Prempal Shetty
Director
DIN: 08858814

Place: Mumbai
Date : September 6, 2023

Annexure- I

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on Financial Year ended on March 31, 2023
[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	Unit # 101, First Floor, ABW Rectangle – 1, Saket District Centre, Saket, New Delhi - 110017 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 (under liquidation since 19.06.2022)	U40103GJ2010PLC062968	Subsidiary Company	100	Section 2(87)
3	Mota Layja Gas Power Company Limited (under liquidation since 19.06.2022)	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)

Sl. No.	Name & address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
6	IL&FS Tamil Nadu Power Company Limited	U72200TN2006PLC060330	Subsidiary Company	80.31	Section 2(87)
7	Cuddalore Solar Power Private Limited (under liquidation since 30.03.2023)	U40300MH2012PTC237302	Subsidiary Company	74	Section 2(87)
8	Shendra Green Energy Ltd	U40100MH2005PLC151412	Subsidiary Company	100	Section 2(87)
9	Jogihali Wind Energy Private Limited	U74900MH2014PTC255989	Subsidiary Company	100	Section 2(87)
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)

Sl. No.	Name & address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
15	IL&FS Solar Power Limited	U40300MH2010PLC207073	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) [Currently under Liquidation]	U45206BR2008PTC013348	Joint venture	50	Section 2(6)
2	Assam Power Project Development Company Limited (APPDCL)	U40102AS2007PLC008471	Joint venture	50	Section 2(6)

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3	Cross Border Power Transmission Company Limited (CPTC)	U40102DL2006PLC156738	Associate	38	Section 2(6)
5	Saurya Urja Company of Rajasthan Limited (SURAJ)	U40104RJ2015PLC047322	Joint venture	50	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, 2022				No. of Shares held at the end of the year As on March 31, 2023				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	-	-	-	-	-	-	-	-	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1173426458	6	1173426464	91.42	1173426458	6	1173426464	91.42	Nil
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	Nil
Total shareholding of Promoter (A) (1)	1173426458	6	1173426464	91.42	1173426458	6	1173426464	91.42	Nil
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-

c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2) :-	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	1173426458	6	1173426464	91.42	1173426458	6	1173426464	91.42	Nil
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	4797359	-	4797359	0.37%	4797359	-	4797359	0.37%	No Change
ii) Overseas	10259773		10259773	0.80%	10259773		10259773	0.80%	No Change
b) Individuals									
i) Individual shareholders holding nominal share capital									

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up to Rs. 1 lakh									
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	715336		715336	0.06%	715336		715336	0.06%	No Change
c) Others Individual Foreign shareholder	8365732		8365732	0.65%	8365732		8365732	0.65%	No Change
Others (IL & FS Employees Welfare Trust)	86000000	--	86000000	6.70%	86000000	--	86000000	6.70%	No Change
Sub-total (B)(2):-									
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, 2022)			Shareholding at the end of the year (as on March 31, 2023)			% 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 Shareholder	Shareholding at the beginning of the year (01/04/2022)		Date	Reason	Increase/ Decrease in Shareholding No of Shares	Cumulative Shareholding during the year		At the End of the Financial Year (31/03/ 2023)
	No. of shares	% of total shares of the company				No.	% 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		Increase / Decrease	Cumulative Shareholding during the Year		Shareholding at the beginning of the year
		(01/04/2022)		(date and reason)			(31/03/2023)
		No. of shares	% of total shares of the company	-	No. of shares	% of total shares of the	
1	C S Rajan, Malini Shankar, Kaushik Modak (IL&FS Employee Trust)	86,000,000	6.70	No effect in shareholding	86,000,000	6.70	86,000,000
2	Bay Capital Investments Ltd	10,259,773	0.80	No effect in shareholding	10,259,773	0.80	10,259,773
3	Deepak Mawandia	6,196,966	0.48	No effect in shareholding	6,196,966	0.48	6,196,966
4	Backbay Equity Partners LLP	2,468,226	0.19	No effect in shareholding	2,468,226	0.19	2,468,226
5	7K Investments LLC	1,971,461	0.15	No effect in shareholding	1,971,461	0.15	1,971,461

6	Walid Hasan Kattan	1,971,461	0.15	No effect in shareholding	1,971,461	0.15	1,971,461
7	Bhagirath Chandulal Arya	357,670	0.03	No effect in shareholding	357,670	0.03	357,670
8	Avisha D Harilela	197,305	0.02	No effect in shareholding	197,305	0.02	197,305
9	SCIL Capital India Private Limited	178,838	0.01	No effect in shareholding	178,838	0.01	178,838
10	Echjay Industries Private Limited	178,834	0.01	No effect in shareholding	178,834	0.01	178,834

(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 increase /decrease	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	No. of shares	% of total shares of the company
NIL								

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

Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the Beginning of the Financial Year				
i) Principal Amount	28,237,604,963	17,54,26,45,859		45,78,02,50,822
ii) Interest due but not paid				-
iii) Interest accrued but not due	1,10,53,47,274	74,64,67,968		1,85,18,15,242
Total (i+ii+iii)	29,34,29,52,237	18,28,91,13,828	-	47,63,20,66,064
Change in Indebtedness (principal) During the Financial Year				
* Addition	32,90,1,838	-	-	32,90,1,838
* Reduction	13,39,004	-		13,39,004
Net Change	31,56,28,34	-	-	31,56,28,34
Indebtedness at the End of the Financial Year				
i) Principal Amount	28,269,167,797	17,54,26,45,859		45,811,813,656
ii) Interest due but not paid				-
iii) Interest accrued but not due	1,10,53,47,274	74,64,67,968		1,85,18,15,242
Total (i+ii+iii)	29,374,515,071	18,28,91,13,828	-	47,663,628,898

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)	-	-	-	-

Sl. No.	Name of the Director	Particulars of Remuneration			Total Amount
		Fee for attending Board/ Committee Meetings	Commission	Others	
2	Other Non-Executive Directors:				
	Mr G C Chaturvedi (Upto October 1, 2022)	1,05,000	-	-	1,05,000
	Mr C S Rajan	3,10,000	-	-	3,10,000
	Mr Kaushik Modak	3,10,000			3,10,000
	Ms Priya Prempal Shetty (From October 1, 2022)	2,05,000	-	-	2,05,000
	Sub-total (2)	9,30,000	-	-	9,30,000
	Total =(1+2)	9,30,000			9,30,000
	Total Managerial Remuneration	9,30,000	-	-	9,30,000

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

(In Rs. Million)				
Sl. No.	Particulars of Remuneration	Mr Feby Koshy	Mr Ritendra Bhattacharjee	Mr. Dinesh Ladwa
		CEO	CFO	CS
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	10.41	5.41	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.13	0.01	-
	(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	-	-	1.88
	Total	10.54	5.42	1.88

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	Nil	Nil	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**

CHANDRA
 SHEKHAR RAJAN
 Digitally signed by CHANDRA SHEKHAR RAJAN
Date: 2023.09.06 17:03:07
+05'30'

Chandra Shekhar Rajan
Director
DIN 00126063

PRIYA PREMPAL
 SHETTY
 Digitally signed by PRIYA PREMPAL SHETTY
Date: 2023.09.06 16:45:31
+05'30'

Priya Prempal Shetty
Director
DIN: 08858814

KAUSHIK
 MODAK
 Digitally signed by KAUSHIK MODAK
Date: 2023.09.06
15:21:59 +05'30'

Kaushik Modak
Director
DIN 01266560

Place: Mumbai
Date : September 6, 2023

Annexure- II

FORM NO. AOC.2

FY 2022-2023

(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 arm's 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:	Approval /Noting
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	Infrastructure Leasing & Financial Services Ltd.	One Year	Rent	10.05	15.07.22	Nil	Approved
2	Infrastructure Leasing & Financial Services Ltd.	Completed/As and when required	Reimbursement of Expenses	0.02		Nil	Approved
3	IL&FS Tamil Nadu Power Company Limited	Completed/As and when required	Reimbursement of Expenses	0.48		Nil	Approved
4	Cuddalore Solar Power Limited	Completed/As and when required	Reimbursement of Expenses	0.16		Nil	Approved

5	Mahidad Wind Energy Private Limited	Completed/As and when required	Reimbursement of Expenses	0.44		Nil	Approved
6	Shendra Green Energy Limited	Completed/As and when required	Reimbursement of Expenses	3.37		Nil	Approved
7	Nana Layja Power Company Limited	Completed/As and when required	Reimbursement of Expenses	1.20		Nil	Approved
8	Jogihali Wind Energy Private Limited	Completed/As and when required	Reimbursement of Expenses	0.06		Nil	Approved
9	IL&FS Wind Energy Limited	Completed/As and when required	Reimbursement of Expenses	50.43		Nil	Approved
10	Mota Layja Gas Power Company Limited	Completed/As and when required	Reimbursement of Expenses	0.47		Nil	Approved
11	Vejas Power Projects Limited	Completed/As and when required	Reimbursement of Expenses	0.21		Nil	Approved
12	Rohtas Bio Energy Private Limited	Completed/As and when required	Reimbursement of Expenses	0.11		Nil	Approved
13	Sipla Wind Energy Limited	Completed/As and when required	Reimbursement of Expenses	2.58		Nil	Approved
14	Bihar Power Infrastructure Company Private Limited	Completed/As and when required	Reimbursement of Expenses	0.05		Nil	Approved
15	Saurya Urja Company of Rajasthan Limited	Completed/As and when required	Reimbursement of Expenses	1.34		Nil	Approved
16	IL&FS Securities	Completed/As and when required	Demat Charges	0.43		Nil	Approved

	Services Limited						
17	Power Transmission Company Nepal Limited	Completed	Dividend Income	5.06		Nil	Noted
18	Saurya Urja Company of Rajasthan Limited	Completed/As and when required	Repayment of Deposit	32.90		Nil	Noted

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

CHANDRA
SHEKHAR
RAJAN

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CHANDRA SHEKHAR
RAJAN
Date: 2023.09.06
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Chandra Shekhar Rajan
Director
DIN 00126063

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MODAK

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KAUSHIK MODAK
Date: 2023.09.06
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Kaushik Modak
Director
DIN 01266560

PRIYA PREMPAL
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PREMPAL SHETTY
Date: 2023.09.06 14:35:14
+05'30'

Priya Prempal Shetty
Director
DIN: 08858814

Place: Mumbai
Date : September 6, 2023

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 2022-23 : Not Applicable (None of the Director was paid remuneration except sitting fees during FY 2022-23)
- (2) The percentage increase in remuneration of each Managing Director, Executive Director, Chief Executive Officer, Chief Financial Officer, Company Secretary or Manager, if any, in the Financial Year 2022-23 as against Financial Year 2021-22 is as under

No	Name and designation	% increase in remuneration (*)
1	Mr Feby Koshy, CEO	5%
2	Mr Ritendra Bhattacharjee, CFO	5%
3	Mr Dinesh Ladwa, Company Secretary	5%

* 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 FY 2022-23 is 9.09% as compared to FY 2021-22

** Decrease in median is because of sale of Advisory business and exit of Advisory team

- (4) As on March 31, 2023, the Company has 13 (previous year 26) 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 April 1, 2022) in the last financial year was 5% over the previous year
- (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 2022-23.

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

CHANDRA
SHEKHAR
RAJAN

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CHANDRA
SHEKHAR RAJAN
Date: 2023.09.06
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Chandra Shekhar Rajan
Director
DIN 00126063

KAUSHIK
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KAUSHIK MODAK
Date: 2023.09.06
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Kaushik Modak
Director
DIN 01266560

PRIYA
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SHETTY

Digitally signed by PRIYA
PREMPAL SHETTY
Date: 2023.09.06
14:35:43 +05'30'

Priya Prempal Shetty
Director
DIN: 08858814

Place: Mumbai
Date : September 6, 2023

Annexure IV
Report of the Secretarial Auditor



Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2023

[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)
Unit# 101, First Floor, ABW Rectangle - 1,
Saket District Centre,
Saket, New Delhi -110017 (India)

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, 2023 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, 2023, according to the provisions of:

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



SANTOSH KUMAR PRADHAN
COMPANY SECRETARIES

- (a) The Securities and Exchange Board of India (Issue and listing of Non-Convertible Securities) Regulations, 2021 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 (Share Based Employee Benefits & Sweat Equity) Regulations, 2021 **(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:

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

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 has defaulted on the re-payment of loans and interest on its borrowing obligations during the Financial Year 2022-23.*
- b. The Company has not disclosed to stock exchange regarding maintenance of 100% asset cover to discharge the principal amount at all times for the non-convertible debt securities issued as required under Regulation 54 of SEBI (Listing Obligation and disclosure requirement) Regulation, 2015;*
- c. The Company has not filed Half yearly certificate from Statutory Auditor regarding maintenance of 100% asset cover to the stock exchange as required in the regulation 56 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;*



SANTOSH KUMAR PRADHAN
COMPANY SECRETARIES

- d. The company has not taken or reviewed credit rating by the credit rating agency as required under regulation 55 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;*
- e. The Company has filed Form MGT-14 towards passing of resolutions vide its Board Meeting held on 22.09.2022, however, the date of passing these resolutions was mentioned in the Form MGT-14 as 20.09.2022 instead of 22.09.2022;*
- f. The Company has not filed the quarterly Compliance Certificate on Structural Digital database (SDD) as required under Regulation 3(5) and 3(6) of the SEBI (Prohibition on Insider Trading) Regulations, 2015 and*
- g. The Company has not maintained a functional website as required under Regulation 62 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.*

As informed by the Company Secretary, I further report that IL&FS Secretarial Team and its delegation have visited BSE and explained about all the existing situation of IL&FS Debt Listed entities and the Official at BSE advised the IL&FS Delegation to visit SEBI officials and to submit a detailed letter praying that IL&FS Debt Listed Companies need not require to comply with all SEBI Circulars as applicable to Debt Listed Companies effective from 07.09.2021 onwards.

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 Order of 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.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. All decisions at Board Meetings and Committee meetings were taken as majority decisions and there were no dissenting members during the period under review.

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.



**SANTOSH KUMAR PRADHAN
COMPANY SECRETARIES**

I further report that during the period under review, the company has not taken any major decisions which have major bearing on the Company's affair in pursuance of the above referred laws, rules, regulations, guidelines, standards.

**Date: 26.05.2023
Place: Ghaziabad**

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



Santosh Kumar Pradhan

FCS No.: 6973

C P No.: 7647

P.R.C. No. 1388/2021

UDIN: F006973E000391236

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
Unit# 101, First Floor, ABW Rectangle - 1,
Saket District Centre,
Saket, New Delhi -110017 (India)**

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: 26.05.2023
Place: Ghaziabad**

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



Santosh Kumar Pradhan

FCS No.: 6973

C P No.: 7647

P.R.C. No. 1388/2021

UDIN: F006973E000391236

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

**CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH
31, 2022**

INDEPENDENT AUDITOR'S REPORT

To the Members of
IL&FS Energy Development Company Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of IL&FS Energy Development Company Limited ("the Holding Company"), its subsidiaries listed in **Annexure A** (the Holding Company and its Subsidiaries together referred to as "the Group") and its joint ventures, comprising of the Consolidated Balance Sheet as at March 31, 2022, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended and Notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the Consolidated State of affairs (Consolidated Financial Position) of the Group as at March 31, 2022, its Consolidated Profit including Other Comprehensive Loss (Consolidated Financial Performance), Consolidated Statement of Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to the matters more fully discussed in the following notes to the Consolidated Financial Statements:

1. As mentioned in note 42 of Consolidated Financial Statements, the Holding Company has



made provision for impairment of financial assets (comprising of loans, receivables and investments) of Rs. 26.57 million (net of reversal).

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 in its entirety. Thus, we are unable to comment on the possible effects of the aforesaid on the accompanying Consolidated Financial Statements as at and for the year ended March 31, 2022.

2. As mentioned in note 43 to the Consolidated Financial Statements, Holding Company has made non provision of interest expense amounting to Rs.101.01 million on unpaid statutory dues relating to Tax Deducted at Source and Goods and Service Tax liability;
3. Holding Company's Management assessment:
 - i. of recoverability of income tax assets of Rs.1,198.48 million as mentioned in note 14 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 Holding Company, on-going tax litigations and pending tax assessments and impact of matters related to qualified opinion;
 - ii. for non-conversion of Compulsorily Convertible Preference Shares having face value of Rs. 346.61 million into equity shares on due date of conversion as referred to in note 17;
 - iii. 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 18;
 - iv. 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 note 5b and compliance with the requirement of Ind AS 105 'Non-Current Assets Held for Sale and Discontinued Operations'.

We are unable to comment on the consequential effects of the matters stated above on the accompanying Consolidated Financial Statements.

4. Note 5a to the Consolidated Financial Statements regarding determination of recoverable value, and provision of impairment of property, plant and equipment in the previous year by IL&FS Tamil Nadu Power Company Limited (ITPCL). As discussed in that Note, any future changes to estimates, assumptions and dependencies on external factors, including inter alia the extension of power purchase agreement with the state electricity distribution company /



entering into new revenue agreements, continued validity of the various assumptions made, consideration by management, may affect the recoverable value of the related assets and consequently the provision for impairment recorded by the ITPCL.

5. Note 38 to the Consolidated Financial Statements, relating to contractual liabilities not accounted for, by ITPCL for the reasons stated in the said note. In our opinion, ITPCL may be required to account for the liabilities aggregating Rs. 6,655.58 million as at March 31, 2022 (PY Rs.5,461.85 million). Further, pending the final assessment and determination of various claims received as stated in Note 38 we are unable to comment on the adjustments that may be required in this regard, to the Consolidated Financial Statements.

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified opinion on Consolidated Financial Statements.

Material Uncertainty Related to Going Concern

On the basis of audit reports on Standalone Financial Statements of the Holding Company and respective financial statements of its material subsidiaries i.e. ITPCL and IL&FS Wind Energy Limited (IWEL), we report as under:

1. Holding Company has defaulted in repayment of interest and principal on the debt taken from related parties and others aggregating to Rs.43,962.60 million and the said defaults are continuing till the date of this report where interest is booked upto October 15, 2018. As at March 31, 2022, the current liabilities of the Holding Company aggregating to Rs.41,744.75 million exceed the current assets. Further, it has accumulated loss of Rs.93,131.30 million and its net-worth is fully eroded;
2. As at March 31, 2022, though the consolidated net worth of ITPCL group as on March 31, 2022 is Rs. 15,586.58 million, if the non-provision of finance cost estimated to Rs.28,818.12 million is considered till the reporting date, the net worth would be negative Rs. 23,257.26 million. As reported in the said note ITPCL has defaulted on payments of borrowings. Further the current liabilities of the ITPCL Group aggregating to Rs. 43,620.44 million exceed the current assets aggregating to Rs. 37,973.83 million.



3. As at March 31, 2022, current liabilities of IWEL exceeds current assets by Rs. 2,075.11 million for which there is no clarity on how the said liabilities would be met. Further, IWEL has defaulted in repayment of interest and principal on the debt taken from related parties and others aggregating to Rs. 5,079.20 million and the said defaults are continuing till the date of this report. As stated in Note 2.1 (a) of the accompanying Consolidated Financial Statements, the distribution framework as per the revised resolution process approved by the NCLAT vide its order dated March 12, 2020 has been challenged by one the company's lender in the Hon'ble Supreme Court of India.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a 'going concern'.

Our opinion on the Consolidated Financial Statements 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 Consolidated Financial Statements are prepared on 'Going Concern' basis;
2. Note 41 to the accompanying Consolidated Financial Statements, one of the lenders of the Holding Company has initiated forensic audit of the Holding Company for the period from September 1, 2013 to March 31, 2020;
3. Note 38 to the accompanying Consolidated Financial Statements, management of the Holding Company and respective subsidiaries is in the process of compiling, reconciling and finalizing claims with its books of account in accordance with the Resolution Framework;
4. Note 39 to the accompanying Consolidated Financial Statements, there are ongoing investigations by various regulatory authorities and agencies on IL&FS and its fellow subsidiaries.
5. As mentioned in Note 2 to the accompanying Consolidated Financial Statements, wherein it is stated that 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 for loans from banks and debentures, and October 31 2018 for cash credit accounts), no



interest, additional interest, default interest, penal charges or other similar charges to be accrued after the cut-off date;

6. Note 36, relating to the regulatory order for re-opening of books of accounts and recasting of financial statements of certain groups companies, and note 37, relating to the forensic investigation process initiated but not yet concluded in respect of entities in the group, including the Holding Company, possible consequential effects of which on the Consolidated Financial Statements cannot be determined as of even date;
7. As stated in Note 40 to the accompanying Consolidated Financial Statements, the Group 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, non-appointment of Chief Financial Officer and internal auditors, non-preparation of Consolidated Financial Statements within the timeframe as required under the Companies Act, 2013, non-payment of GST liability, non-registration as non-banking finance company under Section 45-IA of Reserve Bank of India Act, 1934, etc. Further in case of ITPCL there is non-compliance of certain loan covenants.
8. Attention is drawn to Note 49 to the accompanying Consolidated Financial Statements, wherein it is stated that for reasons stated in that note, ITPCL has not recorded the net difference of Rs. 19,172.40 million as of March 31, 2022 (previous year Rs. 13,985.45 million) between balances as per books of ITPCL and as per bank and financial institutions in respect of loans from banks and financial institutions.

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

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters.



Except for the matter described in the Basis for Qualified Opinion, Material Uncertainties related to Going Concern paragraph above, we have determined that there are no other key audit matters to communicate in our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance Report, and Shareholder's information but does not include the Consolidated Financial Statements and our auditor's report thereon. The above reports are expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements in terms of requirements of the Act that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance, Consolidated Total Comprehensive Income, Consolidated Changes in Equity and Consolidated Cash Flows of the Group in accordance with the Ind-AS and other accounting principles generally accepted in India including the Ind-AS specified under section 133 of the Act read with the Companies (Ind-AS) Rules, 2015, as amended. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the 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



Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in Group are also responsible for overseeing the financial reporting process of the Group.

The First Board Meeting of the Holding Company under new management took place on November 01, 2018. Accordingly, in respect of the period prior to November 01, 2018, the Directors are unable to and do not confirm the compliance with the requirements of the provisions of the Act.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the



Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiary companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements of which we are the independent auditors. For other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion;

We communicate with those charged with governance of the Holding Company and such other entities included in Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.



We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. We did not audit the financial statements of 12 subsidiaries included in the Consolidated Financial Statements, whose Standalone/Consolidated Financial Statements reflect total assets of Rs. 3,058.18 million, total liabilities of Rs. 24,957.67 million as at March 31, 2022, total revenue of Rs. 127.32 million and total comprehensive income of Rs. 2.10 million for the year ended March 31, 2022 as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose report has been furnished to us and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to these subsidiaries, is based solely on the reports of other auditors;
2. Financial information of 1 foreign subsidiary included in the Consolidated Financial Statements, whose financial statements reflect total assets of Rs. 0.26 million, total liabilities of Rs. 4.27 million as at March 31, 2022, total revenue of Rs. Nil and total comprehensive loss of Rs.0.50 million for the year ended March 31, 2022, is based on unaudited financial statements. Financial information of this subsidiary has been furnished to us by the Holding Company's Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited financial information;
3. Consolidated Financial Statements include Group's share of net profit (and other comprehensive loss) of Rs. 140.07 million for the year ended March 31, 2022, in respect of 2 joint ventures, whose financial statements have been audited by other auditors whose reports have been furnished to us by management of the Holding Company and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts



and disclosures included in respect of these joint ventures is based solely on the reports of the other auditors;

4. Consolidated Financial Statements include share of net profit (and other comprehensive income) of Rs.17.47 million from April 1, 2021 to August 13, 2021 in respect of 1 joint venture, disposed off during the year, whose financial statements have been reviewed by other auditors up to December 31, 2021 whose reports have been furnished to us by management of the Holding Company. Management has considered net profit on pro rata basis for the purpose of consolidation of this joint venture up to the date of disposal. Our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this joint venture is based solely on the review report of the other auditor and estimates of Holding Company's management;
5. As mentioned in Note 8 to the accompanying Consolidated Financial Statements in respect of 1 Joint Venture, the Financials for the year ended March 31, 2022 are not available due to reasons specified in the said note;
6. The comparative financial information included in the accompanying Consolidated Financial Statements are on the basis of the Consolidated Financial Statements for the year ended March 31, 2021 on which we had issued modified opinion dated November 14, 2022.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiary companies, incorporated in India, as noted in the 'Other Matters' paragraph, we give in the "Annexure B" a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - a) We have sought and except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to



the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;

- b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept so far as it appears from our examination of those books;
- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
- e) The matters described in 'Basis for Qualified Opinion' and 'Material Uncertainty related to Going Concern' in our opinion, may have an adverse effect on the functioning of the Group;
- f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2022 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2022 from being appointed as a director in terms of Section 164(2) of the Act;
- g) With respect to the adequacy of the internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and its subsidiary companies, and joint venture companies, incorporated in India, and the operating effectiveness of such controls, refer to our report in "Annexure C";
- h) 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 Group has disclosed the impact of pending litigations on its Consolidated Financial Statements – Refer Note 57 to the Consolidated Financial Statements;
- ii. The Group did not have any 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 companies incorporated in India;
- iv.
 - 1. The Management of the Group has represented that, during the year to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - 2. The Management of the Group has represented, that, during the year to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - 3. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under subclause (i) and (ii) contain any material misstatement.
- v. There were no amounts which were declared or paid during the year as dividend by the Group.



3. According to the information and explanation given by the management of the Holding Company and its subsidiary companies incorporated in India, during the year, no managerial remuneration been paid by the Holding Company to its directors and remuneration paid by subsidiary companies to its directors is in accordance with the provisions of section 197 read with Schedule V to the Act.

For C N K & Associates LLP

Chartered Accountants

Firm Registration Number: 101961W/W-100036



Vijay Mehta

Partner

Membership No.: 106533

UDIN: 23106533BGXNFB8062



Place: Mumbai

Date: 14th February, 2023

Annexure A: List of Subsidiaries and Joint Ventures Consolidated

I. List of Subsidiaries (Direct/ Indirect):

1. Cuddalore Solar Power Private Limited
2. IL&FS Solar Power Limited
3. IL&FS Tamil Nadu Power Company Limited
 - a) IL&FS Maritime Offshore Pte Limited
 - b) IL&FS Offshore Natural Resources Pte Limited
 - c) Se7en Factor Corporation
 - d) PT Bangun Asia Persada
 - e) PT Mantimin Coal Mining
4. IL&FS Wind Energy Limited
5. Jogihali Wind Energy Private Limited
6. Mota Layja Gas Power Company Limited
7. Mahidad Wind Energy Private Limited
8. Nana Layja Power Company Limited
9. Patiala Bio Power Company Limited
10. Rohtas Bio Energy Limited
11. Sipla Wind Energy Limited
12. Vejas Power Projects Limited
13. Maritime International Offshore Pte Ltd
14. Ramagiri Renewable Energy Limited
15. Shendra Green Energy Limited

II. List of Joint Ventures:

1. Bihar Power Infrastructure Company Private Limited
2. Assam Power Project Development Company Limited
3. Saurya Urja Company of Rajasthan Limited
4. Cross Border Power Transmission Company Limited
5. ONGC Tripura Power Company Limited (Upto August 13, 2021)



Annexure B referred to in paragraph 1 of our report of even date on Other Legal and Regulatory Requirements for the year ended March 31, 2022

1. Summary of comments and observations given by the respective auditors in the Companies (Auditors Report) Order of the respective subsidiary companies and joint ventures is given hereunder:

Sr. No	Name	CIN	Holding Company/ Subsidiary/ Joint Venture	Clause number of the CARO report which may have possible adverse impact
1	IL&FS Energy Development Company Limited	U40300DL2007PLC163679	Standalone Holding Company	vii, ix(a), ix(c), xix
2	IL&FS Wind Energy Limited	U40300DL2007PLC163679	Wholly Owned Subsidiary	vii, ix(a), ix(c), xix
3	Vejas Power Projects Limited	U40109MH2007PLC176368	Wholly Owned Subsidiary	iii(b), iii(c), ix(a), xvi(a), xvi(b)
4	Nana Layja Power Company Limited	U40103GJ2010PLC062968	Wholly Owned Subsidiary	iii(c), iii(d), vii, ix(a), xvii, xix
5	Mota Layja Gas Power Company Limited	U40106GJ2013PLC077551	Wholly Owned Subsidiary	vii, ix(a), xix,
6	IL&FS Solar Power Limited	U40300MH2010PLC207073	Wholly Owned Subsidiary	xvii
7	Jogihali Wind Energy Private Limited	U74900MH2014PTC255989	Wholly Owned Subsidiary	vii(a), ix(a), xvii, xix
8	Mahidad Wind Energy Private Limited	U74999MH2014PTC255870	Wholly Owned Subsidiary	vii, ix(a), xvii, xix
9	Sipla Wind Energy Limited	U40300MH2011PLC220004	Wholly Owned Subsidiary	vii(a), ix(a), xvii, xix.
10	Patiala Bio Power Company Private Limited	U40200MH2011PLC220462	Wholly Owned Subsidiary	i(c), vii(a), ix(a), xvi(a), xvi(b), xvii, xix



11	Rohtas Bio Energy Limited	U40300MH2011PLC220218	Wholly Owned Subsidiary	vii(a), ix(a), xvi(a), xvi(b), xix
12	Shendra Green Energy Limited	U40100MH2005PLC151412	Wholly Owned Subsidiary	vii(a), ix(a), xvii, xix
13	Ramagiri Renewable Energy Limited	U40100MH1997PLC105323	Wholly Owned Subsidiary	vii(a), vii(b), ix(a), xvii, xix.
14	Cuddalore Solar Power Private Limited	U40300MH2012PTC237302	Other Subsidiary	vii(a), ix(a), xvii, xix.
15	Assam Power Project Development Company Limited	U40102AS2007PLC008471	Joint Venture	xvii, xix
16	Saurya Urja Company of Rajasthan Limited	U40104RJ2015PLC047322	Joint Venture	vii(b)



Annexure C to the Independent Auditor's Report

(Referred to in paragraph 2(g) under "Report on Legal and Regulatory Requirements" in the Independent Auditor's Report of even date on the Consolidated 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

As mentioned in the Independent Auditor's Report on Consolidated Financial Statements of IL&FS Energy Development Company Limited above, we have audited the internal financial controls with reference to Consolidated Financial Statements of IL&FS Energy Development Company Limited ("the Holding Company") and such companies incorporated in India under the Companies Act, 2013 ("the Act") which are its subsidiary companies (Holding Company and subsidiaries together referred to as "the Group") and its joint venture companies as of that date, in conjunction with our audit of the Consolidated Financial Statements of the Holding Company for the financial year ended March 31, 2022.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the companies included in the Group and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") 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 respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial



controls with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to Consolidated 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 Consolidated 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with



reference to the Consolidated Financial Statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiary companies, and joint venture companies, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial control over financial reporting with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at March 31, 2022, based on the criteria for internal financial control over financial reporting established by the Holding Company considering the essential components of internal control stated in the Guidance Note.

For C N K & Associates LLP

Chartered Accountants

Firm Registration Number: 101961W/W-100036



Vijay Mehta

Partner

Membership No.: 106533

UDIN: 23106533BGXNFB8062

Place: Mumbai

Date: 14th February, 2023

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2022

	Note Ref.	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
ASSETS			
I. NON-CURRENT ASSETS			
(a) Property, plant and equipment	5a	62,257.71	63,385.14
(b) Right-of-use assets	5b	0.17	41.36
(c) Capital work-in-progress	5a	1,232.53	1,370.18
(d) Goodwill	6	-	-
(e) Other intangible assets	7	0.78	0.64
(f) Financial assets			
i) Investments	8	1,179.31	2,705.04
ii) Trade receivables	10	16,490.33	2,220.95
iii) Loans	12	697.82	785.34
iv) Other financial assets	13	588.38	2,016.75
(g) Deferred tax assets (net)	26	51.88	51.88
(h) Non-current tax assets (net)	14	1,356.09	1,210.32
(i) Other non current assets	15	2.67	495.23
Total non-current assets (A)		83,857.67	74,282.81
II. CURRENT ASSETS			
(a) Inventories	9	1,608.20	2,449.24
(b) Financial assets			
i) Trade receivables	10	14,223.75	16,698.11
ii) Cash and cash equivalents	11a	2,650.62	19,766.45
iii) Bank balances other than (ii) above	11b	28,663.96	10,304.00
iv) Loans	12	247.57	261.04
v) Other financial assets	13	5,110.15	3,134.02
(c) Other current assets	15	674.92	635.77
		53,179.17	53,248.62
Assets classified as held for sale	16	890.53	597.74
Total Current Assets (B)		54,069.70	53,846.36
TOTAL ASSETS (A) + (B)		1,37,927.37	1,28,129.17
EQUITY AND LIABILITIES			
III. EQUITY			
(a) Share capital	17	13,182.26	13,182.26
(b) Other equity	18	(43,428.30)	(52,645.38)
Equity attributable to owners of the Company		(30,246.04)	(39,463.12)
Non-controlling interests	19	15,824.38	13,778.94
Total equity (C)		(14,421.66)	(25,684.18)
LIABILITIES			
IV. NON-CURRENT LIABILITIES			
(a) Financial liabilities			
i) Borrowings	20	44,372.58	48,898.13
ii) Other financial liabilities	21	1.36	1.32
iii) Lease liabilities	5	-	2.73
(b) Provisions	22	19.95	38.55
(c) Deferred tax liabilities (net)	26	235.88	226.87
(d) Other non-current liabilities	23	8,242.61	8,491.18
Total non-current liabilities (D)		52,872.38	57,658.78
V. CURRENT LIABILITIES			
(a) Financial liabilities			
i) Borrowings	24	81,293.41	76,799.88
ii) Trade payables	25	5,038.11	5,597.46
iii) Lease liabilities	5	0.20	6.93
iv) Other financial liabilities	21	11,817.97	12,428.43
(b) Provisions	22	8.14	7.85
(c) Current tax liabilities (net)	14	11.29	49.52
(d) Other current liabilities	23	654.94	664.50
		98,824.06	95,554.57
Liabilities associated with assets classified as held for sale	16	652.59	600.00
Total current liabilities (E)		99,476.65	96,154.57
TOTAL LIABILITIES (F) = (D) + (E)		1,52,349.03	1,53,813.35
TOTAL EQUITY AND LIABILITIES (C) + (F)		1,37,927.37	1,28,129.17

See accompanying notes forming part of the consolidated financial statements

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In terms of our report attached

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

Vijay Mehta
Partner
Membership No. 106533

Place: Mumbai
Date: February 14, 2023

For and on behalf of the Board of Directors

PRIYA
PREMPAL
L. SHETTY
Ritendra Bhattacharjee
Bhattacharjee
e

CHANDRA SHEKHAR RAJAN
C S Rajan
Director
DIN: 0126063

Febby Koshy
Bin Koshy
Bin Koshy

Kaushik Modak
Kaushik Modak
Director
DIN: 01266560

Dinesh Ladwa
Company Secretary
Membership Number

Dinesh Suryakant Ladwa
Suryakant Ladwa
t Ladwa

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2022

	Note Ref.	Year ended 31.03.2022 Rs. Million	Year ended 31.03.2021 Rs. Million
I. Income			
Revenue from operations	27	26,227.53	28,221.74
Other income	28	1,873.35	1,775.43
Total Income (A)		28,100.88	29,997.17
II. Expenses			
Cost of fuel consumed	29	12,500.51	12,287.96
Other direct expenses	30	707.61	614.11
Employee benefits expense	31	274.65	265.05
Finance costs	32	240.78	172.08
Depreciation and amortisation expense	5a, 5b & 7	1,989.85	2,002.52
Impairment expense	33	16.75	7,462.41
Other expenses	34	1,727.71	2,304.92
Total expenses (B)		17,457.86	25,109.05
Profit/(Loss) before tax and share from Associates and Joint Ventures (A) - (B)		10,643.02	4,888.12
III. Share of profit/(loss) of Joint Venture and Associates (C)			
Share of profit/ (loss) of Joint Ventures		157.59	478.23
IV. Profit/(Loss) before tax (D) = (A) - (B) + (C)		10,800.61	5,366.35
V. Tax expense: (E)			
(a) Current tax	35	68.09	155.15
(b) Deferred tax	35	10.97	78.53
(c) Minimum alternate tax (MAT) credit entitlement		-	7.39
		79.06	241.07
VI. Profit/(Loss) for the year (F) = (D) - (E)		10,721.55	5,125.28
Profit / (loss) for the Year from Continuing Operations		10,721.55	5,125.28
Discontinued Operation (Refer note on discontinuing operation)			
Profit / (Loss) from Discontinued Operations before tax (F)		54.65	33.69
Tax Expenses of Discontinued Operations		3.90	-
Profit / (Loss) from Discontinued Operation after tax		50.75	33.69
Profit / (loss) for the Year		10,772.30	5,158.96
VII. Other comprehensive income (OCI)			
A) i) Items that will not be reclassified to profit or loss			
a. Remeasurement of defined benefit plans	62	5.00	5.01
b. Share of OCI in Joint Ventures and Associates		(0.04)	0.13
ii) Income tax related to item that will not be reclassified to profit and loss	26	(0.62)	(0.69)
		4.34	4.45
B) i) Items that will be reclassified to profit or loss			
a. Exchange differences in translating financial statements of foreign operations	18 g	(169.69)	(42.22)
		(169.69)	(42.22)
Total other comprehensive income / (loss) (G)		(165.35)	(37.77)
VIII. Total comprehensive income/ (loss) for the year (F) + (G)		10,606.95	5,121.19
Profit / (loss) for the year from continuing operations attributable to:			
- Owners of the Company		8,676.12	4,361.04
- Non-controlling interests		2,045.44	764.23
		10,721.56	5,125.27
Profit / (loss) for the year from discontinuing operations attributable to:			
- Owners of the Company		50.75	33.69
- Non-controlling interests		-	-
		50.75	33.69
Other comprehensive income / (loss) for the year from continuing operations			
- Owners of the Company		(165.36)	(37.77)
- Non-controlling interests		-	-
		(165.36)	(37.77)
Other comprehensive income / (loss) for the year from discontinuing operations			
- Owners of the Company		-	-
- Non-controlling interests		-	-
		-	-
Total comprehensive income / (loss) for the year			
- Owners of the Company		8,561.51	4,356.96
- Non-controlling interests		2,045.44	764.23
		10,606.95	5,121.19
Earning per equity share	68		
Earning per equity share (for continuing Operations)			
(Face value of Rs. 10 per share)			
- Basic (in Rs.)		6.63	3.37
- Diluted (in Rs.)		6.63	3.37
Earning per equity share (for discontinuing Operations)			
(Face value of Rs. 10 per share)			
- Basic (in Rs.)		0.04	0.03
- Diluted (in Rs.)		0.04	0.03
Earning per equity share (for continuing Operations & discontinuing Operations)			
(Face value of Rs. 10 per share)			
- Basic (in Rs.)		6.67	3.39
- Diluted (in Rs.)		6.67	3.39

See accompanying notes forming part of the consolidated financial statements

1-72

In terms of our report attached

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

Vijay Mehta
Partner
Membership No. 106533

Vijay Mehta
HARSUKHLAL MEHTA
Digitally signed by VIJAY HARSUKHLAL MEHTA
Date: 2023.02.14 17:15:13
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For and on behalf of the Board of Directors

PRIYA PREMPAL SHETTY
Digitally signed by PRIYA PREMPAL SHETTY
Date: 2023.02.14 15:09:03
DIN: 08858914

Ritendra Bhattacharjee
Chief Financial Officer
Digitally signed by Ritendra Bhattacharjee
Date: 2023.02.14 15:09:03
Place: Mumbai
Date: February 14, 2023

CHANDRA SHEKHAR RAJAN
Digitally signed by CHANDRA SHEKHAR RAJAN
Date: 2023.02.14 15:38:34
DIN: 0126063

Febby Koshy Bin Koshy
Company Secretary
Digitally signed by Febby Koshy Bin Koshy
Date: 2023.02.14 15:11:34
+05'30'

Kaushik Modak
Director
DIN: 01266560

Dinesh Ladwa
Company Secretary
Membership Number: A-17210

Kaushik Modak
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Date: 2023.02.14 16:41:27
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Dinesh Suryakant Ladwa
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Date: 2023.02.14 15:17:59
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IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2022

	Note Ref.	For the year ended March 31, 2022 Rs. Million	For the year ended March 31, 2021 Rs. Million
CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (Loss) after tax from Continuing Operations		10,721.55	5,125.28
Profit / (Loss) after tax from Dis-Continuing Operations		50.75	33.69
Adjustment for:			
Share of profit/(loss) in Joint Ventures		(157.59)	(478.23)
Depreciation and amortisation expense		1,989.98	2,002.53
Gain/(Loss) on sale of property, plant and equipment		(0.11)	0.47
Finance costs		240.69	159.08
Interest income		(983.72)	(692.78)
Net gain/(loss) on derecognition of financial liability		(3.17)	(3.33)
Impairment Expenses		528.49	6,132.90
Income Tax of Earlier Year		(0.06)	-
Reversal of provision of impairment of Property, Plant & Equipment		(975.36)	-
Provision for doubtful trade receivables/(payable)		736.58	1,352.30
Capital advances / Interest Receivable w/off		9.27	(168.56)
Provisions written back		(0.62)	(10.90)
Amortisation of Government Grants		(248.39)	(249.24)
Loss of Stock in transit		-	9.30
Loss of property due to cyclone		-	75.82
Impairment of Goodwill		-	1,328.27
Impairment of Tax Receivable		7.12	-
Provision for Impairment of Security Deposits (VAT)		0.20	-
Provision for Aged Spares		-	118.84
Provision for tax		-	0.42
Net gain/(loss) on foreign currency transactions and translation		268.48	(181.38)
Provision for Expected Credit Loss		5.44	-
Reversal of impairment of financial assets designated as at amortised cost		(55.91)	-
Dividend Income		(175.06)	(10.12)
Operating profit before working capital changes		11,958.58	14,544.36
Movement in working capital			
Adjustments for increase / (decrease) in operating Assets:			
Inventories		393.64	516.54
Trade receivables		(14,308.75)	5,314.05
Other financial assets		(11.07)	1,180.07
Other assets		(45.45)	74.85
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		(59.03)	(758.55)
Other financial liabilities		(126.96)	(14.21)
Provision for employee benefits		2.04	0.17
Other Liabilities		(8.69)	19.99
Cash generated from operations		(2,205.70)	20,877.28
Taxes (paid)/refund received		(78.79)	630.58
Net cash flow from operating activities		(2,284.49)	21,507.86
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property plant and equipment		(64.66)	(6.23)
Proceeds from sale of property plant and equipment		0.11	0.03
Increase/(decrease) in fixed deposits not considered as cash and cash equivalents		(1,118.28)	(681.69)
Increase/(decrease) in escrow account with security agent		(16,218.18)	506.61
Consideration received from Sale of Investment (net of cash and cash equivalent)		1,475.99	32.02
Increase/(decrease) in loans and advances		87.53	1,327.17
Proceeds from other fixed deposit		185.30	38.00
Net income tax paid on Interest Income (including tax deducted at source)		(100.18)	(45.21)
Deposit in other fixed deposit		-	(39.70)
Interest received		976.22	1,570.44
Dividend received		289.65	156.62
Net cash flow from investing activities		(14,486.51)	2,858.06
CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES			
Proceed from long term borrowings(net)		(1.57)	(6,791.79)
Fixed deposit placed during the year		(35.85)	-
Finance costs paid		(238.94)	(1,488.33)
Payment of principal portion of lease liabilities		-	(6.75)
Net cash flow used in financing activities		(276.36)	(8,286.87)
Net increase/(decrease) in cash and cash equivalents		(17,047.37)	16,079.05
Cash and cash equivalents at the beginning of the year	11a & 16	19,766.44	3,687.39
Cash and cash equivalents at the end of the year	11a & 16	2,719.07	19,766.44
Net increase/(decrease) in cash and cash equivalents		(17,047.37)	16,079.05

See accompanying notes forming part of the Ind AS financial statements

1-72

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

Vijay Mehta
Partner
Membership No. 106533

VIJAY HARSUKHLAL MEHTA
Digitally signed by VIJAY HARSUKHLAL MEHTA
Date: 2023.02.14 17:15:47 +05'30'

PRIYA PREMPAL SHETTY

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

Digitally signed by PRIYA PREMPAL SHETTY
Date: 2023.02.14 15:05:06
Priya Prempal Shetty
Director
DIN: 08858814

CHANDRA SHEKHAR RAJAN
Digitally signed by CHANDRA SHEKHAR RAJAN
Date: 2023.02.14 15:40:36 +05'30'

C S Rajan
Director
DIN: 0126063

Kaushik Modak

Digitally signed by Kaushik Modak
Date: 2023.02.14 16:42:15 +05'30'

Ritendra Bhattacharjee
Chief Financial Officer

Ritendra Bhattacharjee
Digitally signed by Ritendra Bhattacharjee
Date: 2023.02.14 15:09:27 +05'30'

Feby Koshy Bin Koshy

Digitally signed by Feby Koshy Bin Koshy
Date: 2023.02.14 15:11:57 +05'30'

Dinesh Ladwa
Company Secretary
Membership Number: 17710

Dinesh Suryakant Ladwa
Digitally signed by Dinesh Suryakant Ladwa
Date: 2023.02.14 15:18:21 +05'30'

Place: Mumbai
Date: February 14, 2023

Place: Mumbai
Date: February 14, 2023

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

	<u>Number of shares</u>	<u>Amount</u> Rs. Million
(a) Equity Share Capital		
Balance as at April 1, 2020	1,28,35,64,664	12,835.65
Changes in equity share capital during the year		
Balance as at March 31, 2021	<u>1,28,35,64,664</u>	<u>12,835.65</u>
Changes in equity share capital during the year		
Balance as at March 31, 2022	<u>1,28,35,64,664</u>	<u>12,835.65</u>
(b) Compulsorily Convertible Preference Share Capital ('CCPS')		
Balance as at April 1, 2020	3,46,60,767	346.61
Changes in CCPS during the year	-	-
Balance as at March 31, 2021	<u>3,46,60,767</u>	<u>346.61</u>
Changes in CCPS during the year	-	-
Balance as at March 31, 2022	<u>3,46,60,767</u>	<u>346.61</u>

								Rs. Million			
(c) Other Equity		Reserves and surplus						Other Comprehensive Income			
	Equity component of compounding financial instruments	Securities premium account	General reserve	Debenture redemption reserve	Foreign currency monetary item translation difference account	Capital reserve created on consolidation	Retained earnings	Foreign currency translation reserve	Attributable to owners of the Company	Non controlling interests (NCI)	Total
Balance as at April 1, 2020	2,405.89	37,552.76	7.60	718.33	(15.93)	(5,222.53)	(91,804.42)	(644.04)	(57,002.33)	13,014.71	(43,987.62)
(Loss) / profit for the year	-	-	-	-	-	-	4,394.72	-	4,394.72	764.23	5,158.95
Remeasurement of defined benefit obligation (net of income tax)	-	-	-	-	-	-	4.45	-	4.45	-	4.45
Other comprehensive income (Net of income tax)	-	-	-	-	-	-	-	(42.22)	(42.22)	-	(42.22)
Total comprehensive income	-	-	-	-	-	-	4,399.17	(42.22)	4,356.95	764.23	5,121.18
Addition during the year	-	-	29.25	(29.25)	-	-	-	-	-	-	-
Balance as at March 31, 2021	2,405.89	37,552.76	36.85	689.08	(15.93)	(5,222.53)	(87,405.25)	(686.26)	(52,645.38)	13,778.94	(38,866.44)

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2022

Continued

Other Equity	Equity component of compounding financial instruments	Reserves and surplus						Other Comprehensive Income	Attributable to owners of the Company	Non controlling interests (NCI)	Rs. Million	
		Securities premium account	General reserve	Debenture redemption reserve	Foreign currency monetary item translation difference account	Capital reserve created on consolidation	Retained earnings	Foreign currency translation reserve			Total	
Balance as at March 31, 2021	2,405.89	37,552.76	36.85	689.08	(15.93)	(5,222.53)	(87,405.25)	(686.26)	(52,645.38)	13,778.94	(38,866.44)	
(Loss) / profit for the year	-	-	-	-	-	-	8,726.87	-	8,726.87	2,045.44	10,772.31	
Remeasurement of defined benefit obligation (net of income tax)	-	-	-	-	-	-	4.34	-	4.34	-	4.34	
Other comprehensive income (Net of income tax)	-	-	-	-	-	-	-	(169.69)	(169.69)	-	(169.69)	
Total comprehensive income	-	-	-	-	-	-	8,731.21	(169.69)	8,561.52	2,045.44	10,606.96	
Opening items impact	-	-	-	-	-	-	655.56	-	655.56	-	655.56	
Balance as at March 31, 2022	2,405.89	37,552.76	36.85	689.08	(15.93)	(5,222.53)	(78,018.48)	(855.94)	(43,428.30)	15,824.38	(27,603.92)	

See accompanying notes forming part of the consolidated financial statements

1-72

In terms of our report attached

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

Vijay Mehta
Partner
Membership No. 106533

Digitally signed by VIJAY HARSUKHLAL MEHTA
Date: 2023.02.14 17:16:36 +05'30'

For and on behalf of the Board of Directors

PRIYA
Digitally signed by PRIYA
Date: 2023.02.14 15:05:26 +05'30'

PREMPAL SHETTY
Director
DIN: 08858814

CHANDRA SHEKHAR RAJAN
Digitally signed by CHANDRA SHEKHAR RAJAN
Date: 2023.02.14 15:52:03 +05'30'

C S Rajan
Director
DIN: 0126063

Ritendra Bhattacharjee
Digitally signed by Ritendra Bhattacharjee
Date: 2023.02.14 15:05:26 +05'30'

Feby Koshy Bin Koshy
Digitally signed by Feby Koshy
Date: 2023.02.14 15:12:20 +05'30'

Ritendra Bhattacharjee
Chief Executive Officer
Firm No. 100157007200

Dinesh Ladwa
Company Secretary
Membership Number: A-17210

Kaushik Modak
Digitally signed by Kaushik Modak
Date: 2023.02.14 16:43:05 +05'30'

Dinesh Suryakant Ladwa
Digitally signed by Dinesh Suryakant Ladwa
Date: 2023.02.14 15:18:46 +05'30'

Place: Mumbai
Date: February 14, 2023

Place: Mumbai
Date: February 14, 2023

Kaushik Modak
Director
DIN: 01266560

Dinesh Ladwa
Company Secretary
Membership Number: A-17210

1. General Information

IL&FS Energy Development Company Limited ("the Holding 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 110057. The Holding Company is engaged in development and operations of power projects and providing advisory services. The Holding Company is a subsidiary of Infrastructure Leasing & Financial Services Limited (IL&FS). These financial statements were authorized for issue in accordance with a resolution of the Company's Board of Directors on February 14, 2023.

2. Significant developments at the Holding Company, IL&FS and various group companies ('the IL&FS Group') during the year ended March 31, 2022 and subsequent to the year end.

The Holding Company reported defaults on its borrowing obligations during the financial year 2018-19 which are continuing as on the date of signing of these consolidated financial statements. Further, the credit rating of the Holding Company and IL&FS was downgraded to 'D' (lowest grade) on October 5, 2018 and 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 IL&FS and its subsidiaries be investigated by the Serious Fraud Investigation Office ("SFIO"). SFIO commenced investigation of affairs of the IL&FS/Group Companies. 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 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 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 governance and management change were 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 of the IL&FS 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 of the bank accounts 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 resolution process of IL&FS Group Companies (including the Holding Company) and Crystallizing the 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 IL&FS Company

The New Board of Directors of the IL&FS (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 that no creditors can proceed against it except under Article 226 of Constitution of India.

The resolution plan seeks a fair and transparent resolution for the Group 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 IL&FS Energy Development Company Limited, 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 exits are planned. The plan of the management is to sell/exit from assets of the group entities as a going concern.

The New Board of IL&FS 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 Holding 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 Holding 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.

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 revised Resolution Framework submitted by the New Board along with the amendments and also directed IL&FS and the Union of India to conclude the resolution process for all the IL&FS Group entities preferably within 90 days. Subsequently vide its order dated March 31, 2020 the NCLAT clarified that lock down/shut down period as ordered by Central Government of India and State Government will be excluded for calculation of the 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.

Subsequent to the year end, Holding company has divested investment in the Advisory business of holding Company and Urjankur Shree Tatyasaheb Kore Warana Power Company Limited and Ramagiri Renewable Energy Limited.

4. Significant accounting policies

4.1 Basis of preparation and presentation

The Consolidated financial statements of the Holding 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 Consolidated 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 Holding Company categories 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 Holding Company's assumptions about pricing by market participants.

4.3 Basis of Consolidation

The Group consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Group, its controlled entities and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct the relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

The Consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Non-Controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly, or indirectly, owned or controlled by the Group, are excluded.

Changes in the Group's interests in subsidiaries that do not result in loss of control are accounted for as equity transactions. The carrying amount of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

Details of the Group's subsidiaries / step down subsidiaries at the end of the reporting period considered in the preparation of the Consolidated Financial Statements are as follows:

	Country of incorporatio	Interest as at 31.03.2022	Interest as at 31.03.2021
A. Subsidiary Companies			
a. Vejas Power Projects Limited (formerly IL&FS Wind Projects Development Limited)	India	100%	100%
b. Nana Layja Power Company Limited (NLPCL)	India	100%	100%
c. Mota Layja Gas Power Company Limited (MLGPCL)	India	100%	100%
d. IL&FS Wind Energy Limited (formerly Mandavi LNG Terminal Limited)	India	100%	100%
e. IL&FS Tamilnadu Power Company Limited (ITPCL)	India	80.32%	80.32%
f. Maritime International Offshore PTE Limited (MIOPL)	Singapore	100%	100%
g. IL&FS Solar Power Limited (ISPL)	India	100%	100%

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

	Country of incorporatio	Interest as at 31.03.2022	Interest as at 31.03.2021
h. Patiala Bio Power Company Limited (BPCL)	India	100%	100%
i. Sipla Wind Energy Limited (SWEL) (Formerly Nakhatrana Biomass Energy Limited)	India	100%	100%
j. Shendra Green Energy Limited (SGEL) (Formerly GAPS Power & Infrastructure Private Limited)	India	100%	100%
k. Rohtas Bio Energy Limited (RBEL)	India	100%	100%
l. Ramagiri Renewable Energy Limited (RREL) (formerly IL&FS Wind Farms Limited)	India	100%	100%
m. Cuddalore Solar Power Private Limited (CSPL)	India	100%	100%
n. Jogihali Wind Energy Private Limited (JWEPL)	India	100%	100%
o. Mahidad Wind Energy Private Limited (MWEPL)	India	100%	100%
B. Subsidiaries of ITPCL (effective shareholding)			
a. IL&FS Maritime Offshore Pte Limited (IMOPL)	Singapore	100%	100%
b. IL&FS Offshore Natural Resources Pte. Limited (IONRPL)	Singapore	100%	100%
c. PT Bangun Asia Persada (PBAP)	Indonesia	100%	100%
d. PT Mantimin Coal Mining (PMCM)	Indonesia	95%	95%
e. Se7factor Corporation (SFC)	Seychelles	100%	100%

4.4 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 Holding Company has transferred to the buyer the significant risks and rewards of ownership of the goods;
- the Holding 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 Holding 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;

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 Holding 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 assets 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 Holding 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.

4.5 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 exists, 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 Holding 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.

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 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

Freehold land is not depreciated.

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.

4.6 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 Holding 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.

4.7 Government grants

Government grants are not recognised until there is reasonable assurance that the Holding 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 Holding Company recognises as expenses the related costs for which the grants are intended to compensate.

Specifically, government grants whose primary condition is that the Holding 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.

4.8 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.

4.9 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 Holding 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 Holding 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);

- net interest expense or income; and
- re-measurement

The Holding 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 Holding Company has taken the group policy with HDFC Life to meet its obligation towards gratuity. The Holding 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 Holding 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 Consolidated Balance Sheet represents the actual deficit or surplus in the Holding 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.

4.10 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 Holding 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 Holding 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 Holding 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.

4.11 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.

4.12 Provisions, contingent liability and contingent asset

Provisions are recognised when the Holding Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Holding 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 Consolidated financial statements by way of notes to accounts when an inflow of economic benefits is probable.

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

4.13 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 Holding 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.

4.14 Financial instruments

Financial assets and financial liabilities are recognised when Holding 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.

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

Financial assets at amortised cost

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

Financial assets at fair value through other comprehensive income

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

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 Holding 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 Holding 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 Holding 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 Holding 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.

Assets held for sale

The Company consider the investments and related assets as held for sale once the application for approval of said sale has been filed to Hon'ble NCLAT post approval from Hon'ble Justice Jain.

4.16 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Holding 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 Holding Company are recognised at the proceeds received, net of direct issue costs.

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 Holding 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 Holding 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 Holding Company derecognises financial liabilities when, and only when, the Holding 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.

4.17 Derivative financial instruments

The Holding 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 60.

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.

4.18 Hedge accounting

The Holding 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 Holding 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.

4.19 Foreign currency

The functional currency of the Holding Company is Indian Rupees which represents the currency of the primary economic environment in which it operates. These Consolidated 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.

4.20 Leases

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

Right to use assets

The Group recognizes 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 Holding 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 Holding 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 Group 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.

4.21 Segment reporting

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

4.22 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.

4.23 Operating cycle

The Holding Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

4.24 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.

4.25 Critical accounting judgements and key sources of estimation uncertainty

4.25.1 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
- ii) Useful lives and residual values of property, plant and equipment
- iii) Valuation of Deferred tax assets/liabilities
- iv) Provisions and contingencies
- v) Estimation of assets and obligations relating to employee benefits (including actuarial assumption)
- vi) Going concern assumption

4.25.2 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 Holding 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

The Holding 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 4.10 above.

Provisions and contingencies

A provision is recognised when the Holding 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 Consolidated financial statements.

4.26 Application of new and revised Ind AS

The following standards / amendments to standards have been issued and will be effective from 1st April 2022. The Group is evaluating the requirements of these standards, improvements and amendments and has not yet determined the impact on these consolidated financial statements.

- a) Indian Accounting Standard (Ind AS) 103 – Business Combinations –** Qualifications prescribed for recognition of the identifiable assets acquired and liabilities assumed, as part of applying the acquisition method – should meet the definition of assets and liabilities in the Conceptual Framework for Financial Reporting under Ind AS (Conceptual Framework) issued by the ICAI at the acquisition date. Modification to the exceptions to recognition principle relating to contingent liabilities and contingent assets acquired in a business combination at the acquisition date.
- b) Indian Accounting Standard (Ind AS) 109 – Financial Instruments –** Modification in accounting treatment of certain costs incurred on derecognition of financial liabilities
- c) Indian Accounting Standard (Ind AS) 16 - Property, Plant and Equipment –** Modification in treatment of excess of net sale proceeds of items produced over the cost of testing as part of cost of an item of property, plant, and equipment.
- d) Indian Accounting Standard (Ind AS) 37 - Provisions, Contingent Liabilities and Contingent Assets –** Modifications in application of recognition and measurement principles relating to onerous contracts.

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

NOTE 5a

Property, plant and equipment

i Carrying amount

	As at March 31, 2022	As at March 31, 2021
	Rs. Million	Rs. Million
Freehold land	3,094.08	2,118.72
Building	4,109.88	4,265.35
Roads & Drainage	18.27	24.88
Plant & Machinery		
-Thermal Power Plant	51,349.64	52,908.80
-Wind Energy converters	56.29	87.24
-Transmission Line	1,457.55	1,497.32
-Other Plant & machinery	22.09	117.75
Hydraulics works, pipelines and sluices	1,245.02	1,368.35
Railway siding & track hopper	871.96	962.93
Furniture & fixtures	13.45	15.45
Office Equipment	4.11	6.93
Computer	4.44	3.98
Vehicles	10.93	11.78
	62,257.71	63,389.49
Capital work in progress	1,232.53	1,370.18
	63,490.24	64,759.67

	Freehold	Buildings	Roads & Drainage	Plant and Equipment				Hydraulics works, pipelines and sluices	Railway Siding & Track Hopper	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
				Thermal power generation plant	Wind energy converters (WECS)	Transmission Line	Other plant and machinery							
As at March 31, 2020	3,641.29	7,261.07	303.49	96,540.42	300.10	2,512.90	402.70	2,937.03	1,981.18	63.80	33.60	24.68	15.85	1,16,018.12
Add: Additions	-	-	-	3.02	-	-	-	-	-	0.47	0.91	1.78	-	6.18
Less: Disposals	-	(0.91)	-	-	-	-	-	-	-	(1.36)	(0.24)	(0.04)	-	(2.55)
As at March 31, 2021	3,641.29	7,260.16	303.49	96,543.44	300.10	2,512.90	402.70	2,937.03	1,981.18	62.90	34.28	26.42	15.85	1,16,021.75
Add: Additions	-	0.31	-	507.16	-	-	-	-	-	0.15	0.37	2.04	1.56	511.59
Less: Disposals	-	-	-	-	-	-	-	-	-	(0.03)	(0.41)	(0.01)	-	(0.45)
Less: Reclassification to assets held for sale	-	(129.27)	-	-	(116.73)	-	(336.14)	-	(0.00)	(1.06)	(0.12)	(0.03)	(0.00)	(583.36)
As at March 31, 2022	3,641.29	7,131.20	303.49	97,050.60	183.37	2,512.90	66.56	2,937.03	1,981.18	61.97	34.11	28.42	17.41	1,15,949.53
iii Accumulated depreciation & impairment														
As at March 31, 2020	1,522.58	2,839.68	245.18	36,487.79	210.05	975.81	280.52	1,445.35	927.29	46.54	23.47	20.93	5.96	45,031.16
Add: Depreciation for the year	-	155.86	33.42	1,535.45	2.81	39.77	4.43	123.33	90.96	2.09	4.12	1.55	2.46	1,996.26
Add: Effect of foreign currency exchange difference	-	0.21	-	-	-	-	-	-	-	-	-	-	-	0.21
Add: Impairments	-	-	-	5,611.40	-	-	-	-	-	-	-	-	-	5,611.40
Less: Impairment reversal	-	(0.02)	-	-	-	-	-	-	-	(0.32)	-	-	-	(0.34)
Less: Deductions / Adjustments	-	(0.92)	-	-	-	-	-	-	-	(0.86)	(0.25)	(0.04)	(4.35)	(6.42)
As at March 31, 2021	1,522.58	2,994.81	278.61	43,634.64	212.86	1,015.58	284.95	1,568.68	1,018.25	47.45	27.35	22.44	4.07	52,632.26
Add: Depreciation for the year	-	155.78	6.61	1,548.39	2.81	39.77	4.43	123.33	90.96	2.11	3.10	1.58	2.50	1,981.37
Add: Impairments	-	-	-	517.93	-	-	13.06	-	-	-	-	-	-	530.99
Less: Impairment reversal (refer note 2)	(975.36)	-	-	-	-	-	-	-	-	-	-	-	-	(975.36)
Less: Deductions / Adjustments	-	-	-	-	-	-	-	-	-	(0.03)	(0.32)	(0.01)	-	(0.36)
Less: Reclassification to assets held for sale	-	(129.27)	-	-	(88.59)	-	(257.97)	-	-	(1.01)	(0.12)	(0.02)	(0.09)	(477.08)
As at March 31, 2022	547.22	3,021.31	285.22	45,700.96	127.08	1,055.35	44.47	1,692.01	1,109.22	48.52	30.00	23.99	6.48	53,691.82
Net Carrying amount														
As at March 31, 2021	2,118.72	4,265.35	24.88	52,908.80	87.24	1,497.32	117.75	1,368.35	962.93	15.45	6.93	3.98	11.78	63,389.49
As at March 31, 2022	3,094.08	4,109.88	18.27	51,349.64	56.29	1,457.55	22.09	1,245.02	871.96	13.45	4.11	4.44	10.93	62,257.71

Notes :

- (i) The above assets have been hypothecated on a project by project basis to secure borrowings of the Group.
- (ii) ITPCL has constructed a thermal based power project of 1200 Mega Watt (MW) in two units (Unit I and Unit II) of 2 X 600 MW each (during Phase I). Unit I achieved its Commenced Operations Date ("COD") in the year 2015-16, and Unit II achieved COD in the year 2016- 17. ITPCL entered into a Power Purchase Agreement ("PPA") with TANGEDCO in respect of Unit I, for a period of 15 years, effective June 01, 2014. In respect of Unit II, ITPCL has entered into a PPA effective April 1, 2019, for a period of 3 years.

Management of ITPCL performed an assessment of the recoverable amount of the above-mentioned Cash Generating Unit (CGU), and related provision for impairment, as at March 31, 2022, under the requirements of Ind-AS 36, Impairment of Assets. The Management obtained a third-party valuation on a Fair Market Value less cost of disposal of the CGU and also calculated value in use based on present value of future cash flows. The recoverable amount considered for above CGU, is Rs.50,065.10 being the fair value less cost of sale (previous year value in use Rs. 53,820.50). Consequently, an impairment loss provision of Rs. 512.80 was recognised during the year ended March 31, 2022 (March 31, 2021 - Rs. 5,611.40)

In respect of land the recoverable value is higher than the carrying value. Accordingly, out of the total impairment losses of earlier years Rs. 1,522.55, an amount of Rs. 975.30 (March 31, 2021 Rs. Nil) of impairment losses is reversed. However, the reversal of the impairment loss does not exceed the carrying amount that would have been determined had no impairment loss has been recognised in prior year.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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NOTE 5b

The Holding Company has lease contracts for its various office premises used in its operations with lease terms between 2 to 5 years.

The Holding 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 Holding Company also has certain leases of offices with lease terms of 12 months or less. The Holding 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. Million)
As at March 31, 2020	42.28
Additions	5.22
Less: Depreciation expense	6.14
As at March 31, 2021	41.36
Additions	-
Less: Depreciation expense	8.26
Less: Reclassification to assets held for sale	32.93
As at March 31, 2022	0.17

Set out below are the carrying amounts of lease liability recognised and the movements during the year

Particulars	As at March 31, 2022 (Rs. Million)	As at March 31, 2021 (Rs. Million)
Opening Balance	9.66	10.51
Additions	-	5.58
Accretion of interest	0.09	0.33
Payments	4.81	6.76
Written back due to foreclosure	4.74	-
Closing Balance	0.20	9.66
Current	0.20	6.93
Non-current	-	2.73

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

Particulars	As at March 31, 2022 (Rs. Million)	As at March 31, 2021 (Rs. Million)
Depreciation expense of right-of-use assets	8.26	6.14
Interest expense on lease liabilities	0.09	0.33
Expense relating to short-term leases with a remaining maturity of less than 12 months (included in Rent)	-	2.84
Expense relating to leases having short term maturity	9.50	13.48
Total	17.85	22.79

The lease with respect to two premises have been closed during the year and the Company shifted its office premises in a new leased building with effect from December 1, 2021

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NOTE 6

Goodwill

	As at 31.03.2022	As at 31.03.2021
	Rs. Million	Rs. Million
Balance at the beginning of the Year	6,707.59	6,707.59
Reversal during the year on disposal of subsidiary	-	-
Impairment	(6,707.59)	(6,707.59)
Transferred to assets held for sale	-	-
	<u>-</u>	<u>-</u>

The Group tests goodwill annually for impairment. Goodwill relates to subsidiaries which are identified as individual Cash Generating Units.

As per note 2, as the holding company had defaulted on its borrowing obligations and the credit rating of the holding and the IL&FS Group was downgraded, the group has recognised a provision for impairment against goodwill.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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NOTE 7

Other intangible assets

i Carrying amount

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
Software	0.78	0.52
Coal Mining Rights	(0.00)	1,343.95
	0.78	1,344.47

ii Cost

	Software Rs. Million	Coal Mining Rights Rs. Million	Technical know how Rs. Million	Total Rs. Million
As at March 31, 2020	127.87	3,903.75	8.06	4,039.68
Add: Additions	0.24	-	-	0.24
Less: Disposals	-	-	-	-
As at March 31, 2021	128.11	3,903.75	8.06	4,039.92
Add: Additions	0.36	-	-	0.36
Less: Disposals	-	-	-	-
Less: Reclassification to assets held for sale	-	-	(9.50)	(9.50)
As at March 31, 2022	128.48	3,903.75	(1.44)	4,030.79

iii Accumulated amortisation

As at March 31, 2020	127.35	2,559.80	8.06	2,695.21
Add: Amortisation	0.12	-	-	0.12
Less: Deductions / Adjustments	-	1,203.31	-	1,203.31
Less: Reclassification to assets held for sale	-	140.64	-	140.64
As at March 31, 2021	127.47	3,903.75	8.06	4,039.28
Add: Amortisation	0.22	-	-	0.22
Less: Deductions / Adjustments	-	-	-	-
Less: Reclassification to assets held for sale	-	-	(9.50)	(9.50)
As at March 31, 2022	127.69	3,903.75	(1.44)	4,030.01

Carrying amount

As at March 31, 2021	0.64	(0.00)	-	0.64
As at March 31, 2022	0.78	(0.00)	-	0.78

	Year ended 31.03.2022 Rs. Million	Year ended 31.03.2021 Rs. Million
Reconciliation of depreciation and amortisation with statement of profit or loss		
Depreciation on Property, plant and equipment as per note 5a	1,981.37	1,996.26
Amortisation on Intangible assets as per note 7	0.22	0.12
Depreciation on ROU as per note 5b	8.26	6.14
	1,989.85	2,002.52
Less: Depreciation on assets reclassified to held for sale as per note 16	-	-
Depreciation and amortisation as per statement of profit or loss	1,989.85	2,002.52

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

	<u>As at 31.03.2022 (Units)</u>	<u>As at 31.03.2022 Rs. Million</u>	<u>As at 31.03.2021 (Units)</u>	<u>As at 31.03.2021 Rs. Million</u>
NOTE 8				
Investments				
Investments - Non-current (Unquoted), all fully paid up				
(a) Investments accounted by using the equity method		1,130.53		3,978.27
(b) Investments carried at fair value through profit or loss		48.66		45.49
(c) Investments carried at amortised cost		57.19		391.17
Total investments before impairment		1,236.38		4,414.93
Less: Impairment in the value of investments		(57.07)		(1,709.89)
Investment in equity instruments				
Total investments (net)		1,179.31		2,705.04
 (a) Investments in equity instruments (accounted for using the equity method) of Joint Venture companies (see note i & iv)				
A. ONGC Tripura Power Company Limited		-	13,47,34,328	2,967.50
B. Assam Power Project Development Company Limited	25,000	-	25,000	-
C. Cross Border Power Transmission Company Limited	1,84,33,615	466.98	1,84,33,615	421.68
D. Bihar Power Infrastructure Company Private Limited	25,000	-	25,000	-
E. Saurya Urja Company of Rajasthan Limited	6,49,68,650	663.55	6,49,68,650	589.09
Total (a)		1,130.53		3,978.27
 (b) Investments carried at fair value through profit or loss				
I. Equity instruments of other entities (see note ii)				
A. Power Transmission Company Nepal Limited	4,50,000	48.66	4,50,000	45.49
B. Shalivahana Green Energy Limited	2,02,44,480	-	2,02,44,480	-
C. KVK Nilachal Power Private Limited	51,80,000	-	51,80,000	-
D. SV Power Private Limited	1,77,78,864	-	1,77,78,864	-
Total (b)		48.66		45.49

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

	As at 31.03.2022 (Units)	As at 31.03.2022 Rs. Million	As at 31.03.2021 (Units)	As at 31.03.2021 Rs. Million
NOTE 8 continued				
(c) Investments carried at amortised cost				
I. Debentures, bonds and other				
A. 7.50% (As at March 31, 2020: 7.50%) Non Convertible Debentures (NCDs) of Infrastructure Leasing & Financial Services Limited	68,540	57.07	68,540	57.07
B. 17.5% (As at March 31, 2020: 17.65%) Optionally Fully Convertible Debentures of Punjab Biomass Power Limited (Debentures of Rs 10 each) (see note iii)	3,33,97,818	-	3,33,97,818	333.98
C. Government Securities (National Savings Certificates)	-	0.12	-	0.12
Total (c)		57.19		391.17
Total [(a)+(b)+(c)]		1,236.38		4,414.93
Aggregate amount of impairment in the value of investments		(57.07)		(1,709.89)
Total Investments (net)		1,179.31		2,705.04

Notes:

- i. Investment in Joint Ventures includes goodwill : Rs. Nil million (As on March 31, 2021 : Rs. 1,242.47 million), net of capital reserve:Rs. 0.69 million (As on March 31, 2021 : Rs. 0.69 million)
- ii. With respect to three companies namely KVK Nilanchal Power Private Limited ("KVK"), SV Power Private Limited and Shalivahana Green Energy Limited, the Holding Company has Nil carrying amount in respect of investment. Considering that KVK is already under liquidation process, the management had already impaired the full value of investment till March 31, 2021 and believes that the impairment recognised in earlier years need not to be re-assessed accordingly, has not made any further adjustments in these consolidated financial statements.

In respect of KVK the Holding Company is in the process of getting 3,533,500 equity shares transferred in its name as March 31, 2021 (March 31, 2020 : 3,533,500 equity shares). The same is pledged by the erthwhile holder with the lenders of the loan taken by KVK.
- iii. Optionally fully convertible debentures carries interest rate of 17.50% to 17.65% (As at March 31, 2021: 17.50% to 17.65%)
The debentures were to be converted into 33,39,78,180 equity shares having face value of Rs 1 each by October 2020. The same has been written off during the year
- iv. With respect to two Company's namely- Cross Border Power Transmission Company Limited (Cross Border) and Power Transmission Company Nepal Limited (PTCN), the Holding Company has carrying value of total exposure of Rs. 466.98 million and 48.66 million, respectively as at March 31, 2022 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 Holding Company has received letters from the other shareholders in case of the another joint venture i.e. OTPC instructing the Holding Company to transfer its share in the name of other non-defaulting shareholders at 80% of the face value however Hon'ble Supreme Court judge, D.K. Jain, who is appointed by Union of India to supervise the entire asset level resolution process, 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 Holding 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 Holding Company. The management has adopted the same approach for the investment held in PTCN and Cross Border.

During the year, Holding 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 Holding 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 approved transaction for sale of investment in OTPC, the Holding Company has sold the the investment for Rs. 1,475.99 million.

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 Holding Company has total exposure of Rs. 691.21 million on account of investment made and other receivables.

Keeping current business position of the Holding 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. 144.45 million in respect of these joint venture companies in the consolidated financial statement.

Management of the holding company is of the view that the amount recorded is based on the appropriate assumptions and no further adjustments are required in the accompanying consolidated financial statements.

The Holding Company has filed the application to NCLT for closure of Assam Power under Section 361 of Companies Act and for Bihar Power under Section 271(e) of Companies Act.

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

NOTE 8 continued

A Details of material Joint Venture entities

Details of each of the Group's material Joint Ventures at the end of the reporting year are as follows :

Sr. No.	Name of Joint Venture	Principal activity	Place of incorporation and Principal place of business	Proportion of ownership interest/ voting rights held by the Group	
				As at 31.03.2022	As at 31.03.2021
1.	ONGC Tripura Power Company Limited	Generation of power	India	12.03%	12.03%
2.	Cross Border Power Transmission Company Limited	Transmission of power	India	38.00%	38.00%
3.	Saurya Urja Company of Rajasthan Limited	Development of solar energy park	India	50.00%	50.00%

All the above Joint Venture entities are accounted for using the equity method in these consolidated financial statements.

Summarised financial information in respect of each of the Group's material Joint Venture entities is set out

The summarised financial information below represents amount shown in the Joint Venture's financial statement prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

1. ONGC Tripura Power Company Limited

Particulars	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
Non-current assets		28,018.91
Current assets		6,239.50
Non-current liabilities		(15,552.10)
Current liabilities		(4,581.69)
	-	14,124.62
The above amounts of assets and liabilities includes the following:		
Cash and cash equivalents		591.80
Current financial liabilities (excluding trade payables and provisions)		(4,264.58)
Non-current financial liabilities (excluding trade payables and provisions)		(14,527.67)
Particulars	Year ended 31.03.2022* Rs. Million	Year ended 31.03.2021 Rs. Million
Revenue	4,607.84	16,792.60
Profit for the year	145.19	2,241.47
Other comprehensive income / (loss) for the year	0.10	1.12
Total comprehensive income for the year	145.29	2,242.59
The above profit for the year include the following:		
Depreciation and amortisation	765.60	1,964.90
Interest income	-	263.74
Interest expense	416.81	1,421.84
Income-tax expense / (income)	105.83	441.30

(*The above figures of OTPC for the current year has been taken till August 13, 2021)

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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NOTE 8 continued

Reconciliation of the above summarised financial information to the carrying amount of interest in ONGC Tripura Power Company Limited recognised in the consolidated financial statements:

Particulars	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
Net assets of the Joint Venture	-	14,124.62
Proportion of the Group's ownership interest	12.03%	12.03%
Proportion of the Group's ownership interest in net assets	-	1,699.19
Consolidation adjustments	-	25.86
Goodwill	-	1,242.45
Carrying amount of the Group's interest before impairment	-	2,967.50
Less: Impairment in the value of investment	-	-
Net carrying value of investment	-	2,967.50

2. Cross Border Power Transmission Company Limited

Particulars	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
Non-current assets	1,918.14	2,037.68
Current assets	660.22	548.33
Non-current liabilities	(1,131.45)	(1,259.58)
Current liabilities	(177.93)	(176.68)
	1,268.97	1,149.75
The above amounts of assets and liabilities include the following :		
Cash and cash equivalents	261.71	182.41
Current financial liabilities (excluding trade payables and provisions)	152.94	155.56
Non-current financial liabilities (excluding trade payables and provisions)	1,087.63	1,215.59

Particulars	Year ended 31.03.2022 Rs. Million	Year ended 31.03.2021 Rs. Million
Revenue	344.77	334.32
Profit for the year	172.59	151.91
The above profit for the year include the following:		
Depreciation and amortisation	0.18	0.26
Interest income	272.51	262.48
Interest expense	123.67	136.12

Reconciliation of the above summarised financial information to the carrying amount of interest in Cross Border Power Transmission Company Limited recognised in the Consolidated Financial Statements:

Particulars	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
Net assets of the Joint Venture	1,268.97	1,149.75
Proportion of the Group's ownership interest	38.00%	38.00%
Proportion of the Group's ownership interest in net assets	482.21	436.90
Consolidation adjustments	(14.54)	(14.53)
Goodwill/(Capital reserve)	(0.69)	(0.69)
Carrying amount of the Group's interest	466.98	421.68

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

NOTE 8 continued

3. Saurya Urja Company of Rajasthan Limited

Particulars	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
Non-current assets	997.15	1,052.93
Current assets	1,896.82	1,776.10
Non-current liabilities	(1,007.12)	(1,057.69)
Current liabilities	(559.74)	(593.20)
	1,327.11	1,178.14
The above amounts of assets and liabilities include the following :		
Cash and cash equivalents	1,411.63	1,186.53
Current financial liabilities (excluding trade payables and provisions)	104.80	152.52
Non-current financial liabilities (excluding trade payables and provisions)	981.64	1,045.06

Particulars	Year ended 31.03.2022 Rs. Million	Year ended 31.03.2021 Rs. Million
Revenue	534.12	1,208.23
Profit /(Loss) for the year	149.08	301.72
The above profit / (loss) for the year include the following:		
Depreciation and amortisation	6.88	5.70
Interest income	49.51	34.82
Interest expense	81.78	82.66
Income-tax expense	57.81	104.91

Reconciliation of the above summarised financial information to the carrying amount of interest in Saurya Urja Company of Rajasthan Limited recognised in the consolidated financial statements:

Particulars	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
Net assets of the Joint Venture	1,327.11	1,178.14
Proportion of the Group's ownership interest	50.00%	50.00%
Proportion of the Group's ownership interest in net assets	663.55	589.07
Consolidation adjustments	(0.02)	0.00
Goodwill/(Capital reserve)	0.02	0.02
Carrying amount of the Group's interest	663.55	589.09

C Aggregate information of Joint Ventures that are not individually material

Sr. No.	Name of Joint Venture	Principal activity	Place of incorporation and Principal place of business	Proportion of ownership interest/ voting rights held by the Group	
				As at 31.03.2022	As at 31.03.2021
1.	Assam Power Project Development Company Limited	Consultancy services	India	50.00%	50.00%
2.	Bihar Power Infrastructure Company Private Limited	Consultancy services	India	50.00%	50.00%

The Board of BPIC is not in place, the financials of the BPIC are not available for FY 21-22. Further the investment in BPIC has already been fully impaired hence the impact on the consolidated financial will be immaterial.

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

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million

NOTE 9

Inventories

Valued at lower of cost or net realisable value

(a) Stores, spare parts and others	536.10	962.29
(b) Fuel	1,072.10	1,486.95
	1,608.20	2,449.24

Refer note 24 (iii) for Inventories pledged as security for liabilities

NOTE 10

Trade receivables

Unsecured

a) Non-current	16,490.33	2,220.95
	16,490.33	2,220.95
b) Current		
(i) Considered good	14,229.19	16,698.11
(ii) Considered doubtful	4,616.21	3,881.76
	18,845.40	20,579.87
Less: Impairment for doubtful debts	(4,621.65)	(3,881.76)
	14,223.75	16,698.11

Notes:

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

Impairment for doubtful debts (including expected credit loss allowance)

The Group closely monitors the credit quality of its trade receivables. Accordingly, there is no significant credit risk pertaining to the receivable except in certain cases where the Group has made allowance for the expected credit loss considering the estimated recoverability time frame for the receivables.

Movement in impairment for doubtful debts (including expected credit loss allowance)

Opening balance	3,881.76	2,671.56
Change during the year	741.94	1,271.19
Bad debts w/off	-	(50.09)
Adjusted towards assets held for sale	(2.05)	-
Reversed during the year	-	(10.90)
Closing balance	4,621.65	3,881.76

NOTE 11a

Cash and cash equivalents

(a) Cash on hand	0.01	-
(b) Balance with banks		
- in current accounts	410.30	468.37
- in demand deposit accounts	2,240.31	19,298.07
	2,650.62	19,766.45

Cash and cash equivalents as per statement of cash flow

2,650.62 19,766.45

NOTE 11b

Other bank balances

(a) In deposits accounts held as margin money with banks	592.57	398.63
(b) In escrow account with security agent of long term lenders (refer note i)	16,061.00	713.41
(c) Deposit held for distribution purpose with bank	3,896.72	2,352.84
(d) Deposit with remaining maturity for less than 12 months	8,113.67	6,839.12
	28,663.96	10,304.00

Notes:

- i) ITPCL has an escrow account with Punjab National Bank (Large Corporate Branch) escrow agent, on behalf of all the term loan lenders of the Consortium. As part of the agreement, the balances with the escrow account agent are part of the security structure in favour of lenders and hence its usage is restricted to payments as approved by the lenders.

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

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
NOTE 12		
Loans		
I. Non-current		
(Secured)		
Loans to others		
- Considered good	695.20	782.72
- Considered doubtful	725.46	725.46
Less: Allowance for bad and doubtful loans	(725.46)	(725.46)
(Unsecured and considered good)		
Loans to related parties	2.62	2.62
(Unsecured and considered doubtful)		
Loans to related party	132.38	132.38
Less: Allowance for bad and doubtful loans	(132.38)	(132.38)
	697.82	785.34
II. Current		
(Unsecured)		
(a) Loans to related parties		
- Considered good	142.64	142.64
- Considered doubtful	22.72	22.72
Less: Allowance for bad and doubtful loans	(22.72)	(22.72)
(b) Loans to others		
- Considered good	2.01	2.02
- Considered doubtful	1,502.71	1,702.58
Less: Allowance for bad and doubtful loans	(1,502.71)	(1,702.58)
(c) Inter-corporate deposits to related parties		
- Considered good	102.92	116.38
- Considered doubtful	1,797.96	1,784.51
Less: Allowance for bad and doubtful loans	(1,797.96)	(1,784.51)
(d) Inter-corporate deposits to others		
- Considered good	-	-
- Considered doubtful	-	16.06
Less: Allowance for bad and doubtful loans	-	(16.06)
	247.57	261.04
Movement in allowance for Bad and doubtful loans		
Opening balance	4,383.71	4,732.77
Change during the year	(202.48)	(349.06)
Closing balance	4,181.23	4,383.71

Note:

(1) Consequent to the various matters mentioned in Note 2 and 3 to these consolidated financial statement, the normal business operations of the Holding Company as they existed until September 30, 2018 have ceased. The Holding Company is unable to locate loan agreements in respect of 8 loans of Rs. 695.92 million extended to group companies and 10 loans of Rs. 1,462.92 million to extended third parties. The management believes that this will not have any adverse impact on these consolidated financial statements. Also refer note 8 and 67 for details of investments made, loans and deposits given to related parties.

(2) The Loan of Rs. 2100 Mn given by IL&FS Financial Services Limited to Wind World Wind Farms (MP) Pvt. Limited ("WWWFMP") was assigned to Vejas Power Project Limited (VPPL) in December 2015. As the recovery is uncertain, the VPPL has not recorded any interest income on the same since April 01, 2018 and amount recovered has been adjusted from opening outstanding interest and principal. Due to debit Freeze of Escrow account, there is no recoveries since 20th July 2021. Considering the uncertainty in the timing of recoverability, the same has been disclosed as Non current asset.

The VPPL filed application before the Honorable National Company Law Tribunal (NCLT), Mumbai for initiating insolvency resolution process against Vaayu Infrastructure LLP (Vaayu) (being one of the Corporate Guarantee Providers) under the Insolvency and Bankruptcy Code, 2016 (IBC) due to continuous default by the Wind World Wind Farms (MP) Pvt. Limited ("WWWFMP"). The petition of VPPL was accepted on Aug 30, 2019 and the Honorable NCLT, Mumbai passed an order to conduct the insolvency process of Vayu and appointed Mr Shailen Shah as the Interim Resolution Professional (IRP) who has taken charge of the VPPL.

In the 9th COC meeting, the COC approved the resolution plan submitted by Rare ARC. On 18th November 2020, the RP submitted the approved resolution plan of Rare ARC with NCLT Mumbai for approval.

On the appeal of the partners of Vaayu i.e. Mr Yogesh Mehra and Mrs Radhika Mehra, NCLAT vide its order dated 11th February 2022 has set aside the NCLT's order 30/08/2019 ("NCLT CIRP Order") under which the NCLT had commenced the CIRP of Vaayu and remitted back the matter to NCLT. NCLT Mumbai vide its order dated June 03, 2022 dismissed the petition of the Company. The Company has filed a petition with NCLAT on July 06, 2022.

During the previous year, the VPPL also filed application before the Honorable National Company Law Tribunal (NCLT), Mumbai for initiating insolvency resolution process against Vish Wind Infrastructure LLP (Vish Wind) (being the other Corporate Guarantee Provider). No hearings has been conducted so far at NCLT. The next date of hearing is yet to be scheduled.

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

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
NOTE 13		
Other financial assets		
I Non-current		
(Unsecured and considered good)		
(a) Interest accrued on:		
i. loans and investments	20.43	-
ii. deposits	100.69	86.92
(b) Fixed deposits under lien (maturity more than twelve months)	119.17	125.52
(c) Other Bank deposits (due after 12 months)	325.96	1,779.10
(d) Security Deposits	22.43	24.40
Less : Provision for Impairment of Security Deposit	(0.30)	-
(e) Earnest money deposit and other advances	-	0.81
	588.38	2,016.75
II Current		
Considered good		
(a) Unbilled revenue	4,282.91	2,591.53
(b) Interest accrued on:		
i. on deposits	84.71	100.24
ii. on advances to related parties	-	6.84
iii. on advances to other parties	-	0.01
iv. on fixed deposit	51.69	55.95
(c) Advance to suppliers (refer note 64)	230.84	230.84
(d) Receivables for sale of investment (refer 57 iv)	111.00	111.00
(e) Deposits with statutory authorities	-	0.08
(f) Security deposits	323.77	12.89
(g) Other receivables (refer note 64)	25.23	24.64
	5,110.15	3,134.02
Considered doubtful		
(a) Interest accrued on:		
i. on investments	222.37	359.75
ii. on loans and advances	742.40	776.61
(b) Receivables for sale of investment	100.00	100.00
(c) Other advances	31.74	31.74
	1,096.51	1,268.10
Less: Allowance for doubtful debts	(1,096.51)	(1,268.10)
	5,110.15	3,134.02

Pursuant to liquidation process of Punjab Biomass Power Limited, the Holding Company after taking the approval of Board of Directors has written off interest recoverable from PBPL amounting to Rs 158.14 million during the year.

Other financial assets have been hypothecated against borrowings of the Company (refer note 24)

Movement in allowance for interest accrued
(including current and non current)

Opening balance	1,136.36	1,210.06
Change during the year	(171.59)	(73.70)
Closing balance	964.77	1,136.36

Movement in allowance of other advances (current)

Opening balance	31.74	31.74
Change during the year	-	-
Closing balance	31.74	31.74

Movement in Receivables for sale of investment (current)

Opening balance	100.00	1,480.00
Change during the year	-	(1,380.00)
Closing balance	100.00	100.00

NOTE 14

Tax assets and liabilities

(a) Income tax assets (Net)

I Non-current

-Advance tax (net of provision for tax)	1,344.82	1,202.46
Add: Excess TDS paid now recoverable	7.83	7.89
Add : Advance Tax Paid	6.25	-
Add : TDS Receivable	4.34	-
Less: Provision of Impairment of TDS receivable	(7.15)	(0.03)
	1,356.09	1,210.32

(b) Income tax liabilities (Net)

I Current

-Provision for income tax (net of advance tax)	11.29	49.52
	11.29	49.52

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

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
NOTE 15		
Other assets		
I Non-current		
(a) Capital advances		
(i) to others	-	488.13
(b) Prepaid expenses	2.67	7.10
	2.67	495.23
II Current		
(a) Prepaid expenses	118.90	65.93
(b) Balances with government authorities	78.15	182.04
(c) Advance to suppliers	133.51	139.20
(d) Other receivables	7.75	12.23
(e) Advance interest	326.64	326.64
(f) Employee advance	1.70	-
(g) Gratuity fund (net)	8.27	1.69
	674.92	727.73
Less: Impairment allowance*	-	(91.96)
	674.92	635.77

Note:

* During the year ended March 31, 2019, the Holding 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 Holding Company created GST tax liability of an equivalent amount of GST input tax credit availed by the Holding Company on the said outstanding amount and booked deferred GST input tax credit of same amount amounting Rs. 93.96 million. During the previous year, the Holding Company has made provision of the deferred GST input tax credit amounting Rs. 91.96 million due to future uncertainty for availing the said input. During the year the Holding Company has written off the same as Board of director have approved the surrender of GST registration in Karnataka as no new business is being explored.

NOTE 16

Assets classified as held for Sale (See note - B below)	295.42	-
(At carrying value or fair value whichever is less)		
Investment in equity instruments		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (USTKWPL) (2,81,00,000 Equity share of Rs. 10 each)(See note - A below)	280.35	281.66
Investment in units of trusts		
Urjankur Nidhi Trust (55900 unit of Rs. 10 each)	314.76	316.08
	890.53	597.74
Liabilities associated with assets classified as held for sale (See note B below)	52.59	-
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (USTKWPL) (2,81,00,000 Equity share of Rs. 10 each)(See note - A below)	600.00	600.00
	652.59	600.00

Notes

A) The Holding Company (IL&FS Renewable Energy Limited, now amalgamated with the Holding 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 Wara 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 Holding 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 to locate 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. 595.11 million (net of share transfer expenses of Rs. 29.83 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. Subsequent to year end, the Company has transferred the shares and units post approval from the Hon'ble NCALT and received the balance sale consideration.

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

Note 16 : Assets held for sale (Contd)

B) In the consolidated financial statement of the group, the two subsidiaries are treated as 'Held for sale':

i) In view of the steps taken by the IL&FS Group for resolution, two wind subsidiaries (SPVs) Ramagiri Renewable Energy Limited and Shendra Green Energy Limited, included in the group, are treated as held for sale on the date of signing of these consolidated financial statements. The Company's Sale process is underway and Share Purchase Agreement has been signed between the shareholder, the Company and the purchaser on June 04, 2022 and March 23, 2022. Application for obtaining necessary approval from the NCLT has also been filed on June 10, 2022 and March 23, 2022.

Shareholding of the company in each subsidiaries are as follows:

Name of the Subsidiary	Domiciled In	Percentage of Shareholding
Shendra Green Energy Limited	India	100%
Ramagiri Renewable Energy Limited	India	100%

Financial position and performance, including the cash flow statement relating to these subsidiaries is set out below:

a) The carrying value of major classes of assets and liabilities of the company held for sale as at March 31, 2022 are as follows:

Particulars	As at 31 March 2022 Rs. Million
Property Plant and Equipment	106.30
Right to use assets	32.93
Other non current asset	3.33
Trade Receivable	83.60
Cash and Cash Equivalents	68.45
Other current assets	0.15
Inventories	0.66
Total Assets	295.42
Non current liabilities	20.80
Trade payables	26.41
Other current liabilities	5.37
Total Liabilities	52.59

b) Financial Performance and cash flow information for held for sale subsidiaries is as follows:

Particulars	For the year ended March 31, 2022 Rs. Million	For the year ended March 31, 2021 Rs. Million
Revenue	230.66	219.43
Other Income	0.32	0.57
Other direct expense	2.17	2.24
Finance costs	1.64	2.08
Employee benefits expense	27.40	31.04
Impairment Expense	-	1.39
Other expenses	145.11	149.56
Profit/ (Loss) before Tax	54.65	33.69
Tax expense: (D)		
a. Current tax	3.90	-
Total Tax Expense	3.90	-
Profit/ (Loss) after Income Tax from discontinued operations	50.75	33.69

c) The net cash flows incurred by subsidiaries are, as follows:

Particulars	For the year ended March 31, 2022 Rs. Million	For the year ended March 31, 2021 Rs. Million
Net Cash flow from operating activities	(7.11)	-
Net Cash inflow/outflow from investing activities (Includes amounts from (f) below)	8.56	-
Net Cash inflow/outflow from financing activities	-	-
Net increase/decrease in cash generated from discontinued operations	1.45	-

	As at 31 March 2021 Rs. Million
d) Details of the Disposal of the subsidiary in the previous year	
Consideration received	60.56
Less : Expense incurred on disposal of subsidiaries	-
Net Consideration received	60.56
Add : Carrying amount of NCI	-
Less : Goodwill/Capital reserve on Consolidation	-
Less : Carrying amount of Net Assets Sold (refer note (e) below)	60.56
Profit / (Loss) on disposal of subsidiaries before Tax	-

e) Calculation of Net assets of subsidiaries sold in the previous year

Particulars	As at April 09, 2020 Rs. Million
Property Plant and Equipment	2.97
Other non current asset	26.27
Trade Receivable	50.51
Cash and Cash Equivalents	28.54
Other current assets	4.55
Total Assets	112.84
Non current liabilities	2.74
Trade payables	1.52
Other current liabilities	48.02
Total Liabilities	52.28
Total Net Assets	60.56

	Rs. Million
f) Net cash inflows from disposal of subsidiary	
Net Consideration Received	60.56
Cash and Cash Equivalents disposed off	(28.54)
Net cash inflows to be included in Investing Activities	32.02

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

NOTE 17	As at March 31, 2022		As at March 31, 2021	
	Number of shares	Rs. Million	Number of shares	Rs. Million

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 (March 31, 2021 Rs. 10 each) with voting rights	2,12,50,00,000	21,250.00	2,12,50,00,000	21,250.00

Issued, subscribed and fully paid up

a. Opening balance	1,28,35,64,664	12,835.65	1,28,35,64,664	12,835.65
b. Shares issued during the year	-	-	-	-
c. Closing balance	1,28,35,64,664	12,835.65	1,28,35,64,664	12,835.65

Terms and rights attached to equity shares

The Holding 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 Holding Company, holder of equity shares will be entitled to receive remaining assets of the Holding Company after distribution of all preferential amount. The distribution will be in proportionate to the number of equity shares held by the shareholders.

B Compulsorily Convertible Preference Share Capital ('CCPS')

Authorised

0.0001% Compulsorily Convertible Preference Shares ('CCPS') of Rs. 10 each (March 31, 2021 Rs. 10 each)	12,50,00,000	1,250.00	12,50,00,000	1,250.00

Issued, subscribed and fully paid up

(a) Opening balance	3,46,60,767	346.61	3,46,60,767	346.61
(b) Changes during the year	-	-	-	-
(c) Closing balance	3,46,60,767	346.61	3,46,60,767	346.61

Total share capital

1,31,82,25,431	13,182.26	1,31,82,25,431	13,182.26

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 Holding Company and shall be entitled to vote together with the holders of equity shares of the Holding 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 was to 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 December 02, 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.

Shares held by Promoters at year ended March 31, 2022

Sr.No	Promoter Name	No of Shares	% of Total Shares	% Change during the year
1	Infrastructure Leasing & Financial Services Limited	1,17,34,26,464.00	91%	Nil
2	IL&FS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr. Kaushik Modak	8,60,00,000.00	7%	Nil

Shares held by Promoters at year ended March 31, 2021

Sr.No	Promoter Name	No of Shares	% of Total Shares	% Change during the year
1	Infrastructure Leasing & Financial Services Limited	1,17,34,26,464.00	91%	Nil
2	IL&FS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr. Kaushik Modak	8,60,00,000.00	7%	Nil

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

NOTE 17 continued

Share capital

C Details of shares held by each shareholder holding more than 5% shares:

	As at March 31, 2022		As at March 31, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity share capital				
Infrastructure Leasing & Financial Services Limited, the holding company	1,17,34,26,464	91.42%	1,17,34,26,464	91.42%
ILFS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr. Kaushik Modak	8,60,00,000	6.70%	8,60,00,000	6.70%
Compulsorily Convertible Preference Share Capital ('CCPS')				
0.0001% Compulsorily convertible preference shares are held by Deepak Mawandia	2,47,87,863	71.52%	2,47,87,863	71.52%
0.0001% Compulsorily convertible preference shares are held by Backbay Equity Partners LLP	98,72,904	28.48%	98,72,904	28.48%

D Details of shares held by the holding company

Particulars	Aggregate number of shares	
	As at March 31, 2022	As at March 31, 2021
Fully paid up equity shares with voting rights		
Infrastructure Leasing & Financial Services Limited, India, the holding company	1,17,34,26,464	1,17,34,26,464

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 1) 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 Holding Company and beneficial owner of the shares on belf of Backhay 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 accordingly, the Holding Company believes that there was no requirement to obtain approval of Hon'ble NCLT or Hon'ble Supreme Court judge D.K. Jain as apporated by Union of India to supervise the entire Asset level resolution process for the said transaction.

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

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
NOTE 18		
Other equity		
a. Equity component of compound financial instruments (refer note a)		
Opening balance	2,405.89	2,405.89
Add: Adjustment for the period	-	-
	2,405.89	2,405.89
b. Securities premium account		
Opening balance	37,552.76	37,552.76
Add: Additions during the year	-	-
	37,552.76	37,552.76
c. General reserve		
Opening balance	36.85	7.60
Add: Adjustment for the period	-	29.25
	36.85	36.85
d. Debenture redemption reserve		
Opening balance	689.08	718.33
Add: Additions during the year	-	(29.25)
	689.08	689.08
e. Capital reserve created on consolidation		
Opening Balance	(5,222.53)	(5,222.53)
Add: Additions / (deletions) during the year	-	-
	(5,222.53)	(5,222.53)
f. Retained earnings		
Opening balance	(87,405.25)	(91,804.42)
Add / (less):		
Profit /(Loss) for the year	8,726.87	4,394.72
Other comprehensive income / (expense) (Net of taxes)	4.34	4.45
Opening items impact	655.56	
	(78,018.48)	(87,405.25)
g. Foreign currency translation reserve		
Opening balance	(702.18)	(659.97)
Add: Additions during the year	(169.69)	(42.22)
	(871.87)	(702.18)
Total other equity	(43,428.30)	(52,645.38)

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

NOTE 18 continued

Other equity

Nature and purpose of reserves

a. Equity component of compound financial instrument:

The Holding Company has issued 247,000 Fully Compulsorily Convertible Debentures (FCCD) of Rs 10,000 each to Infrastructure Leasing & Financial Services Limited ("holder") during the year ended March 31, 2012. Terms of the FCCD have been changed in the financial year ended March 31, 2017, as per the revised terms of FCCD, the Holding Company has 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 Holding Company has an option to convert these FCCD along with the option premium and interest accrued from April 1, 2016 till the date of maturity into fix number of equity shares. Vide memorandum dated February 8, 2017, the Holding 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 regards.

b. Securities premium reserve:

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

c. 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.

d. Debenture redemption reserve:

The Group 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.

e. Foreign currency monetary item translation difference account:

The Group has adopted exemption available under Ind AS 101 to follow the previous GAAP for long term financial instruments outstanding as on transition date. Hence Group has accumulated the exchange difference arising out of long term foreign currency monetary item that do not pertain to acquisition of an asset on this account and amortise it to the statement of profit or loss over the period of the instrument.

f. Capital reserve and capital reserve on consolidation:

This Reserve represents the difference between value of the net assets transferred to the Group in the course of business combinations and the consideration paid for such combinations.

g. Retained earnings:

Retained Earnings are the profits of the Group earned till date net of appropriations.

h. Foreign currency translation reserve:

Exchange differences relating to the translation of the results and net assets of the Group's foreign operations from their functional currencies to the Group's presentation currency (i.e. Indian Rupee) are accumulated under the foreign currency translation reserve.

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

NOTE 19

Non Controlling Interest (NCI)

i Movement in NCI

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
Balance at beginning of the year	13,778.94	13,014.71
Share of profit for the year	2,045.44	764.23
	15,824.38	13,778.94

ii Details of non-wholly owned subsidiaries that have non-controlling interests (NCI)

The table below shows details of non - wholly owned subsidiaries of the Group that have non-controlling interests

Name of Subsidiary	Place of incorporation and Principal place of business	Ownership interest of NCI as at		Total comprehensive income / (loss) allocated to NCI		Accumulated NCI	
		31.03.2022	31.03.2021	31.03.2022	31.03.2021	31.03.2022	31.03.2021
IL&FS Tamilnadu Power Company Limited (ITPCL)	India	19.68%	19.68%	2,045.44	764.23	15,824.38	13,778.94
				2,045.44	764.23	15,824.38	13,778.94

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

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
NOTE 20		
Non-current borrowings (At Amortised cost)		
(a) Term loans from banks (Refer Note 49 and 48) (For interest accrued refer note 53) - Secured	39,098.93	43,080.77
(b) Term loans from other parties - Secured	5,273.65	5,817.36
	44,372.58	48,898.13

**20.1 Terms of Repayment
Unsecured**

Secured debentures issued includes non convertible debentures of Rs. Nil million (as at March 31, 2021: Rs. Nil million) carrying interest at rate of 9.80% p.a. The same is redeemable in two equal installments on March 16, 2020 and March 14, 2021

20.2 Non convertible debentures

Consequent to the approval of the Board of Directors of ITPCL at their meeting held on November 28, 2016, the ITPCL has raised funds by way of private placement of 5,000 secured, unlisted, redeemable non convertible debentures having face value of Rs. 10,00,000 aggregating to Rs. 5000 million. Birla Sunlife Trustee Company Private Limited has subscribed for these debentures. The NCD has been raised based on the undertaking given by IL&FS Energy Development Company Ltd. Non convertible debentures carries a rate of Interest of 9.80% p.a. These NCD's repayable in two Installments of Rs. 2,500 million each on March 16 2020 and March 14 2021 respectively.

These debentures carry a premium on redemption of 4.8% on the face value of such debentures. The ITPCL had hitherto not accounted for such premium on redemption. In the previous year, the ITPCL has identified such non-accounting in past years, and has accounted for the same (including in respect of the period from the date of issue of debentures to March 31, 2018) in the current year itself. As a result, in the previous year ITPCL has recognised finance costs of Rs 206.12 million (including Rs 21.09 million In respect of the FY 2018-19 and Rs 185.03 million in respect of the previous financial years), based on the effective interest rate method. As the amounts involved in this regard are not considered material to the financial statements, the ITPCL has not applied the requirements of Ind-AS B, Accounting Policies, Changes in Accounting Estimates and Errors, relating to restatement of previous years financial statements.

20.3 Rupee Term Loan:

Long term loans together with interest, additional interest, default interest, upfront fees, costs, charges, expenses are secured in favour of the lenders/security trustees by way of first pari-passu charge without any lender having priority/preference over the other lender and Include the following:

- (a) A first charge over all the immovable properties of the Parent Company including leasehold rights if any both the present & future.
- (b) A first charge by way of hypothecation on all moveable assets including but not limited to plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets both present and future.
- (c) A first charge on the project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising.
- (d) A first charge over all Accounts, including without limitation, the Debt Service Reserve Account, the Escrow Accounts, letter of credits, and other reserves and such other Bank Accounts that may be opened in terms of hereof or project documents and over all the funds from time to time deposited therein and over all Authorised Investments or other securities representing all amounts credited thereto.
- (e) First Charge by way of mortgage/hypothecation/assignment or otherwise creation of Security interest within 6 months from the date of initial disbursement (a) all right, title benefit, claims and whatsoever of the ITPCL on the Project Documents (b) all rights, title and interest of the ITPCL under all Government Approvals (c) all rights, title, benefit, claims and demand whatsoever of the ITPCL in any Letter of Credit, guarantee and liquidated damages and performance bond provided by any party to the Project Documents (d) all rights, title and Interest of the ITPCL in, to and under all Insurance Contracts / Insurance Proceeds.
- (f) Non disposal undertaking from the promoter viz. IL&FS Energy Development Company Limited to hold at least 51% of the Paid up capital of the ITPCL.
- (g) Pledge of 100% shares of IL&FS Maritime Offshore Pte limited and IL&FS offshore Natural Resources Pte limited held by the ITPCL.
- (h) There is no loan which is guaranteed by directors or others.

Rate of interest:

As on 31.03.2022, the term loan facility carries a rate of interest calculated at 5 year MCLR(8.45%) of Punjab national bank + 1.95% i.e. 10.40% p.a. The rate of Interest shall remain floating throughout the tenor of the loan.

Terms of repayment

Repayable on quarterly instalments till 30.06.2037.

Breach of Loan agreement

Payments towards interest and principal have not been met since October 2018 based on order passed by Honorable NCLAT.

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

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
NOTE 21		
Other financial liabilities		
I Non-current		
At amortised cost		
Other payables	1.36	1.32
	1.36	1.32
II Current		
At amortised cost		
(a) Interest accrued and due on borrowings	2,415.24	2,501.93
(b) Payable towards capital expenditure	5,502.02	5,919.24
(c) Premium payable on redemption of debentures	1,055.85	1,055.85
(d) Retention money in respect of project contracts	2,509.24	2,451.20
(e) Debentures subscription fee payable	68.89	68.89
(f) Interest accrued on option premium payable	0.01	-
(g) Prepayment liability	13.88	13.88
(h) Other payables	2.82	167.15
(i) Statutory Dues	0.01	-
(j) Margin money payable	250.01	250.29
	11,817.97	12,428.43
NOTE 22		
Provisions		
I Non-current		
(a) Provision for employee benefits	17.55	18.09
(b) Provision for decommissioning liability	2.27	20.33
Add: Provision created during the year	0.05	0.05
Add: Unwinding of discount and effect of changes in discount rate	0.08	0.08
	19.95	38.55
II Current		
Provision for gratuity (net)	1.13	-
Provision for employee benefits (see note 62)	7.01	7.85
	8.14	7.85
Movement of provision for decommissioning liability		
Opening balance	20.46	20.33
Provision recognised during the year	0.05	0.05
Unwinding of discount	0.08	0.08
Reclassification to assets held for sale	(18.19)	-
	2.40	20.46
Provision for decommissioning liability are initially measured at the estimated cost that the group will incur upon the end of the useful life of the related asset, discounted at an appropriate risk adjusted discount rate. The estimates used in measuring the decommissioning liability are reviewed annually. Any change in the estimate are adjusted to the cost of assets and the unwinding of discount is recognised in the statement of profit or loss as finance costs.		
NOTE 23		
Other liabilities		
I Non-current		
(a) Operation and maintenance cost equalisation reserve	2.57	2.73
(b) Deferred government grant (see note 63)	8,240.04	8,488.45
	8,242.61	8,491.18
II Current		
(a) Income received in advance	7.10	8.50
(b) Deferred Government Grant (see note 63)	248.39	248.37
(c) Other payables - statutory dues	393.23	392.50
(d) Advance from customers	6.17	15.08
(e) Provision	0.05	0.05
	654.94	664.50

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

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
NOTE 24		
Current borrowings (at amortised cost)		
(a) Term loans		
(i) From banks		
- Secured (see note (i) & (ii) below)	9,418.39	9,418.39
- Unsecured	44.94	44.94
(ii) From related parties- Unsecured	-	150.65
(iii) Current maturity of long term borrowings (Secured)		
- Debentures (Refer note 20.2)	7,206.12	7,206.12
- Term loans from banks	19,045.46	14,944.99
- Term loans from other parties	1,140.00	1,140.00
- Term loans from related parties	26,225.50	26,225.50
- Term loans from Financial Institutions	2,020.47	1,476.76
(iv) Current maturity of long term borrowings (Unsecured)		
- Debentures	6,500.00	6,500.00
- Term loans from banks	5,055.76	5,055.76
- Term loans from related parties (For interest accrued refer note 52)	2,560.00	2,560.00
(b) Inter corporate deposits from related party - unsecured	1,298.50	1,298.50
(c) Buyers Credit- Unsecured	778.27	778.27
	81,293.41	76,799.88

Notes:

- i. Cash credit limit of Rs. 500.00 million is secured by first charge on current assets (excluding current investments of the holding 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, 2021: 9.30% p.a.). The loan was due for repayment on September 28, 2018 and has not been repaid till date.
- iii. Loans repayable on demand from banks represents cash credit facilities availed by the Company. The principal moneys due from time to time and all interest thereon calculated from day to day at the rate hereinafter mentioned, additional interest, interest tax at the rate as in force, and the amount of all charges, commission and expenses etc. are secured by way of first pari-passu charge on:
 - (a) The present and future stocks of raw materials including in transit, work in process stores and spares (hereinafter referred to as the Goods), which belong to it and which now or hereinafter from time to time during the continuance of this agreement shall be brought in, stored or be in or about its premises or godowns at Cuddalore or any other godowns or be in the course of transit from one godown to another or wherever else the same may be and
 - (b) the present and future book debts, operating cash flows, outstanding decrees, money receivables, claims, securities, Government subsidies, investments, rights and other moveable assets excluding bills purchased/discounted by Bank and bills against which advances have been made (all of which are hereinafter referred to as 'Book Debts') which belong to the Borrower and which now or hereinafter from time to time during the continuance of this Agreement may belong to it (the said 'Goods' and 'Book Debts' are hereinafter referred to as 'hypothecated assets'/the Securities' apart from other Securities as more fully described in the Schedule hereto), as security for payment of the balance due to the Bank by the Borrower at any time or ultimately found due on the Bank by them at any time or ultimately found due on the closing of the said Accounts and for payment of all debts and liabilities mentioned hereafter.
- 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 ie as on March 31, 2022: 16% (March 31, 2021: 16% p.a.). The deposit was due for repayment on June 30, 2018.
- v. The deposit was repayable at the end of 6 months from the date of disbursement. Rate of interest is linked to IFIN benchmark rate ie as on March 31, 2022: 16% (March 31, 2021 : 16% p.a.). The deposit was due for repayment on September 30, 2018 however it is yet to be repaid
- vi. Security
Short Term loans availed by various entities of the Group including cash credits, loan repayable on demand and bill discounting facility are secured by way of fixed deposits, charge on the current assets, loans and advances of the corresponding project, the present and future stocks of raw materials including in transit, work in process stores and spare, present and future book debts, operating cash flows, outstanding decrees, money receivables, claims, securities, Government subsidies, investments, rights and other moveable assets excluding bills purchased/discounted by bank.
- vii. Interest Rate and Terms of Repayments
 - (a) Short term loans from banks and others are repayable on or before the end of 12 months from the date of first disbursement.
 - (b) Interest rates on cash credit, loan repayable on demand and other short term loans are ranging from 6.7% to 18% (March 31, 2021: 6.7% to 18%).

NOTE 25

Trade payables

Trade payables (see note below)

Total outstanding dues of micro enterprises and small enterprises (refer note 70)	1.37	0.92
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,036.74	5,596.54
	5,038.11	5,597.46

Note:

- i. Payable pertaining to Micro and Small Enterprises, as stated above, have been identified by the Group from the available information, which has been relied upon by the auditors.
- ii. The credit period for goods and services are upto 365 days. Interest is payable on trade payables as per contractual terms, if any.

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

	As at 31.03.2022	As at 31.03.2021			
	Rs. Million	Rs. Million			
NOTE 26					
DEFERRED TAX BALANCES (NET)					
i Deferred tax assets	51.88	51.88			
ii Deferred tax liabilities	235.88	226.87			
	Opening Balance	Transferred to Asset held for Sale	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
i. Financial year 2021-22					
A. Deferred tax asset					
Deferred tax assets					
a. Tax losses (including unabsorbed depreciation) adjustable in future years	2,632.40	-	(187.96)	-	2,444.44
b. Provisions for doubtful debts / investments	29,986.04	-	(560.55)	-	29,425.49
c. Provision for employee benefits	3.87	-	0.14	(0.62)	3.39
d. MAT credit entitlement	436.48	-	-	-	436.48
e. Provision for decommissioning liability	(0.02)	-	-	-	(0.02)
f. Borrowings	390.13	-	(13.43)	-	376.70
g. Operation and maintenance cost equalisation reserve	2.28	-	-	-	2.28
h. Other financial liabilities	(160.07)	-	(0.09)	-	(160.16)
i. Provision for expenses	2.42	-	(2.35)	-	0.07
j. Property, plant and equipment	384.70	-	-	-	384.70
k. Others	(0.34)	-	-	-	(0.34)
	33,677.89	-	(764.24)	(0.62)	32,913.03
Adjustment on account of Deferred Tax assets restricted to Deferred tax liability	(33,662.31)	-	756.21	-	(32,906.10)
	15.58	-	(8.03)	(0.62)	6.93
Deferred tax liabilities					
a. Property, plant and equipment and intangible Assets	(16.15)	-	8.65	-	(7.50)
b. Financial assets at FVTPL - Investments	52.45	-	-	-	52.45
	36.30	-	8.65	-	44.95
Net deferred tax assets	51.88	-	0.62	(0.62)	51.88
B Deferred tax liability					
Deferred tax liabilities					
a. Property, plant and equipment and intangible assets	7.32	7.32	-	-	-
b. Undistributed profits of associates and joint ventures	224.30	-	11.59	-	235.88
	231.61	7.32	11.59	-	235.88
Deferred tax assets					
a. Provision for decommissioning liability	(4.74)	(4.74)	-	-	-
	(4.74)	(4.74)	-	-	-
Net deferred tax liabilities	226.87	2.58	11.59	-	235.88

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

	Opening Balance	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
	Rs. Million	Rs. Million	Rs. Million	Rs. Million
ii. Financial year 2020-21				
A. Deferred tax asset				
Deferred tax assets				
a. Tax losses (including unabsorbed depreciation) adjustable in future years	2,468.01	164.39	-	2,632.40
b. Provisions for doubtful debts / investments	30,653.90	(667.86)	-	29,986.04
c. Provision for employee benefits	4.18	0.38	(0.69)	3.87
d. MAT credit entitlement	436.48	-	-	436.48
e. Provision for decommissioning liability	(0.02)	-	-	(0.02)
f. Borrowings	527.22	(137.09)	-	390.13
g. Operation and maintenance cost equalisation reserve	2.28	-	-	2.28
h. Other financial liabilities	(160.07)	-	-	(160.07)
i. Provision for expenses	3.67	(1.25)	-	2.42
j. Property, plant and equipment	384.70	-	-	384.70
k. Others	(0.34)	-	-	(0.34)
	34,320.01	(641.43)	(0.69)	33,677.89
Adjustment on account of Deferred Tax assets restricted to Deferred tax liability	(34,304.69)	642.38	-	(33,662.31)
	15.32	0.95	(0.69)	15.58
Deferred tax liabilities				
a. Property, plant and equipment and intangible Assets	(15.89)	(0.26)	-	(16.15)
b. Financial assets at FVTPL - Investments	52.45	-	-	52.45
	36.56	(0.26)	-	36.30
Net deferred tax assets	51.88	0.69	(0.69)	51.88
B Deferred tax liability				
Deferred tax liabilities				
a. Property, plant and equipment and intangible assets	7.32	-	-	7.32
b. Undistributed profits of associates and joint ventures	145.07	79.22	-	224.30
c. Borrowings	0.29	(0.29)	-	0.00
	152.68	78.93	-	231.61
Deferred tax assets				
a. Provision for decommissioning liability	(4.74)	-	-	(4.74)
b. Property, plant and equipment and intangible assets	(0.03)	0.03	-	-
c. Tax losses (including unabsorbed depreciation) adjustable in future years	(0.26)	0.26	-	-
	(5.03)	0.29	-	(4.74)
Net deferred tax liabilities	147.65	79.22	-	226.87

Note:

As mentioned in note 2 and 3, New Board is taking various steps for the resolution of the Holding Company. The Holding Company has been categorised under the 'Red' category based on its liquidity position. Further, the Holding Company has already surrendered its power trading license and is in the process of novating revenue generating contracts entered into by the Holding Company with Energy Efficiency Services Limited, ONGC Tripura Power Company Limited, PDCOR Limited and Puducherry Urban Development Authority to PTC India Limited (refer note 60).

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

	Year ended 31.03.2022 Rs. Million	Year ended 31.03.2021 Rs. Million
NOTE 27		
Revenue from operations		
(a) Income from sale of power	22,867.14	25,134.56
(b) Construction Contract Revenue	35.14	561.65
(c) Other operating income		
i. Generation based incentive	1.94	1.21
ii. Others	3,323.31	2,524.32
	26,227.53	28,221.74
NOTE 28		
Other income		
(a) Interest income on financial assets measured at amortised cost:		
Interest income on		
i. Interest income - from banks on deposits	981.69	699.01
ii. Interest income - on other assets	4.23	0.04
iii. Loan processing / guarantee fees	1.40	1.40
iv. Interest on income tax refund	-	53.80
	987.32	754.24
(b) Other non-operating income:		
i. Dividend income	5.06	10.12
ii. Gain on sale of property, plant and equipment	0.11	0.02
iii. Grant income	248.39	249.24
iv. Net gain on foreign currency transactions and translation	-	162.14
v. Net gain/(loss) arising on financial assets designated as at FVTPL	3.17	3.33
vi. Impairment gain/(loss) on other financial assets	55.91	-
vii. Provisions no longer required	0.93	10.90
viii. Excess Provision Written back	-	63.38
ix. Reinstatement/ (Reversal) of input credit of GST	-	52.98
x. Settlement amount from EEPL	-	290.42
xi. Reversal of Finance Expenses	-	71.90
xii. Excess Liability written off	-	17.61
xiii. Reversal of impairment loss of Property, Plant and Equipment	-	0.34
xiv. Reimbursement of expenses from subsidiaries	0.33	59.84
xv. Lease liability written back	4.74	-
xvi. Provision for impairment of property, plant and equipment	462.56	-
xvii. Miscellaneous income	104.83	28.96
	886.03	1,021.19
	1,873.35	1,775.43

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

	Year ended 31.03.2022 Rs. Million	Year ended 31.03.2021 Rs. Million
NOTE 29		
Cost of fuel consumed		
Consumption of coal and other raw material	12,500.51	12,287.96
	12,500.51	12,287.96

NOTE 30

OTHER DIRECT EXPENSES

(a) Operations and maintenance	479.88	517.90
(b) SRLDC charges	182.86	63.19
(c) Railway freight and detention charges	7.06	4.07
(d) Purchase of Power, device and components	-	9.17
(e) General and miscellaneous expense	37.81	19.78
	707.61	614.11

NOTE 31

Employee benefits expense

(a) Salaries, wages and incentives	249.91	241.78
(b) Contribution to provident and other funds	21.83	20.58
(c) Staff welfare expenses	2.91	2.69
	274.65	265.05

NOTE 32

Finance costs

(a) Interest expenses on borrowings	0.72	1.95
(b) Unwinding cost of decommissioning liability	0.13	0.13
(c) Other borrowing costs*	238.22	149.69
(d) On lease liabilities	0.09	0.33
(e) On delayed payment of direct & indirect taxes - Earlier year	-	1.37
(f) Interest Expenses - Others	1.61	9.19
(g) On delayed payment of direct & indirect taxes	0.01	9.42
	240.78	172.08

*Other borrowing costs includes commitment charges, loan processing charges, guarantee charges, loan facilitation charges and other ancillary costs incurred in connection with borrowings.

NOTE 33

Impairment expense

(a) Impairment of Property, plant and equipment	13.07	5,611.40
(b) Impairment of capital work in progress	-	445.80
(c) Impairment of financial asset designated at fair value through profit or loss	2.63	-
(d) Impairment of financial asset designated at cost / amortised cost	1.05	1,366.27
(e) Impairment of Tax Asset	-	38.95
	16.75	7,462.41

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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	Year ended 31.03.2022 Rs. Million	Year ended 31.03.2021 Rs. Million
NOTE 34		
Other expenses		
(a) Power and fuel	1.24	1.78
(b) Rent	21.65	24.59
(c) Repairs and maintenance		
i. Building	23.19	20.95
ii. Plant and equipment	1.44	0.89
iii. Others	85.83	76.83
(d) Insurance	131.50	143.65
(e) Rates and taxes	1.59	17.44
(f) Communication	1.04	0.88
(g) Travelling and conveyance	16.42	12.09
(h) Printing and stationery	0.50	0.53
(i) Advertisement and business promotion	0.31	0.27
(j) Operation and maintenance	2.37	2.13
(k) Office maintenance expenses	0.48	2.01
(l) Legal and professional	108.70	200.50
(m) Payments to auditors (see note below)	8.16	10.66
(n) Director sitting fees	0.91	1.11
(o) Provision for bad and doubtful trade receivables	736.50	1,334.57
(p) Foreign Exchange Loss / Gain	270.29	33.82
(q) Corporate social responsibility expenses	28.57	5.35
(r) Green belt and environmental expenses	13.52	7.64
(s) Miscellaneous expenses	5.40	5.58
(t) Security Charges	80.23	74.69
(u) Net loss on sale of Property, Plant and Equipment	-	0.49
(v) Provision for doubtful recovery	7.22	9.62
(w) Impairment of interest accrued	-	0.14
(x) Reversal of input credit of GST	9.17	-
(y) Reversal of Unbilled Revenue	-	19.70
(z) Depository charges	0.41	0.11
(aa) Annual Listing Fees	0.04	0.07
(ab) Provision for Aged Spares	-	118.84
(ac) Loss of property due to cyclone	-	75.82
(ad) Loss of stock during transit	-	9.30
(ae) GST input credit written off	-	92.88
(af) Loss on sale of asset	0.02	-
(ag) Provision for Impairment of Security Deposits (VAT)	0.30	-
(ah) Lease rent	0.05	-
(ai) Provision for Expected Credit Loss	5.44	-
(aj) Net loss on sale of Investments	165.22	-
	1,727.71	2,304.92
Note:		
Payments to the auditors comprises		
i. To Statutory Auditors		
(a) Audit Fees	7.82	10.62
(b) Reimbursement of expenses	-	0.01
(c) Limited review	0.13	-
(d) GST on audit fees	0.21	0.03
	8.16	10.66

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NOTE 35

Current tax and deferred tax

Particulars	Year ended 31.03.2022 Rs. Million	Year ended 31.03.2021 Rs. Million
1. Income tax recognised in statement of profit and loss		
Current tax expense for the year	65.07	151.55
Tax adjustment for earlier years	3.02	3.60
Current tax	68.09	155.15
Deferred tax	10.97	78.53
MAT Credit Entitlement	-	7.39
Total	10.97	85.92
Total income tax expense recognised in the current year	79.06	241.08
2. The tax expense for the year can be reconciled to the accounting profits as follows		
Loss before tax	10,697.67	4,921.81
Income tax expense calculated at 34.61% (previous year 34.61%)	3,702.25	1,703.34
Adjustment on account of MAT credit entitlement	-	7.39
Effect of recognition of deferred tax on deductible temporary differences	-	0.04
Effect of expenses that are not deductible in determining taxable profits	0.53	15.08
Current tax expense pertaining to previous years	3.02	3.20
Effect of income tax directly considered in equity	-	(54.73)
Tax losses not recognised	1.65	0.33
Effect of different tax rates of certain subsidiaries	(1,019.47)	(493.92)
Provision for loss allowance	179.62	312.85
Disallowance of impairment of financial assets, PP&E, CWIP and CSR	(110.20)	2,394.11
Finance cost and employee benefit plans	0.88	0.76
Difference in depreciation in books vs income tax depreciation	(996.19)	(1,407.53)
Income exempt from tax (Revenue recognition of government grants)	(62.51)	(62.73)
Effect of unused tax losses and tax assets not recognised as deferred tax asset	(1,635.56)	(1,735.36)
Undistributed profits of JV companies	11.59	79.22
Dividend distribution tax of subsidiary and joint ventures	-	-
Others	3.45	(520.97)
Income tax expenses recognised in profit or loss	79.06	241.08
3 Income tax recognised in Other Comprehensive Income		
Deferred tax		
Remeasurement of Defined Benefit Plans	(0.62)	(0.69)
Effective portion of gains and loss designated portion of hedging instruments in cash flow hedge	-	-
Total income tax expense recognised in other comprehensive income	(0.62)	(0.69)
Bifurcation of the deferred tax expense recognised in other Comprehensive income into:		
Items that will be reclassified to profit and loss	-	-
Items that will not be reclassified to profit and loss	(0.62)	(0.69)
	(0.62)	(0.69)

36 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, IL&FS Financial Services Limited ("IFIN") and IL&FS Transportation Network Limited ("ITNL") (both are collectively referred to as "fellow subsidiaries").

The Group 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, 2022 and March 31, 2021 (comparative period end date); and (c) the Statement of Profit and Loss for the years ended March 31, 2022 and March 31, 2021.

37 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 consolidated financial statements, the Board of Directors of the IL&FS Limited, 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 IL&FS Limited. Pending completion of such examination, no adjustments have been recorded in the consolidated financial statements for any consequential effects / matters that may arise in this regard.

38 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 holding 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 Holding Company were invited (via advertisement(s) dated May 22, 2019) to submit their claims as at October 15, 2018 with proof, on or before June 5, 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, vide their communications dated May 28, 2021 to the management of IL&FS Group pursuant to the claims received to date, on the status of the claims received and its admission status. The report is subject to updation based on additional information/ clarification that may be received from the creditors in due course.

Management of the Group is in the process of reviewing the claims and reconciliation of such claims with the corresponding amounts as per the Group'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 obligations that would need to be recognised by the Group as liabilities. Accordingly, no adjustments have currently been made in this regard to this consolidated financial statements, and these claims have been disclosed as part of contingent liabilities.

39 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 IL&FS Limited 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 IL&FS Limited 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.

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40 (a) 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 consolidated financial statements, The Group is not in compliance with certain provisions/requirements of applicable laws and regulations. These include, but not limited to, certain requirement 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.

(b) Management of the Group is in the process of evaluating the financial impact and other consequences arising from such non-compliance 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 consolidated financial statements.

(c) As per Reserve Bank of India Press Release no. 1998-99/1269 dated April 8, 1999 ('Press Release'), the holding 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 consolidated financial statements. The Holding Company does not fulfil 50-50 test as on March 31, 2021 and March 31, 2022. Accordingly provisions pertaining to registration as Non Banking Finance Company are not applicable to the Holding Company .

(d) The reconstituted Board of IL&FS has initiated a forensic examination for the period from April 2013 to September 2018 for certain companies of the ITPCL including ITPCL, and appointed an external agency to perform the forensic audit and report to the Board of IL&FS. We had received the report during the year ended March 31, 2021. Based on the report, the ITPCL had issued show cause notices (SCN) to three employees (one current and two former), regarding potential irregularities in transactions with vendors and the role of those employees with respect to those transactions in line with IL&FS Group forensic audit protocol. The ITPCL has received responses from those individuals, and have terminated their services and withheld final settlement from these employees. ITPCL has further filed petition with Hon'ble NCLT under section 66 of the IBC Code for suitable remedy/recovery. Pending outcome of the matter, the financial statement consequences of the above are not currently determinable

(e) As a result of the forensic audit referred to in Note 40(d) above, non-compliances in the period up to October 15, 2018, of certain covenants in respect of loans taken by ITPCL, have been identified. Having regard to the ITPCL's ongoing discussions with lenders, no further adjustments have been considered necessary to the consolidated financial statement, in that regard.

41 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 holding company following the default of borrowings made by the holding company, as described in that note. Further, the holding 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 holding company has also appointed Haribhakti & Company LLP as forensic auditor to undertake the forensic audit of the holding company for the period from September 01, 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 Holding 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 consolidated financial statements in this regard.

42 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 of the consolidated 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, IL&FS group companies. All companies of IL&FS Group in India have been classified as "Red", "Amber" or "Green" categories based on the capacity of each company to meet its obligations.

Management of the Group 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. Management's approach in this regard does not consider the requirements of the relevant Ind-AS standards in entirety.

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The management of the Group is of the view that the impairment allowance as recognized in these consolidated financial statement is based on the best judgement internal assessment and 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, 2022 and for earlier years and does not require any restatement. In the view of the management, the impairment provision/gains are recognised in the current year and previous year is prudent and represents the economic substance of the amounts recoverable as of March 31, 2022.

43 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 of the group 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 Group.

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

The Holding Company has also not-recognised interest expenses amounting to Rs. 59.42 million and Rs. 41.59 million on account of non deposit of tax deducted at source and Goods and services tax respectively till March 31, 2022.

During the previous 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 Holding 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 Holding 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 year ended March 2021, accordingly, the management is of the view that no further adjustments are required to be made in these consolidated financial statements.

The Holding Company has also not-recognised interest expenses amounting to Rs. 59.42 million and Rs. 41.59 million on account of non deposit of tax deducted at source and Goods and services tax respectively till March 31, 2022

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

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.

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The Group is in business of providing consultancy services, sale of power and revenue from construction contracts. The Group 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 Group completes its assessment and accordingly impact of adoption of Ind AS 115 has not been given in the consolidated financial statements.

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

The Holding Company 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 Holding Company, details of which are discussed in Note 2. As a result of the foregoing, the Holding 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 IL&FS Limited Company 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 Holding Company is taking active steps to monetize its assets and is in discussions with multiple parties to sell its assets. The Holding 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 holding 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 consolidated 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 holding company to continue as the going concern is predicated upon its ability to monetize its assets, restructured its liability 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 Holding Company, the management is unable to determine the amounts at which the liability of the Holding 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 Holding Company to continue as going concern. Pending approval/guidance from IL&FS Board, these consolidated financial statements 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 Holding 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 this consolidated 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.

46 Investments held by the holding Company on behalf of third parties

(i) The Holding Company vide Agreement dated April 22, 2016 with Bermaco Energy Systems Limited ('the buyer') has sold as investment in one of the associates namely Punjab Biomass Power Limited (PBPL) for a consideration of Rs. 100.00 Million and accordingly, has recognised loss on sale of Investment of Rs. 102.34 million during the year ended March 31, 2017. However, till date the Holding Company has not received the purchase consideration of Rs. 100 million from the buyer, accordingly the Holding Company has created provision against the said receivables in this consolidated financial statements. Further during the year, pursuant to liquidation process of PBPL, all the existing shares have been extinguished and Holding Company has received Nil consideration and hence holding company after taking the approval from Board of Directors has written off the investment as well loans given to PBPL during the year.

47 Commercial arrangements and claims received

(i) The ITPCL had raised funds by way of private placement of two Secured, Unlisted, Redeemable Non-Convertible Debentures ("NCD") having face value of Rs.10,00,000 each, aggregating Rs.5,000 Million, backed by corporate guarantee and/or undertakings by IL&FS and IEDCL. Pursuant to an arrangement with IL&FS, the Company was required to pay monitoring fees to IL&FS in respect of the above-mentioned private placement of NCDs. Subsequent to the downgrading of credit rating of IL&FS after October 2018, holders of NCDs of the ITPCL have increased interest rates on NCDs issued by ITPCL. As result of the foregoing, management concluded that the arrangement with IL&FS and IEDCL became infructuous from October 15, 2018 and April 1, 2019, respectively. Accordingly, no expenses in this regard have been accounted for by the ITPCL in the previous year.

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(ii) The ITPCL entered into an agreement dated May 25, 2017 with IMICL, an IL&FS group company, for providing coal handling services to ITPCL. As per the said agreement, ITPCL is required to pay fixed charges on yearly basis to IMICI in addition to variable charges per tonne of coal handled. Such charges had been waived by IMICL from 2018-19. In addition, ITPCL was liable to pay interest on delayed payment of dues pertaining to the period from July 1, 2017 to March 31, 2018, aggregating Rs 386.30 million till March 31, 2019. This contract with IMICL was terminated by the ITPCL effective April 1, 2019. Against the above, an amount of Rs 278.86 million has been claimed by IMICL on the ITPCL, including as part of the claims process as at March 31, 2022 (March 31, 2021 - Rs. 278.86). The ITPCL has not admitted these claims, and hence has not accounted for such costs in these financial statements. No such claims have been made on ITPCL, or been recorded by ITPCL, in respect of the current financial year.

(iii) The ITPCL had entered into an agreement with Porto Novo Maritime Limited, in respect of which, interest expenses have not been accounted for by ITPCL. Against the above, an amount of Rs 274.30 million has been claimed by PNML through the claims process or otherwise.

48 Classification of borrowings

Pursuant to the matter described in Note 2 above, the ITPCL had not recognised the interest payable on loans from banks and financial institutions, from October 16, 2018 to March 31, 2022, and had not paid such interest and related principal, till March 31, 2022. Under the terms of the loan agreements with lenders, such non-payment constituted an event of default pursuant to which the entire loan liability would have become due and payable on a current basis, as at March 31, 2019 and thereafter. However, management was of the view that due to the moratorium, the terms of loan agreements resulting in such default would not be applicable to ITPCL. As a result, borrowings as at March 31, 2022 and March 31, 2021 had been classified as current and non-current based on the original terms of the loan agreement, without considering default provisions as above.

49 Reconciliation of borrowings

As at March 31, 2022, the ITPCL's books of account reflect a balance of Rs 81,466.79 million (March 31, 2021 - Rs 81,466.79 million) payable to the consortium of banks (with whom the ITPCL has borrowing arrangements), without making any adjustments that may be required to give effect to the proposed restructuring of debt and other outstanding amounts to banks. Against this, the statements / other information provided by those banks indicate outstanding balances by the ITPCL aggregating Rs. 1,00,639.19 (March 31, 2021 - Rs. 95,452.24). Management of ITPCL believes that the net difference of Rs. 19,172.40 (March 31, 2021 - Rs. 13,985.45) may be on account of interest costs not accounted for by the Group after October 15, 2018 and/or incorrect / additional / penal interest charged by the banks. Accordingly, the ITPCL has not accounted for the above difference in the financial statement.

50 Accounting for amounts due / recoverable from IL&FS group companies

a. Porto Novo Maritime Limited ("PNML")

ITPCL entered into a License Agreement dated September 15, 2010 with Tamil Nadu Maritime Board ("TNMB") on September 15, 2010 for the development and operation of the Parangipettai Port in Tamil Nadu, India (the "Port"), for a period of 30 years from August 15, 2010. ITPCL has transferred the Licence for port development and operation to PNML, an IL&FS group Group, without any consideration. Thereafter, ITPCL signed a Memorandum of Agreement with PNML dated April 12, 2013 to develop, finance, implement and operate the Port as a captive port for the Group on a "Take or Pay" basis.

As per the Memorandum of Agreement with PNML, ITPCL was required to provide capital support of Rs 6,300 million to PNML towards construction of the Port, out of which ITPCL paid Rs.2,903.50 million to PNML between March 2013 and February 2014. The development of the port was deferred due to various reasons, including delay implementation of Phase II of the ITPCL's power plant. Subsequently, in July 2015, PNML refunded Rs. 1,900 million out of the 2,903.50 million received from the ITPCL.

The ITPCL and PNML entered into an amendment dated March 7, 2016 to the Memorandum of agreement dated April 12, 2013, in terms of which ITPCL was required to pay a deposit of Rs 2,200 million to PNML in lieu of capital cost already incurred by PNML, and PNML was required to refund the balance Rs 1,003.50 million capital support to ITPCL. ITPCL had not received the capital support amount of Rs 1,003.50 million from PNML, and based on the financial condition of PNML, the ITPCL provided for such amount of Rs 1,003.50 million as at March 31, 2019.

b. Interest on margin money deposits placed with IEDCL

ITPCL has placed margin money deposits of Rs 327.13 million with IEDCL, its holding Company. The ITPCL had recognised interest receivable on such margin money for the period April 1, 2018 to October 15, 2018, of Rs 9.76 million, which was adjusted against the balance of term loans payable as at March 31, 2019. ITPCL has not recognised interest on such margin money for any period thereafter, till March 31, 2022.

51 Loan restructuring

Management of ITPCL has received approval from bankers/financial institutions to restructure the payables towards principal and interest in respect of the ITPCL's borrowings from those banks/financial institutions. This approval of restructuring is subject to the approval of The Hon'ble NCLAT. Application for such approval was made on January 08, 2021. Hon'ble NCLAT had heard the matter and passed the orders as under;

1) By its order dated 1.12.2021, Hon'ble NCLAT approved the prayers related to restructuring of debts towards financial creditors

2) By its order dated 04.07.2022, the Hon'ble NCLAT refused grant of prayers related to restructuring of dues towards operational and capex creditors. Hon'ble NCLAT asked ITPCL to make supplementary resolution plan and its subsequent approval from IL&FS Board and adjudicating authority

Keeping the above in view, ITPCL had started the process of finalising supplementary resolution scheme dealing with claims of operational & capex creditors. ITPCL is also engaged with lenders for revalidation of their earlier sanction and early implementation of debt restructuring plan as approved by them.

As the matter is still in progress, no adjustments for the above have been made in the financial statements

52 Debentures from related parties

As at March 31, 2022, ITPCL had borrowings from IEDCL, represented by debentures and term loans, in respect of which interest expenses was recognised till October 15, 2018. Further, no interest has been recognised from October 16, 2018 on such borrowings which aggregates to Rs. 5,503.45 as at March 31, 2022 (March 31, 2021 - Rs. 4,413.32).

53 Interest on finance cost

As a result of the various matters stated in Note 2 to these consolidated financial statements, in respect of the previous financial year, management has determined at the time that no interest will be payable by the Company, on loans from banks, debentures other than in Note 52 above (for the period after October 15, 2018), and cash credit accounts (for the period after October 31, 2018). Accordingly, the Company has not recognised finance costs aggregating to Rs. 33,340.39 approximately as at March 31, 2022 (March 31, 2021 - Rs. 23,027.14)

54 Forensic audit conducted by lenders

Lenders have also initiated a forensic audit for the period prior to September 2018 and appointed an external agency to perform forensic audit and report to lenders. Lenders have informed that consequent to receipt of auditor's report they have classified ITPCL account as fraud category basis RBI guidelines and this action has no bearing on debt restructuring.

55 With regard to one of the subsidiaries named as IL&FS Solar Power Limited ("ISPL") which is classified under 'Green' category, the Holding Company has an exposure of Rs. 0.50 million on account of investment made as at March 31, 2022. Based on the audited financial statements of ISPL as at and for the year ended March 31, 2022, net worth of ISPL is Rs. 39.71 million.

Considering the positive net worth of ISPL as at March 31, 2022, management is of the view that no further adjustments are required to be made in this consolidated financial statements in this regard. The Holding Company has filed the application to NCLT for closure of ISPL under Section 271 (a) of Companies Act.

56 The Group does not have any Benami property, where any proceeding has been initiated or pending against the Holding Company for holding any Benami property

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Note 57

Contingent liabilities and commitments

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
(i) Claims against the Group not acknowledged as debt		
(a) Bank Guarantees provided	4,302.30	4,304.78
(b) Other Bank Guarantee	1,385.00	2,922.27
(c) Guarantees given on behalf of the IEDCL's joint ventures to the lenders	249.99	249.99
(d) Demand raised by Tax authorities	581.71	718.64
(e) Customer claim (PTC claim)	6721.79	-
(f) Other Claims	50,033.61	19,843.15

Out of the above: claims of Rs. 0.05 million (As at March 31, 2021: Rs. 616.05 mn) pertains to joint ventures.

(ii) Capital commitments

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) includes Rs. 0.86 million (As at March 31, 2021 Rs 169.52 million) pertaining to joint ventures	936.60	1,431.63

(iii) Operating commitments

Estimated amount of operational commitments remaining to be executed	2.01	57.53

(iv) Other commitment

During the year ended March 31, 2016, the Holding 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 ('RWPPL'), Lalpur Wind Energy Private Limited ('LWEPL'), Khandke Wind Energy Private Limited ('KWEPL') wherein wind power projects are housed.

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

Further, during the previous year ended March 31, 2018, Holding 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 Holding 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 Holding 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 Holding 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 Holding 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 Holding Company would receive / pay compensation from / to Orix Corporation, Japan. Till date the Holding Company has not received any demand from Orix Corporation against shortfall in generation, based on actual generation till date and various discussion with Orix, the management of the holding company believes that no demand is expected from Orix Corporation and accordingly no provision is required in the financial statements.

(v) There are numerous interpretative issues relating to the Hon'ble Supreme Court judgement on Provident Fund dated February 28, 2019. As a matter of caution, ITPCL has made a provision on a prospective basis from the date of the Hon'ble Supreme Court order. ITPCL will update its provision, on receiving further clarity on the subject.

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- 58** 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 (Amy") dated October 16, 2014. Per the term of the PPA, the Holding Company had installed 1 MW of Solar Rooftop Plant ("the Plant") at Amity University, Noida. The Plant was commissioned on March 7, 2015. The Holding 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 Holding Company, the Holding 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 Holding 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 Holding 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 Holding Company has continued to supply electricity to Amity and has invoiced an amount of Rs. 8.94 million during the current year ended March 31, 2022. As at March 31, 2022, the Holding Company has total receivable of Rs. 31.32 million and has also claimed Rs. 46.00 million from Amity as Buy Out Price against the solar plant having net block of Rs. 35.17 million as at March 31, 2022 as per the books of the Holding Company. The Amity has submitted its proposal to settle the matter which is under approval process. Based on the said proposal, the required impairment provision has been considered in this consolidated financial statements. The management believes that the amount as recognised in these consolidated financial statements are based on the appropriate assumptions/best and reasonable estimates, accordingly, no further adjustments are required to be made in this regard.

- 59** As per Sub-section 11 of Section 186 of Companies Act, 2013 read with Schedule III to Companies Act 2013, the provisions of Section 186 except Sub-section) are not applicable on a company engaged in the business of providing infrastructural facilities which includes generation of power through renewable sources. The Holding Company has IMW rooflop solar power plant which depicts the Holding Company is engaged in the business of generation of power through renewable source. Accordingly, provisions of Section 186 are not applicable on the Holding Company.
- 60** Under the Resolution Framework (refer note 3) of the Holding 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 Holding 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 Holding Company and from the New Board of the holding company, Holding Company submitted an application seeking approval from the Hon'ble Justice D.K. Jain for the transfer of the said contracts, Company has received the approval from Hon'ble NCLAT during FY 2021-22.

Subsequent to the year ended March 31, 2022, the transaction has been consummated and has novated these revenue generating contracts on July 26, 2022

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61 Other information

1. The Holding Company has no transactions during the year with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956
2. The Holding Company has not traded or invested in Crypto currency or virtual currency during the financial year.
3. As per the records available, No Bank or financial institution or other lender has declared the Corporation as willful defaulter
4. The Holding Company has not advanced or given loan or invested funds during the year to any persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
5. The Holding Company has not received any fund from any persons or entities, including foreign entities (Funding Party) during the year with the understanding (whether recorded in writing or otherwise) that the Holding Company shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
6. The Holding Company does not have any transaction during the year which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

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Note 62

Employee benefits

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

a. Defined contribution plan

The Group 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 the superannuation fund. Under the schemes, the Group 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. 15.70 million (March 31, 2021 Rs. 16.33 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 Group has a defined benefit gratuity plan in India (funded) which is governed by Payment of Gratuity Act, 1972. The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund

(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.

d. Disclosures as required under Ind AS 19 on "Employee Benefits" for Gratuity are as under:

The Group has taken the group policy to meet its obligation towards gratuity.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and 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, 2022 by registered 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.

	Year ended 31.03.2022 Rs. Million	Year ended 31.03.2021 Rs. Million
i Movement in the present value of defined benefit obligations:		
Benefit obligations at the beginning	47.68	49.38
Service Cost	5.79	7.47
Interest Cost	2.57	2.88
Benefits paid	(7.58)	(7.07)
Actuarial losses / (Gain)	(0.74)	(4.98)
Benefit obligations at the end	47.72	47.68
ii Movement in the fair value of plan assets:		
Fair value of plan assets at the beginning of the year	49.37	52.96
Interest Income	2.96	3.12
Remeasurement - Return on plan assets	0.17	0.04
Contributions	10.18	0.32
Benefits paid	(7.58)	(7.07)
Fair value of plan assets at the end	55.09	49.37

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iii	Amount recognised in Statement of profit and loss account under employee benefit expenses		
	Current service cost	5.79	7.47
	Interest cost	(0.39)	(0.24)
	Other adjustments	(1.28)	-
	Expenses charged to the statement of profit and loss	4.12	7.23
iv	Amount recognised in other comprehensive income		
	Remeasurement of the net defined benefit liability/(asset)		
	Actuarial (gains)/losses	(4.83)	(4.97)
	- Due to change in demographic assumption	(2.05)	(2.23)
	- Due to change in financial assumption	(2.79)	(2.74)
	Add:		
	(Return)/loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(0.17)	(0.04)
	Net (gains)/losses	(5.00)	(5.01)
v.	The amount included in the balance sheet arising from entity's		
	Obligations in respect of defined benefit plan is as follows:		
	Present value of funded defined benefit obligation	47.72	47.68
	Fair value of plan assets	55.09	49.37
	Unfunded status	(7.37)	(1.69)
	Net liability arising from defined benefit obligation	(7.37)	(1.69)
vi	The fair value of the plan assets at the end of the reporting period for each category, are as follows:		
	Fair value of plan assets of gratuity		
	Stable Managed Fund – Managed by Life Insurance Corporation of India	39.41	31.03
	Stable Managed Fund – Managed by HDFC Life	16.58	17.61
		55.99	48.64
vii	Assumptions		
	Discount Rate	4.56%	3.86%
	Rate of return on plan assets	4.56%	3.86%
	Salary escalation	3.0%-7.5%	3.0%-7.5%
	Mortality rate	Indian Assured Lives Mortality(2006-08)	Indian Assured Lives Mortality(2006-08)

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase and employee turnover. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis on the defined benefit obligation is given below:

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	Rs. Million	Rs. Million
Effect of +1% change in rate of discounting	30.01	28.96
Effect of -1% change in rate of discounting	32.31	31.25
Effect of +1% change in rate of salary increase	32.39	31.31
Effect of -1% change in rate of salary increase	29.93	28.89
Effect of +1% change in rate of employee turnover	0.01	0.01
Effect of -1% change in rate of employee turnover	(0.01)	(0.01)

Notes:

- 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.
- 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.
- The estimate of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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Note 63

Capital grants

(i) Government Grants

The ITPCL qualifies as a Mega Power Project, in terms of the applicable regulations in this regard, and has obtained a provisional Mega Power Project status certificate from the Ministry of Power, Government of India ("GoI"). In terms of the prevalent scheme at the relevant time, ITPCL had availed of exemption from customs and excise duty aggregating Rs 9,953.67 million on the purchase of equipment and spares for the ITPCL's power project, which were secured by bank guarantees and fixed deposits. The grant of final mega power status of the ITPCL is dependent on its achieving tie up for the supply of power for 85% of its installed capacity through the long-term PPAs by way of competitive bidding and the balance through regulated market within stipulated time (i.e., by January 2022). Under Ind AS, exemption of customs and excise duty has been treated as grant relating to income and accordingly, the amount of grant has been set-up as deferred income and has been recognised in statement of profit and loss over the useful life of the asset for which grant was received, with a corresponding balance recognised under Property, Plant & Equipment (Plant and Machinery).

In respect of Unit I of the ITPCL Power Plant Operations, the ITPCL has entered into a PPA for 15 years with TANGEDCO. During the previous financial year, the ITPCL has obtained a mega power certificate (provisional) to the extent of 56.17% based on the amended Mega Power Policy 2009 and, accordingly, bank guarantees provided by the ITPCL to the GOI for an amount of Rs 5,576.14 million (proportional to the total value of bank guarantees given) have been released. There are no further obligations or conditions attached to this portion of the grant.

In respect of Unit II, the ITPCL has represented to Ministry of Power that it has not been able to enter into a long-term PPA, as required by the terms of the duty waivers explained above, due to a lack of market (represented by requests for proposals) for such power supply terms. Ministry of power had given further period of 3 years till 2025 to comply with condition of long term PPA. Management also believes that there are no other material obligations or conditions attached to this remaining portion of the grant, and that ITPCL would continue to retain its Mega Power Project status in respect of Units I and II combined and, accordingly, no adjustments have been made to the financial statements in respect of the non current deferred government grants of Rs. 4,173.95 (March 31, 2021 - Rs. 4,173.95).

(ii) Deferred government grant is disclosed in the financial statements as follows:

Particulars	Year ended 31.03.2022	Year ended 31.03.2021
	Rs. Million	Rs. Million
Opening balance	8,736.81	8,986.05
Grant recognised during the year		
Less: Amount recognised in statement of profit and loss	248.39	249.24
Less: Grant transferred under slump sale		
Closing balance (see note 23)	8,488.42	8,736.81
Disclosed under other non current liability	8,240.04	8,488.45
Disclosed under other current liability	248.39	248.37

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Note 64
Loans and advances

Three subsidiaries of the Group namely Mahidad Wind Energy Private Limited (MWEPL), Jogihali Wind Energy Private Limited (JWEPL) and Sipla Wind Energy Limited (SWEL) (hereinafter referred as 3 subsidiaries companies) had awarded EPC contracts to Wind World India Limited (WWIL) to develop 84.40 MW, 77.60 MW and 66.40 MW wind power projects respectively. As at the March 31, 2018 the following amounts are recoverable from WWIL:

Rs. In million				
Particular	MWEPL	JWEPL	SWEL	Total
Capital Advance	1,343.86	347.03	1,956.13	3,647.02
Interest	440.97	276.68	164.81	882.46
Total	1,784.83	623.71	2,120.94	4,529.48

In view of substantial delays in commissioning of the projects, the 3 subsidiaries companies executed settlement agreement with WWIL and its affiliates on October 1, 2016 whereby it was agreed:

- a. to cancel 24 MW out of 84.80 MW for MWEPL, 23.30 MW out of 66.40 MW for SWEL and cancel entire 77.60 MW for JWEPL.
- b. WWIL shall pay the excess amount along with interest as defined in the said agreement.
- c. Further, the 3 subsidiaries companies have received security in the form of right to receive proceeds from monetization of 1,000 MW development rights owned by WWIL affiliates and subservient charge on the economic interest and benefits with respect to 152.60 MW projects owned by the promoters of WWIL.

In FY 2018-19, WWIL has been referred to National Company Law Tribunal, Ahmedabad Bench, under the Insolvency and Bankruptcy Code by its lenders and accordingly an Interim Resolution Professional (IRP) has been appointed. Claims of Rs. 1,975 million, 587 million and 2,260 million have been filed by MWEPL, JWEPL and SWEL respectively with the IRP and it is under verification. Further, the IRP had invited Expressions of Interests (EOI) from interested parties towards submission of resolution plan for WWIL. Further these subsidiary companies have also received unencumbered collateral securities in the form of development rights for Wind Power Generation Assets.

The resolution plan submitted by Suraksha Consortium has been approved by the Committee of Creditors of WWIL on meeting held on November 16, 2018 and has been submitted to Hon'ble National Company Law Tribunal, Ahmedabad bench for its approval. MWEPL, JWEPL and SWEL are expected to receive Rs. 108 million, Rs.19.10 million and Rs 122 million respectively as per approved resolution plan. Further with respect to IBC proceedings of WWIL, the resolution applicant has withdrawn their offer. The same has been approved by NCLT. However, the Committee of Creditors and Resolution Professional has appealed the tribunal Order at NCLAT. The NCLAT has admitted the petition and next hearing date is scheduled on September 20, 2021. Pending the NCLAT proceedings, it is now proposed to carry the recoverable amount from WWIL as per the offer under the last resolution plan.

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Note 65

Financial Instruments

65.1 Capital Management

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

The capital structure of the Group as on March 31, 2022 consists of net debt of Rs 94,351.41 million (borrowing as detailed in notes 20, 21 and 24 offset by cash and bank balances as detailed in note 11a and 11b) and total equity including non controlling interest of Rs. -14,421.66 million.

65.1.1 Gearing ratio

Gearing ratio at the end of the reporting period was as follows:

	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
A. Debt (see note (i) below)	1,25,665.99	1,25,698.01
B. Cash and bank balance (see note (ii) below)	31,314.58	30,070.45
C. Net debt (A - B)	<u>94,351.41</u>	<u>95,627.56</u>
D. Equity (see note (iii) below)	<u>(14,421.66)</u>	<u>(25,684.18)</u>
E. Gearing ratio	<u>118%</u>	<u>137%</u>

Note:

- (i) Debt includes long term borrowings (including current maturity) and short term borrowings (excluding derivatives, financial guarantee contracts and contingent consideration)
- (ii) Cash and bank balance includes cash and cash equivalent and bank balance held as margin money
- (iii) Equity includes equity share capital, other equity including equity component of compound financial instrument, reserves and surplus and non-controlling interests.

65.2 Categories of Financial Instruments

Financial Assets	As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
<u>Mandatorily measured at fair value through profit or loss (FVTPL)</u>		
(a) Investments	48.66	45.49
<u>Measured at Amortised cost</u>		
(a) Investments in debts instruments	57.19	391.17
(b) Trade receivables	30,714.08	18,919.06
(c) Cash and cash equivalents	2,650.62	19,766.45
(d) Bank balances other than (c) above	28,663.96	10,304.00
(e) Loans	945.39	1,046.38
(f) Others financial assets	5,698.53	5,150.77

Note - Equity investment in joint ventures and associates is not included above since these are accounted using the equity method

Financial Liabilities

Measured at Amortised cost (including trade payables)

(a) Borrowings	1,25,665.99	1,25,698.01
(b) Trade payables	5,038.11	5,597.46
(c) Other financial liabilities (including current maturity of long term borrowings)	11,819.33	12,429.75

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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65.3 Financial risk management objectives

Refer note 2 and 3 of these consolidated financial statements, which states that the normal business operations of the Group as they existed until previous year have ceased, and the new board has undertaken certain step 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.

65.4 Market Risk

The Group is exposed to the financial risk of changes in foreign currency exchange rates (refer 65.4.1 below) and interest rates (65.4.2 below)

65.4.1 Foreign Currency Risk Management

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

Particulars	Currency	As at	As at
		31.03.2022	31.03.2021
		Million	Million
Assets	US Dollar	0.05	0.05
	INR Equivalent	3.15	3.68
Liabilities	US Dollar	108.32	108.26
	INR Equivalent	8,207.75	7,957.63

Foreign currency sensitivity analysis

The Group is mainly exposed to USD. The following table details the Companies sensitivity to a 5% increase and decrease in Rupee against the relevant foreign currency. The sensitivity analysis include 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.

Particulars	Year ended	Year ended
	31.03.2022	31.03.2021
	Million	Million
Impact on profit or loss for the year	82.08	79.58

In the management's opinion, the sensitivity analysis is unrepresentative of the inherent foreign exchange risk because the exposure at the end of reporting period does not reflect the exposure to foreign exchange risk during the year.

Currency swap contract

The Holding Company had taken foreign currency loans during the previous years. It was the policy of the Holding 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 Holding 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.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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Due to events occurred with the Holding Company (as fully explained in note 2 and note 3 above) Syndicate Bank during the previous year has terminated the swap agreement. The Holding 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 Holding Company has not received any further communication from the Bank. However, on conservative approach the Holding Company has done accounting based on mark to market of the loan through profit and loss as at the year end.

65.4.2 Interest rate risk management

The Group 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 the Group has not accrued interest expense post October 15, 2018.

Interest rate sensitivity analysis

As during the current year, the Group has not accrued any interest as mentioned in note 43 hence no interest sensitivity analysis has been done by the Group.

Interest rate swap contracts

No interest swap contract is entered in the current year.

65.4.3 Other price risk

The Group is exposed to equity price risks arising from equity investments. As detailed in note 42 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 Group 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, 2022.

65.5 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As a consequence of the matters described in note 2 the receivables of the Group have been substantially impaired. Financial assets that potentially expose the Group to credit risks are listed below:

	As at 31.03.2022 Million	As at 31.03.2021 Million
Trade receivables	30,714.08	18,919.06
Loans receivable	945.39	1,046.38
Other financial assets	5,698.53	5,150.77
	37,358.00	25,116.21

Refer note 10 for credit risk and other information in respect of trade receivables. Other receivables mainly include Unbilled revenue, deposits with banks maturity more than 12 months, interest accrued and advances which are due from parties under normal course of business and as such the Group believes exposure to credit risk is minimal.

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65.6 Liquidity risk

During the year ended March 31, 2020 , the Group has defaulted on its interest and principal obligations which are 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.

Liabilities

The following table details the Group'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 Group can be required to pay.

Rs. Million					
Particulars	within 1 year	1 year to 5 years	More than 5 years	Total	Carrying amount
As at 31.03.2022					
Borrowings (including current maturities of long term borrowings)	81,293.41	27,151.24	25,821.84	1,34,266.49	1,34,266.49
Trade payables	5,038.11	0.23	-	5,038.34	5,038.34
Other financial liabilities (excluding current maturities of long term borrowings)	11,817.97	1.36	-	11,819.33	11,819.33
Total	98,149.49	27,152.83	25,821.84	1,51,124.16	1,51,124.16

Rs. Million					
Particulars	within 1 year	1 year to 5 years	More than 5 years	Total	Carrying amount
As at 31.03.2021					
Borrowings (including current maturities of long term borrowings)	76,799.89	22,632.82	35,554.31	1,34,987.02	1,34,987.02
Trade payables	5,597.51	0.23	-	5,597.74	5,597.74
Other financial liabilities (excluding current maturities of long term borrowings)	12,428.43	1.32	-	12,429.75	12,429.75
Total	94,825.83	22,634.36	35,554.31	1,53,014.50	1,53,014.50

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

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

65.7 Fair value measurements

Investments of the Group in equity instruments other than in joint venture and associate companies are measured at fair value through profit or loss at the end of each reporting period.

The following table gives information about how the Group determines fair values of investments :

Sr. Investments equity instruments / units of other No. companies (unquoted)	Fair value as at	
	31.03.2022	31.03.2021
	Rs. Million	Rs. Million
1 Power Transmission Company Nepal Limited	48.66	45.49
	48.66	45.49

The reconciliation of Level 3 fair value investments is as follows:

	As at 31.03.2022	As at 31.03.2021
	Rs. Million	(Rs. Million)
Unlisted shares irrevocably designated as at FVTPL		
Opening balance	45.49	42.16
Gain/(loss) recognised in Statement of profit and loss account	3.17	3.33
Closing balance	48.66	45.49

Basis of valuation

Investments other than Urjankur Nidhi Trust have been valued based on 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

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

Note 66

Segment reporting

The Group 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 consolidated financial statements, the normal business operations of the Group 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 Group 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".

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

Note 67

Related Party Transactions:

List of related parties (With whom the Group had transactions):

A. HOLDING COMPANY

Infrastructure Leasing & Financial Services Limited (IL&FS)

B. ENTITIES UNDER COMMON CONTROL

- i. Avash Logistic Park Private Limited
- ii. IL&FS Education & Technology Services Limited
- iii. IL&FS Environmental Infrastructure & Service Limited
- iv. IL&FS Financial Services Limited
- v. ITNL Road Infrastructure Development Company Limited
- vi. Rapid Metrorail Gurgaon Limited
- vii. IL&FS Investment Managers Limited
- viii. IL&FS Securities Services Limited
- ix. IL&FS Transportation Networks Limited
- x. A S Coal Resources Pte Limited
- xi. Porto Novo Maritime Limited
- xii. Mangalore SEZ Limited
- xiii. Sealand Ports Private Limited
- xiv. IL&FS Maritime Infrastructure Company Limited
- xv. Noida Toll Bridge Company Limited
- xvi. IL&FS Technologies Limited
- xvii. IL&FS Infra Asset Management Limited
- xviii. Livia India Limited
- xix. Maritime Offshore Pte Limited
- xx. Jorabat Shillong Expressway Limited
- xxi. Jharkhand Road Projects Implementation Company Limited
- xxii. Baleshwar Kharagpur Expressway Limited
- xxiii. IMICL Deghi Maritime Limited
- xxiv. IL&FS Cluster Development Initiative Limited
- xxv. ISSL Settlement & Transaction Services Limited
- xxvi. IL&FS Engineering & Construction Company Limited
- xxvii. Jharkhand Infrastructure Development Corporation Limited
- xxviii. IL&FS Airports Limited
- xxix. East Delhi Waste Processing Company Limited
- xxx. Chenani Nashri Tunnelway Limited
- xxxi. IL&FS Capital Advisors Private Limited

C. ASSOCIATES

- i. Urjankur Shree Tatyasaheb Kore Warana Power Company Limited

D. JOINT VENTURES

- i. ONGC Tripura Power Company Limited
- ii. Cross Border Power Transmission Company Limited
- iii. Assam Power Project Development Company Limited
- iv. Bihar Power Infrastructure Company Private Limited
- v. Saurya Urja Company of Rajasthan Limited
- vi. PDCOR Limited
- vii. Power Transmission Company Nepal Limited

E. KEY MANAGEMENT PERSONNEL

- i. Mr. Ashwani Kumar (Chief Executive Officer with effect from August 02, 2017 till Septemebr 6, 2019)
- ii. Mr. Anand Nair (Chief Financial Officer)(with effect from May 22, 2018 till October 11, 2019)
- iii. Mr. Jignesh Nagda (Company Secretary) (with effect from August 14, 2018 till May 10, 2019)
- iv. Mr. Feby Koshy (Chief Executive Officer with effect from October 13, 2020)
- v. Mr. Ritendra Bhattacharjee, Chief Executive Officer (with effect from February 10, 2021)
- vi. Mr. Dinesh Ladwa (Company Secretary) (with effect from October 26, 2021)
- vii. Ms. Dinesh Ladwa (Company Secretary) (with effect from October 01, 2021 till date)

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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PARTICULARS	Holding Co (ILFS)	Entites under Common Control	Joint Venture/ Associate	KMP	Grand Total
	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
Transactions during the year ended Marc1 31, 2022					
Demat Charges					
ILFS Securities Services Limited	-	0.30	-	-	0.30
Dividend Income					
ONGC Tripura Power Company Limited	-	-	94.31	-	94.31
Cross Border Power Transmission Company Ltd.	-	-	20.28	-	20.28
Power Transmission Company Nepal Limited	-	-	5.06	-	5.06
Rental income					
IMICL	-	0.03	-	-	0.03
PNML	-	0.03	-	-	0.03
Rent Expense					
ILFS	12.39	-	-	-	12.39
Guarantee issued during the year					
Saurya Urja Company of Rajasthan Limited	-	-	250.00	-	250.00
Investment Sold during the period					
ONGC Tripura Power Company Limited	-	-	1,475.99	-	1,475.99
Office Maintenance Expenses					
ILFS	0.17	-	-	-	0.17
Reimbursement of Expenses					
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	-	-	2.97	-	2.97
Saurya Urja Company of Rajasthan Limited	-	-	3.59	-	3.59
ILFS	0.02	-	-	-	0.02
Managerial Remuneration					
Salaries, Wages and Incentives	-	-	-	18.43	18.43
Sitting fee paid to non whole time directors	-	-	-	0.27	0.27
Remuneration To KMP	-	-	-	24.06	24.06
TOTAL	12.58	0.36	1,852.20	42.76	1,907.89

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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PARTICULARS	Holding Co (ILFS)	Entites under Common Control	Joint Venture/ Associate	Grand Total
	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
Balance outstanding as at March 31, 2022				
Trade payable				
PNML	-	55.53	-	55.53
IFIN	-	122.61	-	122.61
IL&FS Environmental Infrastructure Services Limited	-	5.19	-	5.19
IL&FS Investment Managers Limited	-	0.02	-	0.02
IL&FS Maritime Infrastructure Company Limited	-	1,745.26	-	1,745.26
IL&FS Technologies Limited	-	0.10	-	0.10
IL&FS Transportation Networks Limited	-	231.39	-	231.39
IL&FS Financial Services Limited	-	255.09	-	255.09
ILFS	1,002.03	-	-	1,002.03
IL&FS Securities Services Limited	-	0.18	-	0.18
Livia India Limited	-	3.48	-	3.48
IL&FS Engineering & Construction Company Limited	-	0.02	-	0.02
Saurya Urja Company of Rajasthan Limited	-	-	0.41	0.41
Non Current Loan Including ICDs				
APPDCL	-	-	10.00	10.00
BPICL	-	-	125.00	125.00
Current Loan Including ICDs				
IECCL	-	620.00	-	620.00
ILFS	22.75	-	-	22.75
IMICL	-	93.71	-	93.71
JSEL	-	620.00	-	620.00
PNML	-	50.80	-	50.80
Sealand Ports Private Limited	-	400.00	-	400.00
USTKWPCl	-	-	259.08	259.08
Investment in equity of associates				
Cross Border Power Transmission Company Limited	-	-	466.98	466.98
ONGC Tripura Power Company Limited	-	-	-	-
Power Transmission Company Nepal Limited	-	-	48.66	48.66
Saurya Urja Company of Rajasthan Limited	-	-	663.55	663.55
USTKWPCl	-	-	280.35	280.35
Share Capital				
ILFS	11,976.64	-	-	11,976.64
A S Coal Resources Pte Limited	-	151.72	-	151.72
Payables on purchase of capital work in progress				
IMICL	-	5.72	-	5.72
Long term borrowings including Current Maturities				
IFIN	-	11,708.49	-	11,708.49
ILFS	17,077.01	-	-	17,077.01
Short Term Borrowings				
IL&FS Airport Limited	-	53.00	-	53.00
IL&FS Cluster Development Initiative Limited	-	200.00	-	200.00
IMICL Deghi Maritime Limited	-	1,045.50	-	1,045.50
Trade receivable				
BPICL	-	-	1.97	1.97
Cross Border Power Transmission Company Limited	-	-	0.17	0.17
IL&FS Environmental Infrastructure Services Limited	-	1.25	-	1.25
IL&FS Maritime Infrastructure Company Limited	-	8.15	-	8.15
Jharkhand Infrastructure Development Corporation Limited	-	-	3.46	3.46
Maritime Offshore Pte Limited	-	1.32	-	1.32
PDCOR Limited	-	-	4.10	4.10
PNML	-	1.34	-	1.34
Power Transmission Company Nepal Limited	-	-	0.32	0.32
Saurya Urja Company of Rajasthan Limited	-	-	26.61	26.61
USTKWPCl	-	-	4.13	4.13
Noida Toll Bridge Company Limited	-	0.23	-	0.23
Mangalore SEZ Limited	-	0.46	-	0.46

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

Payable Related to Sale of Investment				
IL&FS Investment Managers Limited	-	22.20	-	22.20
Other Receivable				
ILFS	0.25	-	-	0.25
Other financial liabilities				
CNTL	-	0.08	-	0.08
Interest Accrued on loans and Advances - Other current assets				
IECCL	-	53.81	-	53.81
ILFS	190.64	-	-	190.64
IMICL	-	7.88	-	7.88
JSEL	-	48.78	-	48.78
PNML	-	17.28	-	17.28
Sealand Ports Private Limited	-	423.23	-	423.23
USTKWPCCL	-	-	46.64	46.64
Interest Accrued on Borrowings - Other current Liabilities				
IFIN	-	910.17	-	910.17
IL&FS Airport Limited	-	4.08	-	4.08
IL&FS Cluster Development Initiative Limited	-	15.62	-	15.62
IL&FS Transportation Networks Limited	-	22.26	-	22.26
IMICL Deghi Maritime Limited	-	81.67	-	81.67
Saurya Urja Company of Rajasthan Limited	-	-	6.27	6.27
Interest Accrued on Borrowings - Other non- current Liabilities				
ILFS	995.60	-	-	995.60
Guarantee given				
Saurya Urja Company of Rajasthan Limited	-	-	250.00	250.00
Investment in debentures				
ILFS	68.54	-	-	68.54
Security Premium on Conversion of Debentures				
A S Coal Resources Pte Limited	-	96.79	-	96.79
ILFS	5,146.90	-	-	5,146.90
Margin money payable				
Saurya Urja Company of Rajasthan Limited	-	-	250.00	250.00
Key Managerial person				
Nilmani Poddar	-	-	0.00	0.00
TOTAL	36,480.36	19,084.42	2,447.69	58,012.47

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

PARTICULARS	Holding Co (ILFS)	Entites under Common Control	Joint Venture/ Associate	KMP	Grand Total
	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
Transactions during the year ended Marc1 31, 2021					
Consultancy Fee Income:					
ONGC Tripura Power Company Limited	-	-	0.31	-	0.31
Dividend Income					
ONGC Tripura Power Company Limited	-	-	107.79	-	107.79
Cross Border Power Transmission Company Ltd.	-	-	38.71	-	38.71
Power Transmission Company Nepal Limited	-	-	10.13	-	10.13
Expense					
ILFS	0.55	-	-	-	0.55
Rental income					
IMICL	-	0.14	-	-	0.14
PNML	-	0.14	-	-	0.14
Rent Expense					
ILFS	14.28	-	-	-	14.28
Legal & professional expense					
ILFS	1.74	-	-	-	1.74
Impairment of Financial Asset					
ILFS	1,328.27	-	-	-	1,328.27
Office Maintenance Expenses					
ILFS	0.71	-	-	-	0.71
Salaries, wages and incentives - Gross Charged by Holding Company					
ILFS	3.34	-	-	-	3.34
Reimbursement of Expenses					
Urkankur Shree Tatyasaheb Kore Warana Power Company Limited	-	-	1.50	-	1.50
Saurya Urja Company of Rajasthan Limited	-	-	3.40	-	3.40
ILFS	0.06	-	-	-	0.06
Managerial Remuneration					
Salaries, Wages and Incentives	-	-	-	7.42	7.42
Sitting fee paid to non whole time directors	-	-	-	0.53	0.53
Remuneration To KMP	-	-	-	22.21	22.21
TOTAL	1,348.93	0.28	161.83	30.16	1,541.21

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

PARTICULARS	Holding Co (ILFS)	Entites under Common Control	Joint Venture/ Associate	Grand Total
	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
Balance outstanding as at March 31, 2021				
Trade payable				
PNML	-	55.53	-	55.53
IFIN	-	122.61	-	122.61
IL&FS Environmental Infrastructure Services Limited	-	5.19	-	5.19
IL&FS Investment Managers Limited	-	0.02	-	0.02
IL&FS Maritime Infrastructure Company Limited	-	1,745.26	-	1,745.26
IL&FS Technologies Limited	-	0.10	-	0.10
IL&FS Transportation Networks Limited	-	231.39	-	231.39
IL&FS Financial Services Limited	-	255.09	-	255.09
ILFS	1,006.34	-	-	1,006.34
Livia India Limited	-	3.48	-	3.48
IL&FS Engineering & Construction Company Limited	-	0.02	-	0.02
Saurya Urja Company of Rajasthan Limited	-	-	0.41	0.41
Non Current Loan Including ICDs				
APPDCL	-	-	10.00	10.00
BPICL	-	-	125.00	125.00
Current Loan Including ICDs				
IECCL	-	620.00	-	620.00
ILFS	22.75	-	-	22.75
IMICL	-	93.71	-	93.71
JSEL	-	620.00	-	620.00
PNML	-	50.80	-	50.80
Sealand Ports Private Limited	-	400.00	-	400.00
USTKWPCCL	-	-	259.08	259.08
Investment in equity of associates				
Cross Border Power Transmission Company Limited	-	-	421.68	421.68
ONGC Tripura Power Company Limited	-	-	2,967.50	2,967.50
Power Transmission Company Nepal Limited	-	-	45.49	45.49
Saurya Urja Company of Rajasthan Limited	-	-	589.09	589.09
USTKWPCCL	-	-	281.66	281.66
Share Capital				
ILFS	11,976.64	-	-	11,976.64
A S Coal Resources Pte Limited	-	151.72	-	151.72
Payables on purchase of capital work in progress				
IMICL	-	5.72	-	5.72
Long term borrowings including Current Maturities				
IFIN	-	11,708.49	-	11,708.49
ILFS	17,077.01	-	-	17,077.01
Short Term Borrowings				
IL&FS Airport Limited	-	53.00	-	53.00
IL&FS Cluster Development Initiative Limited	-	200.00	-	200.00
IMICL Deghi Maritime Limited	-	1,045.50	-	1,045.50
Trade receivable				
BPICL	-	-	1.97	1.97
Cross Border Power Transmission Company Limited	-	-	0.17	0.17
IL&FS Environmental Infrastructure Services Limited	-	1.25	-	1.25
IL&FS Maritime Infrastructure Company Limited	-	8.12	-	8.12
Jharkhand Infrastructure Development Corporation Limited	-	-	3.46	3.46
IL&FS Engineering & Construction Company Ltd.	-	0.26	-	0.26
Maritime Offshore Pte Limited	-	1.32	-	1.32
PDCOR Limited	-	-	4.98	4.98
PNML	-	1.31	-	1.31
Power Transmission Company Nepal Limited	-	-	0.32	0.32
Saurya Urja Company of Rajasthan Limited	-	-	22.74	22.74
USTKWPCCL	-	-	2.14	2.14
Noida Toll Bridge Company Limited	-	0.23	-	0.23
Mangalore SEZ Limited	-	0.46	-	0.46

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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Payable Related to Sale of Investment				
IL&FS Investment Managers Limited	-	22.20	-	22.20
Other Receivable				
ILFS	0.19	-	-	0.19
Other equity				
ILFS	2,405.86	-	-	2,405.86
Other financial liabilities				
CNTL	-	0.08	-	0.08
Interest Accrued on loans and Advances - Other current assets				
IECCL	-	53.81	-	53.81
ILFS	190.64	-	-	190.64
IMICL	-	7.88	-	7.88
JSEL	-	48.78	-	48.78
PNML	-	17.28	-	17.28
Sealand Ports Private Limited	-	423.23	-	423.23
USTKWPCCL	-	-	46.64	46.64
Interest Accrued on Borrowings - Other current Liabilities				
IFIN	-	910.17	-	910.17
IL&FS Airport Limited	-	4.08	-	4.08
IL&FS Cluster Development Initiative Limited	-	15.62	-	15.62
IL&FS Transportation Networks Limited	-	22.26	-	22.26
IMICL Deghi Maritime Limited	-	81.67	-	81.67
Saurya Urja Company of Rajasthan Limited	-	-	6.27	6.27
Interest Accrued on Borrowings - Other non- current Liabilities				
ILFS	995.60	-	-	995.60
Guarantee given on behalf of JV				
Saurya Urja Company of Rajasthan Limited	-	-	250.00	250.00
Investment in debentures				
ILFS	57.07	-	-	57.07
Security Premium on Conversion of Debentures				
A S Coal Resources Pte Limited	-	96.79	-	96.79
ILFS	5,146.90	-	-	5,146.90
Margin money payable				
Saurya Urja Company of Rajasthan Limited	-	-	250.00	250.00
Key Managerial person				
Keshav Prasad	-	-	0.01	0.01
Mahesh Kuvadia	-	-	0.01	0.01
S Balasubramaniam	-	-	0.01	0.01
TOTAL	38,879.00	19,084.44	5,288.63	63,252.06

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

Note 68

Earnings per share

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

Particulars	Unit	Year ended 31.03.2022	Year ended 31.03.2021
a. Weighted average number of equity shares used in computing the basic and diluted earnings per share	Number of shares	1,28,35,64,664	1,28,35,64,664
b. Potential dilutive equity shares on optionally fully convertible debentures	Number of shares	7,58,76,614	7,58,76,614
c. Weighted average of number of equity shares used in computing diluted earnings per share	Number of shares	1,35,94,41,278	1,35,94,41,278
Continuing Operations:			
d. Profit/ (Loss) after tax attributable to owners of the company	Rupees	8,510.76	4,323.27
Basic earnings per share	Rupees	6.63	3.37
Diluted earnings per share (d/a)*	Rupees	6.63	3.37
Discontinued Operations:			
e. Profit/ (Loss) after tax attributable to owners of the company	Rupees	50.75	33.69
Basic earnings per share	Rupees	0.04	0.03
Diluted earnings per share (e/a)*	Rupees	0.04	0.03
Total Operations:			
f. Profit/(Loss) after tax attributable to owners of the company	Rupees	8,561.51	4,356.96
Basic earnings per share	Rupees	6.67	3.39
Diluted earnings per share (f/a)*	Rupees	6.67	3.39

Note The diluted earnings per share has been computed by dividing the Net profit after tax available for equity shareholders by the weighted average number of equity shares, after giving effect of the outstanding convertible debentures. The effect of the conversion of debentures was anti-dilutive.

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Note 69

Disclosure of additional information as required by Schedule III of the Companies Act, 2013
As at and for the year ended March 31, 2022

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Rs. Million	As % of consolidated profit or loss	Rs. Million	As % of consolidated Other comprehensive income	Rs. Million	As % of consolidated Total comprehensive income	Rs. Million
Parent								
IL&FS Energy Development Company Limited	84.43%	(39,303.00)	4.01%	461.30	1.09%	1.54	4.08%	462.84
Indian Subsidiaries								
Nana Layja Power Company Limited	5.79%	(2,695.56)	0.00%	(0.31)	0.00%	-	0.00%	(0.31)
Vejas Power Projects Limited (VPPL) (formerly known IL&FS Wind Projects Development Limited)	4.76%	(2,214.66)	0.27%	30.73	0.00%	-	0.27%	30.73
Mota Layja Gas Power Company Limited	0.00%	(0.06)	0.00%	0.15	0.00%	-	0.00%	0.15
IL&FS Wind Energy Limited (Formerly Mandvi LNG Terminal Limited)	4.46%	(2,075.11)	1.37%	157.24	0.00%	-	1.39%	157.24
IL&FS Tamilnadu Power Company Limited	-33.48%	15,586.58	91.95%	10,570.79	-100.89%	(166.73)	91.82%	10,404.06
Sipla Wind Energy Limited	6.99%	(3,254.79)	-0.03%	(3.76)	0.00%	-	-0.03%	(3.76)
Rohtas Biomass Energy Limited	9.72%	(4,523.89)	0.01%	1.65	0.00%	-	0.01%	1.65
Patiala Bio Power Company Limited	6.23%	(2,901.36)	0.00%	(0.09)	0.00%	-	0.00%	(0.09)
Shendra Green Energy Limited	2.30%	(1,070.37)	-0.06%	(6.41)	0.00%	-	-0.06%	(6.41)
IL&FS Solar Power Limited	-0.09%	39.71	-0.10%	(11.20)	0.00%	-	-0.10%	(11.20)
Ramagiri Renewable Energy Limited (formerly known IL&FS Wind Farms Limited)	0.35%	(162.26)	-0.09%	(10.23)	0.00%	-	-0.09%	(10.23)
Cuddalore Solar Power Private Limited	0.01%	(4.20)	0.00%	(0.18)	0.00%	-	0.00%	(0.18)
Jogihali Wind Energy Private Limited	3.03%	(1,408.83)	-0.01%	(1.02)	0.00%	-	-0.01%	(1.02)
Mahidad Wind Energy Private Limited	7.96%	(3,703.23)	0.02%	2.76	0.00%	-	0.02%	2.76
Foreign Subsidiaries								
Maritime International Offshore Pte Limited	0.01%	(4.01)	0.00%	(0.38)	-0.07%	(0.12)	0.00%	(0.50)
Indian Joint Ventures (accounted as per equity method)								
Cross Border Power Transmission Company Limited	-1.04%	482.21	0.57%	65.58	0.00%	-	0.58%	65.58
ONGC Tripura Power Company Limited (Consolidated)	0.00%	-	1.44%	165.22	0.00%	-	1.46%	165.22
Bihar Power Infrastructure Company Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Assam Power Project Development Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Saurya Urja Company of Rajasthan Limited	-1.43%	663.55	0.65%	74.54	0.03%	0.05	0.66%	74.60
Total	100.00%	(46,549.28)	100.00%	11,496.39	-100.00%	(165.25)	100.00%	11,331.14
Add / (Less):								
a) Adjustments arising out of consolidation		32,127.62		(4,814.96)		(0.10)		(4,815.06)
b) Non-Controlling Interests (Indian subsidiaries)								
- IL&FS Tamilnadu Power Company Limited (ITPCL)		(15,824.38)		2,045.44		-		2,045.44
Consolidated Net Assets/Profit after tax attributable to owners		(30,246.04)		8,726.87		(165.36)		8,561.51

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

Note 70

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

Particulars		As at 31.03.2022 Rs. Million	As at 31.03.2021 Rs. Million
1	The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting period.	1.37	0.92
2	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.	Nil	Nil
3	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.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting period	Nil	Nil
5	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	Nil	Nil

Note: Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

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

Note 71

Previous year's figures have been regrouped wherever necessary to correspond with the current year's classification/disclosure.

Note 72

These consolidated financial statements were approved by Board of Directors at its meeting held on February 14, 2023.

For C N K & Associates LLP

Chartered Accountants
ICAI FRN 101961W/W-100036

Vijay Mehta
Partner
Membership No. 106533

Digitally signed by
VIJAY
HARSUKHLAL
MEHTA
Date: 2023.02.14
17:19:43 +05'30'

For and on behalf of the Board of Directors

**PRIYA
PREMPAL
SHETTY**

Digitally signed by
PRIYA PREMPAL
SHETTY
Date: 2023.02.14
15:07:28 +05'30'

Priya Prempal Shetty
Director
DIN: 08858814

**Kaushik
Modak**

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Kaushik Modak
Date: 2023.02.14 16:43:56
+05'30'

Kaushik Modak
Director
DIN: 01266560

**Feby Koshy
Bin Koshy**

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Feby Koshy Bin Koshy
Date: 2023.02.14
15:12:51 +05'30'

Feby Koshy
Chief Executive Officer

**CHANDRA
SHEKHAR
RAJAN**

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CHANDRA SHEKHAR
RAJAN
Date: 2023.02.14
15:41:27 +05'30'

C S Rajan
Director
DIN: 0126063

**Ritendra
Bhattacharjee**

Digitally signed by Ritendra
Bhattacharjee
Date: 2023.02.14 15:10:21
+05'30'

Ritendra Bhattacharjee
Chief Financial Officer

**Dinesh
Suryakant Ladwa**

Digitally signed by
Dinesh Suryakant Ladwa
Date: 2023.02.14 15:19:11
+05'30'

Dinesh Ladwa
Company Secretary
Membership Number: A-17210

Place: Mumbai
Date: February 14, 2023

Place: Mumbai
Date: February 14, 2023

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

**STANDALONE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH 31,
2023**

INDEPENDENT AUDITOR'S REPORT

To the Members of IL&FS Energy Development Company Limited

Report on the Audit of the Standalone Financial Statements

Qualified Opinion

We have audited the accompanying standalone financial statements of IL&FS Energy Development Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2023, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the standalone financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone financial statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects and possible effects of the matter described in the 'Basis for Qualified Opinion' section of our report, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India of the state of affairs (financial position) of the Company as at March 31, 2023, the profit and total comprehensive income (financial performance), changes in equity and its cash flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to the matters more fully discussed in the following notes to the standalone financial statements:

1. We draw attention to Note 57 to the accompanying standalone financial statements, 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 year ended March 31, 2023 has been overstated by Rs.320.49 million (previous year by Rs. 115.12 million). As a result, borrowing as on reporting date, is understated by Rs. 411.51 million (previous year Rs. 91.02 million) with corresponding impact on retained earnings.
2. As mentioned in note 39 to the accompanying standalone financial statements, the Company has made provision for impairment of financial assets (comprising of loans, receivables and investments) of Rs.170.50 million (previous year - Rs. 31.86 million) (net of reversal). Further, the Company has also recognised gain of Rs. 48.92 million (previous year - Rs.144.45 million) on the investments made in the joint ventures based on the net worth;

In the absence of audited financial statements of 8 subsidiary, 4 joint ventures and 3 other investee companies for the year ended March 31, 2023, 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 in its entirety;

3. As mentioned in note 41 to the standalone financial statements, non provision of interest expense amounting to Rs.137.30 million (previous year - Rs. 101.01 million) on unpaid statutory dues relating to Tax Deducted at Source of and Goods and Service Tax liability;
4. Note 35 to the standalone financial statements, relating to contractual liabilities not accounted for, for the reasons stated in the said note. Pending the final assessment and determination of various claims received as stated in note we are unable to comment on the adjustments that may be required in this regard, to the standalone financial statements;
5. 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 38 and note 40 respectively to the accompanying standalone financial statements;
 - b) of recoverability of income tax assets of Rs. 1245.68 million (previous year - Rs. 1,198.48 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 "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 (previous year - Rs. 346.61 million) into equity shares on due date of conversion as referred to in note 16.
 - d) for non-conversion of Fully Compulsorily Convertible Debentures having face value of Rs. 2,470.00 million (previous year - Rs.2,470.00 million) into fixed number of equity shares on due date of conversion as referred to in note 17.

We are unable to comment on the consequential effects of the matters stated above on the accompanying standalone financial statements.

Our previous year audit report was also modified in respect of above matters except point no.1.

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the standalone financial statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion on the standalone financial statements.

Material Uncertainty Related to Going Concern

We draw attention to note 18 and 44 of the accompanying standalone financial statements 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. 48,266.23 million and the said defaults are continuing till the date of this report where interest is booked upto October 15, 2018;
- ii. As at March 31, 2023, the current liabilities of the Company exceeds the current assets by Rs. 41,636.95 million;
- iii. As at March 31, 2023, the Company has accumulated loss of Rs.92,769.24 million and its net-worth is fully eroded;

These situations indicate 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 standalone financial statements 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 standalone financial statements are prepared on 'Going Concern' basis;
2. As mentioned in note 2 to the standalone financial statements, 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 37 to the accompanying standalone financial statements, 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 accompanying financial statements.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the financial year ended March 31, 2023. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Except for the matter described in the Material Uncertainties related to Going Concern paragraph, Basis for Qualified Opinion and Emphasis of Matter paragraph above, we have determined that there are no other key audit matters to communicate in our report.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Corporate Governance Report and Shareholder's information, but does not include the standalone financial statements and our auditor's report thereon. The other information as above is expected to be made available to us after the date of this audit report.

Our opinion on the standalone financial statements does not cover the Other Information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we will be required to communicate the matter to those charged with governance.

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 Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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 the 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 Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern 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.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

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

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually

or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to the standalone financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management;
- Conclude on the appropriateness of the Management and Board of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, and we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report to the extent applicable that:
 - (a) We have sought and except for possible effects of the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) Except for possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss including 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 books of account;
 - (d) Except for possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) The matter described in the Basis for Qualified Opinion paragraph and Material Uncertainties relating to Going Concern paragraph, 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, 2023, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (g) With respect to the adequacy of the internal financial controls with reference to the standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to the standalone financial statements;

- (h) 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 disclosed the impact of pending litigations in its standalone financial statements (Refer note 45 to the standalone financial statements);
 - ii. The Company did not have any 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.
 - iv.
 - 1. The Management has represented that, during the year to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - 2. The Management has represented, that, during the year to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - 3. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
 - v. There were no amounts which were declared or paid during the year as dividend by the Company.
- 3. According to the information and explanations given by the management, no managerial remuneration has been paid or provided in the current year. Accordingly, the provisions of Section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2023.

4. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

FOR C N K & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

Firm Registration Number: 101961W/W-100036

VIJAY HARSUKHLAL MEHTA  Digitally signed by VIJAY HARSUKHLAL MEHTA
Date: 2023.05.30 17:00:58 +05'30'

Vijay Mehta

Partner

Membership Number: 106533

UDIN: 23106533BGXNHO8260

Place: Mumbai

Date: May 30, 2023

Annexure 1 to the Independent Auditor's Report

(Referred to in paragraph 1 under "Report on Legal and Regulatory Requirements" of Independent Auditor's Report of even date to the members of IL & FS Energy Development Company Limited ("the Company") on the standalone financial statements for the year ended March 31, 2023)

To the best of our information and according to the explanations provided to us by the Company and the books of accounts and records examined by us in the normal course of audit, we state that:

- (i) (a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
 - (B) The Company is maintaining proper records showing full particulars of intangible assets;
- (b) Property, Plant and Equipment have been physically verified by the management during the year. According to the information and explanations given to us, no material discrepancies were noticed on such verification;
- (c) The Company does not hold any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable;
- (d) The Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets during the year. Hence, reporting under clause 3(i)(d) of the Order is not applicable;
- (e) As disclosed in note 43 to the standalone financial statements, the Company does not have any proceedings initiated or pending for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder. Hence the reporting under paragraph 3(i)(e) of the Order is not applicable;
- (ii) (a) The Company's business does not involve any inventory and, accordingly, reporting under paragraph 3(ii)(a) of the Order is not applicable;
- (b) During the year, the Company has not been sanctioned any working capital limits in excess of five crore rupees, in aggregate, from any bank or financial institution on the basis of security of current assets which requires company to file quarterly returns or statements with such banks or financials institution. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable;
- (iii) (a),(b) During the year, the Company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnerships or any other parties. Hence reporting under clause 3(iii)(a) and 3(iii)(b) of the Order is not applicable.

- (c) The Company had advanced loans to its subsidiaries, joint ventures and other parties amounting to Rs. 18,831.59 million in earlier years which is outstanding and recoverable as on date. The aforesaid amount is due for repayment and company has made necessary impairment provisions against the same.
- (d) As mentioned in clause 3(iii)(c) above , the entire amount is overdue for more than 90 days. The company has been taking reasonable steps for recovery for the principal and interest.
- (e) None of the loans or advances in the nature of the loan granted in earlier years has fallen due during the year. Hence reporting clause 3(iii)(e) of the Order is not applicable.
- (f) During the year the Company has not granted any loans or advances in the nature of the loan either repayable on demand or without specifying any terms or period of repayment. Hence reporting clause 3(iii)(f) of the Order is not applicable.
- (iv) We have not been provided with the management assessment of compliance with Section 185 of the Companies Act, 2013 ("the Act") in relation to loans, investments, guarantees and securities given to parties covered under Section 185 of the Act 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 from 1st April, 2022 to 31st March, 2023 in respect of which provision of Section 185 of the Act are applicable. In our opinion and according to the information and explanation given to us, provisions of Section 186 of the Act are not applicable to the Company;
- (v) The Company has not accepted any deposits from the public, within the meaning of Section 73 to 76 of the Act and the Rules framed there under except unsecured non-convertible debentures issued in previous years as mentioned in below table hereunder, which will be settled as per conclusion of claim management process.

(Rs. In million)	
Particulars	Outstanding amount
11.40% p.a. Redeemable Unlisted Non-Convertible Debentures	1,000
11.50% p.a. Redeemable Unlisted Non-Convertible Debentures	1,000
11.00% p.a. Redeemable Unlisted Non-Convertible Debentures	500

We are informed by the management that no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal related to Section 73 to 76 of the Act;

- (vi) We have broadly reviewed the books of accounts maintained by the company pursuant to rules made by the central government for the maintenance of cost records under sections 148(1) of the Act and are of opinion that the prima facie, the specified accounts and records have been maintained. We have not, however made detailed examination of the same;

- (vii) (a) The Company is regular in depositing undisputed statutory dues relating to provident fund, employees' state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess or any other statutory dues except dues in relation to Goods & Services tax (GST) and tax deducted at source (TDS) which have not been regularly deposited with the appropriate authorities.

According to audit procedures performed by us, undisputed dues in respect of above which were outstanding at the year end, for a period of more than six months from the date they became payable, are as follows:

(Rs. In million)

Name of the Statute	Nature of the Dues	Amount*	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

*Excluding impact of consequential interest

- (b) As disclosed in note 45, there are no dues of GST, provident fund, employees state insurance, sales tax, service tax, duty of customs, duty of excise, value added tax, cess or any other statutory dues which have not been deposited on account of any dispute except for the following:

(Rs. in million)

Name of Statute	Nature of Dues	Amount	Period	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	4,458.43	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	471.71	A.Y. 2019-20	Rectification u/154 Filed

- (viii) As disclosed in note 56 to the standalone financial statements, there are no transactions which are not recorded in the books of account and have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961);
- (ix)
 - (a) The Company has defaulted in repayment of dues to banks, financial institutions and debenture holders. Further, the Company did not have any outstanding loans or borrowing dues to government. The lender wise default details are tabulated in notes 18 and 22 to the standalone financial statements;
 - (b) As disclosed in note 56(3) to the standalone financial statements, the Company is not declared willful defaulter by any bank or financial institution or other lender;
 - (c) As disclosed in note 22 to the standalone financial statements, the Company has not taken any term loans during the year, however, term loans (Including Inter Corporate Deposits) taken in previous periods are still outstanding as on March 31, 2023 amounting to Rs.36,259.00 million. In the absence of necessary information, we are unable to comment whether the respective term loans were applied for the purpose for which they were obtained;
 - (d) On an overall examination of the financial statements of the Company, funds raised on short- term basis, prima facie, has not been used for long-term purposes by the Company during the year;
 - (e) During the year, the Company has not taken any funds from an entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures. Accordingly, reporting on clause 3(ix)(e) of the Order is not applicable;
 - (f) The Company has not raised any loan during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, reporting on clause 3(ix)(e) of the Order is not applicable;
- (x)
 - (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year and hence reporting under clause 3(x)(a) of the Order is not applicable;
 - (b) The Company has not made any preferential allotment or private placement of shares or debentures (fully, partially or optionally convertible) during the year and hence reporting under clause 3(x)(b) of the Order is not applicable to the Company;
- (xi)
 - (a) No fraud by the Company or on the Company have been noticed or reported during the year;
 - (b) No report under sub-section (12) of section 143 of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and up to the date of this report;

- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year;
- (xii) The Company is not a Nidhi Company and hence provisions of Clause 3(xii)(a) to 3(xii)(c) of the Order is not applicable;
- (xiii) Transactions with the related parties are in compliance with section 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the standalone financial statements, as required by the applicable accounting standards;
- (xiv) (a) In our opinion, the Company has an adequate internal audit system commensurate with size and nature of its business;
- (b) We have considered, internal audit reports for the year under audit, issued to the Company during the year and till date, in determining the nature, timing and extent of our audit procedures;
- (xv) The Company has not entered into any non-cash transactions with directors or persons connected with him and hence provisions of Section 192 of the Act is not applicable;
- (xvi) (a) As mentioned in note 37 to the standalone financial statements, the Company is not required to be registered under section 45-IA of the Reserve bank of India Act, 1934. Hence, reporting under clause 3(xvi)(a) – 3(xvi)(c) of the Order is not applicable;
- (b) The Group has only one Core Investment Company (CIC) as part of the Group;
- (xvii) The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year. The effect of qualifications as mentioned in 'Basis of Qualifications section of our report on Standalone Financial Statements' has not been taken into consideration for the purpose of making comments in respect of this clause;
- (xviii) There has been no resignation of the statutory auditors during the year and accordingly, clause 3(xviii) of the Order is not applicable;
- (xix) On the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements read with our comments in 'Material Uncertainties related to Going Concern' paragraph in our audit report, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, we believe that material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date;
- (xx) (a) As disclosed in note 42 to the standalone financial statements, the Company is not required to transfer any unspent amount under sub section (5) of section 135 of the Act to a Fund specified in Schedule VII to the Act within a period of six months of the expiry of the financial year in compliance with the provision of 135(6) of the Act;

- (b) There is no amount remaining unspent under Section 135(5) of the Act, pursuant to any ongoing project and hence reporting under clause 3(xx)(b) of the Order is not applicable.

FOR C N K & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

Firm Registration Number: 101961W/W-100036

VIJAY HARSUKHLAL MEHTA  Digitally signed by VIJAY
HARSUKHLAL MEHTA
Date: 2023.05.30 17:02:37 +05'30'

Vijay Mehta

Partner

Membership Number: 106533

UDIN: 23106533BGXNHO8260

Place: Mumbai

Date: May 30, 2023

Annexure 2 to the Independent Auditor's Report

(Referred to in paragraph 2(g) under "Report on Legal and Regulatory Requirements" in the Independent Auditor's Report of even date to the members of IL & FS Energy Development Company Limited ("the Company") on the standalone financial statements for the year ended March 31, 2023)

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, 2023, 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 (the "Guidance Note") 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 Act").

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 conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

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

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

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

A Company's internal financial control with reference to the standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and preparation of the standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to the 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 the standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations of management and directors of the Company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with reference to the Standalone Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial control with reference to the standalone financial statements and such internal financial controls were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Company considering the essential components of internal control stated in the Guidance Note.

FOR C N K & ASSOCIATES LLP

CHARTERED ACCOUNTANTS

Firm Registration Number: 101961W/W-10003

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Date: 2023.05.30
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Vijay Mehta

Partner

Membership Number: 106533

UDIN: 23106533BGXNH08260

Place: Mumbai

Date: May 30, 2023

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
BALANCE SHEET AS AT March 31, 2023

	Note Ref.	As at March 31, 2023 Rs. Million	As at March 31, 2022 Rs. Million	As at April 1, 2021 Rs. Million
ASSETS				
Non-current assets				
a) Property, plant and equipment	6	21.03	24.25	44.05
b) Intangible assets	7	0.08	0.16	0.30
c) Right-of-use assets	51	-	0.17	8.43
d) Financial assets				
i) Investments	8	1,243.83	1,194.92	2,526.46
ii) Loans	11	184.18	2.62	2.62
iii) Other financial assets	12	1.71	23.26	295.77
e) Non-current tax assets (net)	13	1,245.68	1,198.48	1,129.05
f) Deferred tax assets (net)	15	-	-	-
g) Other non-current assets	14	0.08	2.67	0.90
		2,696.59	2,446.53	4,007.58
Current assets				
a) Financial assets				
i) Investments	8	-	-	-
ii) Trade receivables	9	67.87	65.76	138.62
iii) Cash and cash equivalents	10	2,499.75	2,388.04	2,319.21
iv) Bank balances other than (iii) above	10	4,988.81	4,714.29	2,720.48
v) Loans	11	994.07	1,070.92	1,084.39
vi) Other financial assets	12	209.45	300.05	288.90
b) Other current assets	14	70.10	58.09	59.25
		8,830.05	8,597.15	6,610.85
c) Assets classified as held for sale	8 & 34	-	741.70	597.74
Total assets		11,526.64	11,785.38	11,216.17
EQUITY AND LIABILITIES				
EQUITY				
a) Equity Share capital	16(A)	12,835.65	12,835.65	12,835.65
b) Instruments entirely equity in nature	16(B)	346.61	346.61	346.61
c) Other equity	17	(52,122.62)	(52,394.25)	(52,972.21)
Total equity		(38,940.36)	(39,211.99)	(39,789.95)
LIABILITIES				
Non-current liabilities				
a) Financial liabilities				
i) Borrowings	18	-	-	-
ii) Lease liabilities	51	-	-	2.73
b) Provisions	20	3.63	4.79	5.33
		3.63	4.79	8.06
Current liabilities				
a) Financial liabilities				
i) Borrowings	22	45,811.81	45,780.24	45,781.81
ii) Lease liabilities	51	-	0.20	6.93
iii) Trade payables	23			
Total outstanding dues of micro enterprises and small enterprises		0.13	0.23	0.19
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,141.89	1,142.00	1,145.63
iv) Other financial liabilities	19	3,207.64	3,240.55	3,240.83
b) Provisions	21	3.08	5.18	4.89
c) Other current liabilities	24	298.82	213.85	217.78
		50,463.37	50,382.25	50,398.06
d) Liabilities directly associated with investments classified as held for sale	34	-	610.33	600.00
Total liabilities		50,467.00	50,997.37	51,006.12
Total equity and liabilities		11,526.64	11,785.38	11,216.17
Summary of significant accounting policies	4	-	-	-
See accompanying notes forming part of the standalone Ind AS financial statements	1-58			

As per our report of even date

For C N K & Associates LLP

Chartered Accountants

ICAI FRN 101961W/W-100036

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Date: 2023.05.30 17:03:40
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Vijay Mehta

Partner

Membership No. 106533

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

PRIYA
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SHETTY

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CHANDRA
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Priya Prempal Shetty

Director

DIN: 08858814

C S Rajan

Director

DIN: 00126063

Kaushik Modak

Director

DIN: 01266560

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Chief Executive Officer

Ritendra Bhattacharjee

Chief Finance Officer

Place: Mumbai

Date: May 30, 2023

Place: Mumbai

Date: May 30, 2023

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED March 31, 2023

	Note Ref.	For the year ended March 31, 2023	For the year ended March 31, 2022
		Rs. Million	Rs. Million
I Revenue from operations	25	4.57	8.94
II Other income	26	550.21	674.85
III Total income (I + II)		554.78	683.79
IV Expenses			
i. Employee benefits expense	27	43.46	49.34
ii. Finance costs	28	1.31	0.89
iii. Depreciation and amortisation expense	30	3.56	15.16
iv. Impairment of financial assets (net)	31	111.00	3.68
v. Other expenses	29	131.13	100.95
Total expenses (IV)		290.46	170.02
V Profit before tax (III - IV)		264.32	513.77
VI Tax expense	32		
i. Current tax		-	-
ii. Current tax- pertaining to adjustments of earlier years		-	1.30
iii. Deferred tax		(0.31)	(0.62)
Total tax expense (VI)		(0.31)	0.68
VII Profit for the year from continuing operations(V - VI)		264.63	513.09
VIII Discontinuing Operations			
Profit for the year from discontinuing operations	34	6.41	63.33
Tax expense of discontinued operations		-	-
Profit for the year from discontinuing operations		6.41	63.33
Other comprehensive income			
i. Items that will not be reclassified to profit or loss			
a. Remeasurement of defined benefit plans		0.90	2.16
b. Income tax relating to items that will not be reclassified to profit or loss		(0.31)	(0.62)
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		-	-
IX Other comprehensive income for the year, net of tax		0.59	1.54
X Total comprehensive income for the year, net of tax (VII+ VIII+IX)		271.63	577.96
Earnings per equity share (face value of Rs. 10 per share)	33		
i. Basic (Rs.)		0.20	0.39
ii. Diluted (Rs.) (refer note 33)		0.20	0.39
Summary of significant accounting policies	4		
See accompanying notes forming part of the standalone Ind AS financial statements	1-58		

As per our report of even date

For C N K & Associates LLP

Chartered Accountants

ICAI FRN 101961W/W-100036

VIJAY
HARSUKHLAL
MEHTA

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HARSUKHLAL MEHTA
Date: 2023.05.30 17:04:22
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Vijay Mehta

Partner

Membership No. 106533

For and on behalf of the Board of Directors of

IL&FS Energy Development Company Limited

CHANDRA SHEKHAR RAJAN
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by CHANDRA
SHEKHAR RAJAN
Date: 2023.05.30
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C S Rajan

Director

DIN: 00126063

PRIYA PREMPAL SHETTY
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Priya Prempal Shetty

Director

DIN: 08858814

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BHATTACHARJEE
Date: 2023.05.30 14:38:09 +05'30'

Ritendra Bhattacharjee

Chief Finance Officer

KAUSHIK MODAK
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Date: 2023.05.30
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Kaushik Modak

Director

DIN: 01266560

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Date: 2023.05.30
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Feby Koshy Bin Koshy

Chief Executive Officer

Place: Mumbai

Date: May 30, 2023

Place: Mumbai

Date: May 30, 2023

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED March 31, 2023

	Note Ref.	For the year ended March 31, 2023	For the year ended March 31, 2022
		Rs. Million	Rs. Million
CASH FLOW FROM OPERATING ACTIVITIES			
Profit before tax from continuing operation		264.32	513.77
Profit before tax from discontinuing operation		6.41	63.33
Adjustments to reconcile loss before tax to net cash flows:			
Depreciation and amortisation expense		3.56	15.16
Loss/(gain) on disposal of property, plant and equipment		(1.51)	(0.11)
Gain on sale of financial assets - investments		(3.90)	-
Impairment on property, plant and equipment		-	13.06
Finance costs		1.21	0.89
financial assets designated as at amortised cost		-	-
Interest income		(350.50)	(189.09)
Gain on sale of financial assets - investments		-	2.63
Impairment on financial assets designated at fair value through profit and loss		(48.92)	(144.45)
Gain arising on financial assets designated at fair value through profit or loss		111.00	-
Impairment on financial assets designated as at amortised cost		-	-
Impairment on other financial assets		(1.76)	22.89
Impairment on trade receivables		(81.75)	-
Impairment on financial assets designated as at cost		-	-
Lease liability written back		-	-
Provisions written back		-	(46.48)
Provision for investments		-	-
Bad debts written off		-	-
Profit/(loss) on foreign currency transactions and translation		-	-
Amortisation of grant		-	-
Dividend Income		(51.15)	(289.65)
Operating profit before working capital changes		(152.99)	(38.05)
Movement in working capital			
Decrease/(increase) in trade receivables		83.25	12.85
Decrease/(increase) in other financial assets		(66.09)	284.39
Decrease/(increase) in other assets		(9.42)	(0.61)
Increase/(decrease) in trade payables		(15.54)	(2.81)
Increase/(decrease) in other financial liabilities		-	(0.25)
Increase/(decrease) in other current liabilities		84.77	(3.79)
Increase/(decrease) in provisions		(2.36)	1.91
Cash flows from/(used in) operations		(78.38)	253.64
Income tax (paid)/refund received		(47.20)	(70.73)
Net cash flows from/(used in) operating activities	(A)	(125.58)	182.91
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property plant and equipment		(0.09)	(0.02)
Proceeds from sale of property plant and equipment		1.51	0.11
Loans received back		0.05	-
Proceeds from sale of investment		4.01	1,475.99
Interest received		394.73	179.36
Dividend received		51.15	289.65
Proceeds from fixed deposit under earmarked accounts (net)		-	(2,179.11)
Deposit in fixed deposit under earmarked accounts		(499.52)	-
Proceeds from other fixed deposit (net)		225.00	185.30
Net cash flows from investing activities	(B)	176.85	(48.72)
CASH FLOW FROM FINANCING ACTIVITIES			
Repayment of long-term borrowings		(1.34)	(1.57)
Interest paid		(1.21)	(0.80)
Net cash flows used in financing activities	(C)	(2.55)	(2.37)
Net increase/(decrease) in cash and cash equivalents (A+B+C)		48.72	131.82
Cash and cash equivalents at the beginning of the year	10	2,451.03	2,319.21
Cash and cash equivalents at the end of the year	10	2,499.75	2,451.03
Summary of significant accounting policies	4		
See accompanying notes forming part of the standalone Ind AS financial statements	1-58		

As per our report of even date
For C N K & Associates LLP
Chartered Accountants
ICAI FRN 101961W/W-100036

VIJAY HARSUKHLAL MEHTA
Digitally signed by VIJAY HARSUKHLAL MEHTA
Date: 2023.05.30 17:04:55 +05'30'

Vijay Mehta
Partner
Membership No. 106533

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

PRIYA PREMPAL SHETTY
Digitally signed by PRIYA PREMPAL SHETTY
Date: 2023.05.30 14:58:01 +05'30'

Priya Prempal Shetty
Director
DIN: 08858814

KAUSHIK MODAK
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Date: 2023.05.30 14:58:01 +05'30'

Kaushik Modak
Director
DIN: 01266560

RITENDRA BHATTACHARJEE
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Ritendra Bhattacharjee
Chief Finance Officer

CHANDRA SHEKHAR RAJAN
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Date: 2023.05.30 15:22:56 +05'30'

C S Rajan
Director
DIN: 00126063

Feby Koshy Bin Koshy
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Date: 2023.05.30 14:30:41 +05'30'

Feby Koshy Bin Koshy
Chief Executive Officer

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED March 31, 2023

	Note No	Number of shares	Amount Rs. Million			
(a) Equity Share Capital						
<u>For the Year ended March 31, 2023</u>						
Balance as at April 1, 2022	16	1,28,35,64,664	12,835.65			
Changes in equity share capital due to prior period errors		-	-			
Restated Balance as at April 1, 2022	16	1,28,35,64,664	12,835.65			
Changes in equity share capital during the year		-	-			
Balance as at 31.03.2023	16	1,28,35,64,664	12,835.65			
<u>For the Year ended March 31, 2022</u>						
Balance as at April 1, 2021	16	1,28,35,64,664	12,835.65			
Changes in equity share capital due to prior period errors		-	-			
Restated Balance as at April 1, 2021	16	1,28,35,64,664	12,835.65			
Changes in equity share capital during the year		-	-			
Balance as at March 31, 2022	16	1,28,35,64,664	12,835.65			
<u>For the Year ended March 31, 2021</u>						
Balance as at April 1, 2020	16	1,28,35,64,664	12,835.65			
Changes in equity share capital due to prior period errors		-	-			
Restated Balance as at April 1, 2020		1,28,35,64,664	12,835.65			
Changes in equity share capital during the year		-	-			
Balance as at March 31, 2021	16	1,28,35,64,664	12,835.65			
(b) Compulsorily Convertible Preference Share Capital ('CCPS')						
Balance as at April 1, 2021		3,46,60,767	346.61			
Changes in equity share capital due to prior period errors		-	-			
Restated Balance as at April 1, 2022		3,46,60,767	346.61			
Changes in equity share capital during the year		-	-			
Balance as at 31.03.2023		3,46,60,767	346.61			
(c) Other equity (refer note 17)						
Equity component of compound financial instruments	Reserves and surplus				Total other equity	
	Securities premium	General reserve	Debt redemption reserve	Retained earnings		
Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	
Balance as at April 1, 2020	2405.86	37,557.27	7.60	673.61	(93,967.98)	(53,323.64)
i Profit for the year	-	-	-	-	374.24	374.24
ii Remeasurement of defined benefit obligations, net of tax	-	-	-	-	1.29	1.29
Total comprehensive income for the year (i+ii)	-	-	-	-	375.53	375.53
Balance as at March 31, 2021	2,405.86	37,557.27	7.60	673.61	(93,592.45)	(52,948.11)
Balance as at April 1, 2021	2,405.86	37,557.27	7.60	673.61	(93,592.45)	(52,948.11)
Effect of adoption of Ind AS 116 Leases (refer note 4.25)	-	-	-	-	(24.10)	(24.10)
Balance as at April 1, 2021 (restated)	2,405.86	37,557.27	7.60	673.61	(93,616.55)	(52,972.21)
i Profit for the year	-	-	-	-	576.42	576.42
ii Remeasurement of defined benefit obligations, net of tax	-	-	-	-	1.54	1.54
iii Adjustment on account of Recasting	-	-	-	-	-	-
Total comprehensive income for the year (i+ii)	-	-	-	-	577.96	577.96
Restated Balance as at March 31, 2022	2,405.86	37,557.27	7.60	673.61	(93,038.59)	(52,394.25)
i Profit for the year	-	-	-	-	271.04	271.04
ii Remeasurement of defined benefit obligations, net of tax	-	-	-	-	0.59	0.59
Total comprehensive income for the year (i+ii)	-	-	-	-	271.63	271.63
Balance as at March 31, 2023	2,405.86	37,557.27	7.60	673.61	(92,766.96)	(52,122.62)

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

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As per our report of even date
For C N K & Associates LLP
Chartered Accountants
ICAI FRN 101961W/W-100036
VUJAY HARSUKHLAL MEHTA
Vijay Mehta
Partner
Membership No. 106533

For and on behalf of the Board of Directors of
IL&FS Energy Development Company Limited
PRIYA PREMPAL SHETTY
Digitally signed by PRIYA PREMPAL SHETTY
Date: 2023.05.30 14:58:22 +05'30'
Priya Prempal Shetty
Director
DIN: 08858814
Feby Koshy
Bin Koshy
Feby Koshy Bin Koshy
Chief Executive Officer

CHANDRA SHEKHA R RAJAN
Digitally signed by CHANDRA SHEKHA R RAJAN
Date: 2023.05.30 15:23:39 +05'30'

C S Rajan
Director
DIN: 00126063
Kaushik Modak
Director
DIN: 01266560

KAUSHIK MODAK
Digitally signed by KAUSHIK MODAK
Date: 2023.05.30 14:37:50 +05'30'

RITENDRA BHATTACHARJEE
Digitally signed by RITENDRA BHATTACHARJEE
Date: 2023.05.30 14:37:50 +05'30'
Ritendra Bhattacharjee
Chief Finance Officer

Place: Mumbai
Date: May 30, 2023

Place: Mumbai
Date: May 30, 2023

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 unit 101, First Floor, ABW Rectangle – 1, Saket District Centre, Saket, New Delhi - 110017. 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. 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.

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

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

Revenue is recognised at transaction price when:

- the Company satisfies a performance obligation by transferring control of a promised goods / services to a customer; and
- it is probable that the Company will collect the consideration to which it will be entitled to in exchange for the goods or services that will be transferred to the customer.

The Company satisfies the performance obligation by transferring control of promised goods or services to a customer and control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government

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

The specific recognition criteria described below must also be met before revenue is recognised.

Rendering of services

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of services rendered is net of any foreseeable losses towards that obligation.

Sale of Electricity

Revenue from Sale of Power is recognised on accrual basis based on the actual energy exported by the Company during the relevant accounting period, at the tariff / rate agreed upon with the relevant customer in the contract / agreement and it is probable that the Company will collect the consideration to which it is entitled. The transmission charges, wheeling and other charges recovered from the customers for the energy supplied is also recognised as revenue and the matching amounts paid / payable to the transmission utility is recognised as expenses.

The Company's contracts with customers for the sale of electricity generally include only one performance obligation. The Company has concluded that revenue from sale of electricity should be recognised at the point in time when electricity is supplied to the customer.

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).

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 exists, 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.

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 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.

4.7 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.

4.8 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.

4d 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.

4.9 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.

4.10 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. However, trade receivables that do not contain significant financing component are measured at transaction price.

4.11 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.

Financial assets at amortised cost

Financial assets are 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.

Assets held for sale

The Company consider the investments and related assets as held for sale once the application for approval of said sale has been filed to Hon'ble NCLAT post approval from Hon'ble Justice Jain.

4.12 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.

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 109.

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 except for amounts to be settled in foreign currency as on October 15, 2018 are carried at the exchange rate prevailing on that date

4.13 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.

4.14 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.

4.15 Segment reporting

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

4.16 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.

4.17 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.

4.18 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.

4.19 Critical accounting judgements and key sources of estimation uncertainty

4.19.1 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 4.19.2)
- ii) Useful lives and residual values of property, plant and equipment (refer note 4.19.2)
- iii) Valuation of Deferred tax assets/liabilities (refer note 4.19.2)
- iv) Provisions and contingencies (refer note 4.19.2)
- v) Estimation of assets and obligations relating to employee benefits (including actuarial assumption) (refer note 49)
- vi) Going concern assumption (refer note 44)

4.19.2 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 4.8 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 Application of new and revised Ind AS

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from April 1, 2023.

- i. Ind AS 101 – First time adoption of Ind AS – modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.
- ii. Ind AS 102 – Share-based Payment – modification relating to adjustment after vesting date to the fair value of equity instruments granted.
- iii. Ind AS 103 – Business Combination – modification relating to disclosures to be made in the first financial statements following a business combination.
- iv. Ind AS 107 – Financial Instruments Disclosures – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.
- v. Ind AS 109 – Financial Instruments – modification relating to reassessment of embedded derivatives.
- vi. Ind AS 1 – Presentation of Financials Statements – modification relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.
- vii. Ind AS 8 – Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of ‘accounting estimate’ and application of changes in accounting estimates.
- viii. Ind AS 12 – Income Taxes – modification relating to recognition of deferred tax liabilities and deferred tax assets.
- ix. Ind AS 34 – Interim Financial Reporting – modification in interim financial reporting relating to disclosure of ‘material accounting policy information’ in place of ‘significant accounting policies’.

The Company is evaluating the amendments and the expected impact, if any, on the Company’s financial statements on application of the amendments for annual reporting periods beginning on or after 1 April 2023

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6 Property, plant and equipment

i Net book value

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
	Rs. Million	Rs. Million	Rs. Million
Plant and equipment	20.64	22.12	39.61
Computers	0.36	0.61	1.04
Furniture and fixture	0.03	0.07	0.11
Vehicles	-	1.45	3.29
Office equipment	-	-	-
Leasehold improvements	-	-	-
	21.03	24.25	44.05

ii Gross book value

	Rs. (in million)						
	Plant and equipment (refer note 48)	Other equipment	Computers	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements
	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
Cost or valuation							
As at April 1, 2021	66.56	1.59	6.68	0.35	10.67	1.30	0.39
Add: Additions	-	-	0.02	-	-	-	-
Less: Disposals/adjustments	-	-	0.01	-	-	0.10	-
As at March 31, 2022	66.56	1.59	6.69	0.35	10.67	1.20	0.39
Add: Additions	-	-	0.09	-	-	-	-
Less: Disposals/adjustments	0.26	1.59	-	-	-	0.13	-
As at March 31, 2023	66.30	-	6.78	0.35	10.67	1.07	0.39
Depreciation and impairment							
As at April 1, 2021	26.95	1.59	5.64	0.24	7.38	1.30	0.39
Add: Additions	4.43	-	0.45	0.04	1.84	-	-
Less: Disposals/adjustments	-	-	0.01	-	-	0.10	-
Add: Impairment	13.06	-	-	-	-	-	-
As at March 31, 2022	44.44	1.59	6.08	0.28	9.22	1.20	0.39
Add: Additions	1.48	-	0.34	0.04	1.45	-	-
Less: Disposals/adjustments	0.26	1.59	-	-	-	0.13	-
Add: Impairment	-	-	-	-	-	-	-
As at March 31, 2023	45.66	-	6.42	0.32	10.67	1.07	0.39
Net book value							
As at March 31, 2023	20.64	-	0.36	0.03	-	-	-
As at March 31, 2022	22.12	-	0.61	0.07	1.45	-	-
As at April 1, 2021	39.61	-	1.04	0.11	3.29	-	-

Note:

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

7 Intangible assets

i. Net book value

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
	Rs. Million	Rs. Million	Rs. Million
Computer softwares	0.08	0.16	0.30
	0.08	0.16	0.30

ii Gross book value

	Computer softwares	Total
	Rs. Million	Rs. Million
Cost		
As at April 1, 2021	4.06	4.06
Add: Additions	-	-
As at March 31, 2022	4.06	4.06
Add: Additions		
As at March 31, 2023	4.06	4.06
Amortisation		
As at April 1, 2021	3.76	3.76
Less: Amortisation expense	0.14	0.14
As at March 31, 2022	3.90	3.90
Less: Amortisation expense	0.08	0.08
As at March 31, 2023	3.98	3.98
Net book value		
As at March 31, 2023	0.08	0.08
As at March 31, 2022	0.16	0.16
As at April 1, 2021	0.30	0.30

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Units	Rs. Million	Units	Rs. Million	Units	Rs. Million
8 Investments (refer note 41)						
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)	16,07,97,509	42,263.32	16,07,97,509	42,263.32	16,07,97,509	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)	49,00,50,000	4,900.50	49,00,50,000	4,900.50	49,00,50,000	4,900.50
c. Nana Layja Power Company Limited (Equity share of Rs 10 each) (refer note 3 below)	-	-	3,60,50,000	360.50	3,60,50,000	360.50
d. Shendra Green Energy Limited (Equity share of Rs 10 each) (refer note 4 below)	-	-			36,65,894	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	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)	1,00,000	1.00	1,00,000	1.00	1,00,000	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	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)	-	-	-	-	1,72,97,000	31.80
i. Sipla Wind Energy Limited (Equity share of Rs 10 each) (refer note 7 below)	80,000	0.80	80,000	0.80	80,000	0.80
j. Patiala Bio Power Company Limited (Equity share of Rs 10 each) (refer note 5 below)	50,000	0.50	50,000	0.50	50,000	0.50
k. Rohtas Bio Energy Limited (Equity share of Rs 10 each) (refer note 5 below)	50,000	0.50	50,000	0.50	50,000	0.50
l. Mahidad Wind Energy Private Limited (Equity share of Rs 10 each) (refer note 7 below)	10,000	0.10	10,000	0.10	10,000	0.10
m. Jogihali Wind Energy Private Limited (Equity share of Rs 10 each) (refer note 7 below)	10,000	0.10	10,000	0.10	10,000	0.10
n. Cuddalore Solar Power Private Limited (Equity share of Rs 10 each) (refer note 5 below)			50,000	0.50	50,000	0.50
o. 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	-	71.09
b. Wind Urja India Limited (refer note 2 & 27 below)	-	-	-	-	-	15.14
c. Lalpur Wind Energy Private Limited (refer note 2 & 27 below)	-	-	-	-	-	76.93
d. Tadas Wind Energy Private Limited (refer note 2 & 27 below)	-	-	-	-	-	63.09
e. Ratedi Wind Power Private Limited (refer note 2 & 27 below)	-	-	-	-	-	52.17
iii Investment at amortised cost						
Deemed Equity						
a. Jogihali Wind Energy Private Limited (Debentures of Rs 10 each) (refer note 7 and 9 below)	12,71,00,000	1,271.00	12,71,00,000	1,271.00	12,71,00,000	1,271.00
b. Mahidad Wind Energy Limited (Debentures of Rs 10 each) (refer note 7 and 10 below)	13,89,00,000	1,389.00	13,89,00,000	1,389.00	13,89,00,000	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)	10,87,00,000	1,087.00	10,87,00,000	1,087.00	10,87,00,000	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	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)	2,40,000	2,400.00	2,40,000	2,400.00	2,40,000	2,400.00
b. IL&FS Wind Energy Limited (Debentures of Rs. 100,000) (refer note 2 and 14 below)	8,60,67,800	860.68	8,60,67,800	860.68	8,60,67,800	860.68
c. Shendra Green Energy Limited (refer note 4 and 15 below)	-	-	-	-	2,00,85,130	106.68
Impairment in value of investment in subsidiaries		54,280.34 (54,279.84)		54,641.84 (54,641.34)		55,228.05 (55,227.55)
		0.50		0.50		0.50

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Units	Rs. Million	Units	Rs. Million	Units	Rs. Million
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)	-	-	-	-	13,47,34,328	1,475.99
b. Saurya Urja Company of Rajasthan Limited (Equity share of Rs 10 each)	6,49,68,650	708.84	6,49,68,650	663.55	6,49,68,650	568.03
c. Cross Border Power Transmission Company Limited (Equity share of Rs 10 each)	1,84,33,615	482.21	1,84,33,615	482.21	1,84,33,615	436.45
d. Bihar Power Infrastructure Company Private Limited (Equity share of Rs 10 each)	25,000	-	25,000	-	25,000	-
e. Power Transmission Company Nepal Limited (Equity share of Rs. 62.50 each)	4,50,000	52.28	4,50,000	48.66	4,50,000	45.49
f. Assam Power Project Development Company Limited (Equity share of Rs 10 each)	25,000	-	25,000	-	25,000	-
ii. Investment in other companies (refer note 17 below)						
- Investment in Equity shares						
a. KVK Nilanchal Power Private Limited	51,80,000	-	51,80,000	-	51,80,000	-
b. ACB (India) Limited	6,93,376	-	6,93,376	-	1,77,78,864	-
c. Shalivahana Green Energy Limited	2,02,44,480	-	2,02,44,480	-	2,02,44,480	-
d. Nana Layja Power Company Limited (Equity share of Rs 10 each) (refer note 3 below)	3,60,50,000	-	-	-	-	-
e. Cuddalore Solar Power Private Limited (Equity share of Rs 10 each) (refer note 5 below)	50,000.00	-	-	-	-	-
f. Mota Layja Gas Power Company Limited (Equity share of Rs 10 each) (refer note 5 below)	50,000.00	-	-	-	-	-
		<u>1,243.33</u>		<u>1,194.42</u>		<u>2,525.96</u>
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	68,540	57.07
b. Optionally Fully Convertible Debentures of Punjab Biomass Power Limited (Debentures of Rs 10 each) (refer note 19 & 27 below)	-	-			3,33,97,818	198.67
		<u>57.07</u>		<u>57.07</u>		<u>255.74</u>
Impairment in value of investments		<u>(57.07)</u>		<u>(57.07)</u>		<u>(255.74)</u>
		<u>-</u>		<u>-</u>		<u>-</u>
Total (A+B+C)		<u>1,243.83</u>		<u>1,194.92</u>		<u>2,526.46</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)	-	-			3,11,87,780	165.65
b. Patiala Bio Power Company Limited (Debentures of Rs 100,000 each) (refer note 5 and 20 below)	455	45.50	455	45.50	455	45.50
c. Shendra Green Energy Limited (refer note 4 and 21 below)	-	-				
		<u>45.50</u>		<u>45.50</u>	25877090	59.85
Impairment in value of investments		<u>(45.50)</u>		<u>(45.50)</u>		<u>271.00</u>
		<u>-</u>		<u>-</u>		<u>(271.00)</u>

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Units	Rs. Million	Units	Rs. Million	Units	Rs. Million
B Assets classified as held for Sale						
Investment in Equity instruments						
a. Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (Equity share of Rs 10 each) (refer note 22)	-	-	2,81,00,060	280.35	2,81,00,000	281.66
b. Ramagiri Renewable Energy Limited (formerly known as IL&FS Wind Farms Limited) (Equity share of Rs 10 each) (refer note 4 below)	-	-	1,72,97,000	31.80		
c. Shendra Green Energy Limited (Equity share of Rs 10 each) (refer note 4 below)	36,65,894	240.40	36,65,894	240.40		
		240.40		552.55		281.66
Impairment in value of investments		(240.40)		(272.20)		
		-		280.35		281.66
Investment in Debentures						
a. Shendra Green Energy Limited (refer note 4 and 15 below)	2,00,85,130	106.68	2,00,85,130	106.68		
b. Shendra Green Energy Limited (refer note 4 and 15 below)	2,58,77,090	59.85	2,58,77,090	59.85		
c. Shendra Green Energy Limited (refer note 4 and 15 below)	3,11,87,780	165.65	3,11,87,780	165.65		
Units in trust						
a. Urjankur Nidhi Trust (unit of Rs 10 each) (refer note 22)	-	-	31,030	314.76	31,030	316.08
		332.18		646.94		316.08
Impairment in value of investments		(332.18)		(332.18)		
		-		314.76		316.08
Total (A+B)		-		595.11		597.74
Disclosure						
Non Current Investments						
Aggregate Value of (unquoted) investments		56,767.62		56,767.62		60,142.28
Aggregate Value of impairment (unquoted) investments		(55,523.79)		(55,572.70)		(57,615.82)
Aggregate amount of carrying value of Investments		1,243.83		1,194.92		2,526.46
Current Investments						
Aggregate Value of (unquoted) investments		618.08		1,244.99		868.74
Aggregate Value of impairment (unquoted) investments		(618.08)		(649.88)		(271.00)
Aggregate amount of carrying value of Investments		-		595.11		597.74

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

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. 3,899.35 million on account of investments made, loans given and other receivables, respectively aggregating to Rs. 55,241.31 million. Till March 31, 2022, the Company made impairment provision of Rs. 55,186.10 million as the Company believes that ITPCL had no sufficient funds to repay the amount related to loans and receivables. The management believes that amount incurred pursuant to resolution 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.

During the earlier years, 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. .

ITPCL has received the for restructuring of its debts towards financial creditors however NCLAT has asked for the supplementary resolution scheme for its OPEX and CAPEX creditors. Pending completion of such process and subsequent approval from NCLAT, , 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, 2022 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, 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 40 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. 887.19 million on account of investments made, loans given and other receivables respectively, aggregating to Rs. 8,204.07 million. Company has provided for Rs 7,309.82 million in earlier years. No further provision has been created during the year.

The Company believes that out of receipt of Rs. 5,928.75 million received by IWEL on account of sale of Wind SPVs, IWEL likely to be in a position to repatriate Rs. 894.25 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.

Considering all these, the Company has not made any further adjustment with regard to the impairment provision of Rs. 7,309.82 million already recognized in the accompanying Ind AS financial statements till the year ended March 31, 2022.

- 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. 859.88 million on account of other receivable, loans given and interest thereon. Further during the previous year, Nana Layja has applied for voluntary liquidation and liquidator has been appointed during the FY 22-23. As Management Control of the Company ceases to exist hence investment in Nana Layja has been classified as other investment. The Company has made provision of Rs 1.43 million during the year resulting into impairment of all the investment and receivables as at March 31, 2023

- 4 a) 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. 9.10 million. Till March 31, 2022, the Company has made a provision of Rs. 965.39 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. Further the Company has received the bid for sale of Shendra and had filed the application in Hon'ble NCLT for approval. The said approval was received during the current year however pending fulfilment of certain conditions by the buyer, the actual consummation of transaction is pending. The distribution of the same will be determined by claim management agency post consummation of transaction.

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 (except other receivables) pertaining to Shendra in these accompanying standalone Ind AS financial statements.

b) With respect to one of the subsidiaries named as Ramagiri Renewable Energy Limited (RREL), which is classified in 'Red' category (refer note 3), the Company has an investment of Rs. 31.80 million, receivables of Rs. 171.65 million on account of loans given and interest thereon and other receivables of Rs. 0.07 million. Till March 31, 2022, the Company has made a provision of Rs. 196.30 million on account of doubtful recovery of said receivables and investments. During the year Company has sold the said investment and realised Rs 1 towards the sale of its equity hence Company has written off the equity investment in RREL during the year. Further the Buyer has given Rs 88.90 mn towards the settlement of creditors of RREL. Pending final distribution, Company has recognised the reversal of impairment of loan amount to Rs. 81.75 mn based on the distribution working done by the claim management agency

- 5 With respect to six subsidiaries of which five (namely 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. 82.75 million, receivables of Rs. 1,419.06 million on account of loans given and interest thereon and other receivables of Rs. 0.79 million. Till March 31, 2022, the Company made a provision of Rs. 1,409.60 million on account of doubtful recovery of loans and interest thereon and Rs. 82.75 million on account of impairment of investments. Company has made further provision of Rs 0.09 million in current year. The Statutory auditors of the above mentioned five companies which have been categorised under the 'Red' category had issued 'Disclaimer of Opinion' on the financial statements for the year ended March 31, 2022.

IRP/Liquidator has been appointed for Mota Layja Gas Power Company Limited/Cuddalore Solar Power Private Limited respectively during the year. As Management Control of the Company ceases to exist on these companies, hence investment in these companies has been classified as other investment.

- 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 on account of investment made as at March 31, 2022. Based on the audited financial statements of ISPL as at and for the year ended March 31, 2022, net worth of ISPL is Rs. 39.71 million.

Considering the positive net worth of ISPL as at March 31, 2022, management is of the view that no further adjustments are required to be made in these financial statements in this regard. Company has filed the application to NCLT for closure of ISPL under Section 271 (a) of Companies Act.

- 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 was initiated against WWIL under the Insolvency and Bankruptcy Code by its lenders and an Interim Resolution Professional (IRP) was appointed. Pursuant to this, these subsidiaries of the Company 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 the introduction of "Bidding based tariff". During the year, Company has made provision of Rs 3.21 million resulting into impairment of all the investment.loans and receivables as at March 31, 2023.

One of the shareholder/promoter of the WWIL challenged the inclusion of these subsidiaries of the Company as financial creditor and forming part of committee of creditors in NCLT. Further, the NCLT allowed withdrawal of the resolution plan by the resolution applicant, against this an appeal was made with NCLAT by the committee of creditors and Resolution Professional. NCLAT had set aside the withdrawal order mentioning that the resolution plan cannot be withdrawn after it has been approved by the Committee of creditors and referred back the matter to NCLT for evaluation of the resolution plan. The NCLT vide its order dated 24th August 2022 rejected the resolution plan on the grounds that it is in contravention with various provisions of the law. All other applications in objections were disposed off vide the same order.

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, 2022. 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 years need not to be re-assessed.

Further application has been filed with NCLT for resolution of Mahidad under Section 10 of IBC and under Section 271 (a) of Companies Act for Sipla and Jogihali.

- 8 The Company had waived off interest of Rs. 71.09 million receivables from Sipla in earlier years and has accordingly, shown the same as an investment in deemed equity instruments in Sipla.
- 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 two Joint ventures (JVs) namely- 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. million, Rs. 482.21 million and 48.66 million, respectively as at March 31, 2023 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.

In case of other investment in OTPC (divested earlier), Justic D K Jain has 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. Further Company has not received the latest financials of these companies hence have not done any fair value of the investments in these companies.

Further, in respect of the other joint venture companies named as Saurya Urja Company of Rajasthan Limited ("Saurya Urja"), the Company has computed the recoverable value of the shares based on the Net Assets and has accordingly recognised net asset gain of Rs. 45.29 million in respect of this joint venture company 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.

Further in case of Bihar Power Infrastructure Company Private Limited ("Bihar Power"), Assam Power Project Development Company Limited ("Assam Power") where Company has filed the application to NCLT for closure of Assam Power under Section 361 of Companies Act and for Bihar Power under Section 271(e) of Companies Act, no further adjustment has been made.

- 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. Considering that KVK is already under liquidation process, the management had already impaired the full value of investment till March 31, 2021 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. The same has been written off during the year
- 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 Wana 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 28,100,060 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 Company has classified these investment as held for sale and recognised the same at Rs. 595.11 million (net of share transfer expenses of Rs. 29.83 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. Subsequent to year end, the Company has transferred the shares and units post approval from the Hon'ble NCALT and received the balance sale consideration.
- 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 Punjab Biomass Power Limited (PBPL), the Company has given loan of Rs. 215.92 million and has other receivables of Rs. 158.15 million. Further the Company has investment of Rs. 198.68 million. Till March 31, 2021, the Company had provided for the whole amount recoverable as doubtful of recovery. During the previous year, based on the liquidation process of Punjab Biomass, the loan and receivables from PBPL has been written off
- 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 45).
- 27 During the previous year, Board has approved the written off of investment in Punjab Biomass Power Limited and deemed equity in Wind Urja India Limited, Lalpur Wind Energy Limited, Tadas Wind Energy Private Limited and Ratedi Wind Energy Private Limited vide its meeting dated September 02, 2022. The impact of the same is considered in FY 2021-22 financial statements.

With respect to above mentioned points of 1 to 27, 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, 2023

	As at March 31, 2023 Rs. Million	As at March 31, 2022 Rs. Million	As at April 1, 2021 Rs. Million
9 Trade receivables			
Trade receivables*			
a. Considered good, Unsecured	67.87	65.76	138.62
b. Credit impaired	524.05	525.63	504.80
	591.92	591.39	643.42
Less: Impairment allowance (allowance for bad and doubtful debts)	524.05	525.63	504.80
	67.87	65.76	138.62
* Includes from related parties (refer note 52)			
a. Considered good, Unsecured	28.29	31.21	29.80
b. Credit impaired	181.11	182.54	182.50
	209.40	213.75	212.30
Less: Impairment allowance (allowance for bad and doubtful debts)	181.11	182.54	182.50
	28.29	31.21	29.80

Note:

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.

For details of charge created on Trade Receivables, refer to note 18.

	As at March 31, 2023 Rs. Million	As at March 31, 2022 Rs. Million	As at April 1, 2021 Rs. Million
Movement in allowance for trade receivables			
Opening balance	525.63	504.80	509.74
Addition/deletion during the year	(1.87)	22.88	45.15
Adjusted towards assets held for sale	0.29	(2.05)	
Bad debts written off	-	-	(50.09)
Closing balance	524.05	525.63	504.80
Age of receivables (Considered good)			
0-6 month	-	7.94	51.13
6 month - 1 year	5.99	5.34	19.83
1 year - 2 year	11.88	9.36	42.54
2 year - 3 year	14.08	9.17	20.86
Above 3 year	35.92	33.95	4.26
	67.87	65.76	138.62
Age of receivables (Considered doubtful)			
0-6 month	-	0.25	2.88
6 month - 1 year	-	0.09	10.27
1 year - 2 year	0.29	100.80	19.68
2 year - 3 year	46.48	-	162.86
Above 3 year	477.28	424.49	309.11
	524.05	525.63	504.80

Gross receivables from customers, each of which individually represents more than 5% of the total balance of trade receivables:

	As at March 31, 2023 Rs. Million	As at March 31, 2022 Rs. Million	As at April 1, 2021 Rs. Million
Sterling & willson	50.22	50.22	
Amity University	35.82	31.32	
IL&FS Tamil Nadu Power Company Limited	169.12	169.12	169.12
Pirpainti Bijlee Company Private Limited	130.22	130.22	130.22
Lakhsarai Bijlee Company Private Limited	127.05	127.05	127.05
Energy Efficiency Services Limited	-	-	105.48
	512.43	507.93	531.87

10 Cash and bank balances

A. Cash and cash equivalents

a. Balance with banks:			
- on current accounts	9.42	371.52	102.83
- deposit with original maturity of less than three months	2,490.33	2,016.52	2,216.38
b. Cash in hand	-	-	-
	2,499.75	2,388.04	2,319.21

Cash and cash equivalents as per statement of cash flow

2,499.75 2,388.04 2,319.21

B. Other balances with banks

Balance with bank in earmarked accounts:			
- deposit held as margin money with banks	658.90	592.57	327.94
- deposit held for distribution purpose with bank	4,329.91	3,896.72	2,352.84
Deposit with original maturity of more than three months but less than twelve months	-	225.00	39.70
	4,988.81	4,714.29	2,720.48

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

				As at March 31, 2023 Rs. Million	As at March 31, 2022 Rs. Million	As at April 1, 2021 Rs. Million
Changes in liabilities arising from financing activities						
Particulars	April 1, 2022	Cash Flow		Others	March 31, 2023	
		Proceeds	Repayment		Rs. Million	
Borrowings (including current maturities)	45,780.24	-	(1.34)	32.91	45,811.81	
	45,780.24	-	(1.34)	32.91	45,811.81	

Particulars	April 1, 2021	Cash Flow		Others	March 31, 2022	
		Proceeds	Repayment		Rs. Million	
Borrowings (including current maturities)	45,757.71	-	(1.57)	24.10	45,780.24	
	45,757.71	-	(1.57)	24.10	45,780.24	

11 Loans

I. Non-current (Unsecured)

a. Loans and advances to related parties			
- Considered good	2.62	2.62	2.62
- Credit impaired	132.38	132.38	132.38
Less: Allowance for doubtful loans	135.00	135.00	135.00
	(132.38)	(132.38)	(132.38)
	2.62	2.62	2.62
b. Other loans and advances			
- Considered good	181.56	-	-
- Credit impaired	-	-	-
Less: Allowance for doubtful loans	181.56	-	-
	-	-	-
	181.56		
c. Inter corporate deposit	-	-	-
	184.18	2.62	2.62

II. Current (Unsecured)

a. Loans and advances to related parties			
- Considered good	806.67	956.52	956.52
- Credit impaired	14,253.97	15,166.90	15,166.90
Less: Allowance for doubtful loans	(14,253.97)	(15,166.90)	(15,166.90)
	806.67	956.52	956.52
b. Inter-corporate deposits to related parties			
- Considered good	-	112.39	125.85
- Credit impaired	932.70	946.55	933.10
Less: Allowance for doubtful deposits	(932.70)	(946.55)	(933.10)
	-	112.39	125.85
c. Loans and advances to others			
- Considered good	177.93	2.01	2.02
- Credit impaired	2,333.89	1,502.71	1,702.58
Less: Allowance for doubtful loans	(2,333.89)	(1,502.71)	(1,702.58)
	177.93	2.01	2.02
d. Inter-corporate deposits to others			
- Considered good	9.47	-	-
- Credit impaired	0.40	-	16.06
Less: Allowance for doubtful deposits	(0.40)	-	(16.06)
	9.47	-	-
	994.07	1,070.92	1,084.39

Type of Borrower	Current Period		Previous Period	
	Amount Outstanding	% of Total	Amount Outstanding	% of Total
Promoters	-			
Directors	-			
KMP's	-			
Related Parties	809.29	68.69%	1,084.99	99.81%
Total	809.29		1,084.99	

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/renew loan agreements in respect of 77 loans of Rs. 9,569.24 million extended to group companies and 5 loans of Rs. 1,246.08 million to extended third parties. The management believes that as these loans were given prior to Oct 15, 2018 hence need not to be renewed. Further interest income is not recognised after October 15, 2018 on these loans. The management believes that this will not have any adverse impact on these financial statements. Also refer note 8 and 55 for details of investments made, loans and deposits given to related parties.
- Pursuant to the approval of Hon'ble NCLT, during the year Company has consummate the transaction of Ramagiri Renewable Energy Limited (RREL). Pending final distribution of amount received by the Company on behalf of RREL, Company has made the reversal of provision of Rs 81.75 mn based on the distribution working done by the claim management agency.
- Pursuant to the approval of Hon'ble NCLT, during the year Company has consummate the transaction of Urjankur Shree Tatyasaheb Kore Warana Power Company Limited and accordingly written off the balance amount of 37.07 mn on account of loan and interest accrued thereon. The same was already provided for in earlier years.
- For details of charge created on Loans, 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, 2023

	As at March 31, 2023 Rs. Million	As at March 31, 2022 Rs. Million	As at April 1, 2021 Rs. Million
12 Other financial assets			
I Non-current (Unsecured)			
Considered good			
a. Interest accrued:			
- on deposits	1.22	-	13.62
- on investments	-	-	-
- on loans and advances	-	22.45	-
b. Security deposits	0.49	0.81	1.16
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
	1.71	23.26	295.77
II Current (Unsecured)			
Considered good			
a. Interest accrued:			
- on deposits	15.25	61.26	42.28
- on investments	-	-	-
- on loans and advances	-	-	9.00
b. Receivable for sale of investment	-	111.00	111.00
c. Unbilled revenue	0.99	0.93	-
d. Other balances with banks**	89.77	-	-
e. Other receivables	103.44	126.86	126.62
f. Retention money under construction contract	-	-	-
	209.45	300.05	288.90
Considered doubtful			
a. Interest accrued on:			
- on investments	4,297.43	4,297.43	4,434.81
- on loans and advances	2,939.47	2,963.66	2,997.87
b. Other receivables	64.51	5.29	-
c. Receivable for sale of investment*	511.00	400.00	400.00
	7,812.41	7,666.38	7,832.68
Less: Allowance for doubtful interest and receivables for sale of investments	(7,812.41)	(7,666.38)	(7,832.68)
	-	-	-
	209.45	300.05	288.90
*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 52). Due to uncertainty with regard to recoverability of amount, whole amount has been provided for by the management of the Company. ** Company has received Rs 89.77 million from the buyer of RREL towards the settlement of creditors of RREL. Pending final distribution of the amount to the creditors of RREL, it is shown as liability (refer note 24). Though Company is the major creditor for RREL, however management is of the view that company can't use the said funds until the final resolution of RREL is approved. For details of charge created on Other Financial Assets, refer to note 18.			
13 Non-current tax assets *			
Taxes paid (including tax deducted at source)	2,539.63	2,492.43	2,421.71
Less: Provision for taxation	(1,293.95)	(1,293.95)	(1,292.66)
	1,245.68	1,198.48	1,129.05
* net of provision for tax			
14 Other assets			
i Non-current			
a. Prepaid expenses	0.08	2.67	0.90
c. Interest accrued on investments	-	-	-
	0.08	2.67	0.90
ii Current			
a. Prepaid expenses	12.44	11.28	12.94
b. Balances with government authorities	57.66	46.81	137.53
c. Gratuity fund (net) (refer note 49)	-	-	0.74
	70.10	58.09	151.21
Less: Impairment allowance*	-	-	(91.96)
	70.10	58.09	59.25

* 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 FY 2020-21, Company has made provision of the deferred GST input tax credit amounting Rs. 91.96 million due to future uncertainty for availing the said input. During FY 2021-22, Company has written off the same as Board of director have approved the surrender of GST registration in Karnataka as no new business is being explored and Company has filed the application for surrender of GST registration

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021	
	Rs. Million	Rs. Million	Rs. Million	
15 Deferred tax assets (net)				
A. Deferred tax asset	2.52	2.52	11.17	
B. Deferred tax liability	(2.52)	(2.52)	(11.17)	
	-	-	-	
A. Deferred tax assets / (liabilities)				
	As at April 1, 2022	Recognised in Statement of profit and loss	Recognised in other comprehensive income	As at March 31, 2023
	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)	29,426.00	(33.12)	-	29,392.88
Provision for employee benefits	3.09	(1.09)	(0.31)	1.69
Borrowings	367.01	(7.48)	-	359.53
Provision for expenses	0.07	(0.07)	-	-
Other financial liabilities	225.88	0.09	-	225.97
Un-utilised income tax losses and unabsorbed depreciation	2,430.78	(10.12)	-	2,420.66
	32,889.31	(488.27)	(0.31)	32,400.73
Adjustment on account of deferred tax assets restricted to deferred tax liabilities*	32,886.79	(488.58)	-	32,398.21
	2.52	0.31	(0.31)	2.52
Deferred tax liabilities				
Property, Plant and Equipment and Intangible Assets	(2.52)	-	-	(2.52)
	(2.52)	-	-	(2.52)
Net deferred tax assets/(liabilities)	-	0.31	(0.31)	-

* 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, transferred the advisory division.

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, 2023

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

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
	Number of shares	Rs. Million	Number of shares
Equity Shares of Rs. 10 each with voting rights	2,12,50,00,000	21,250.00	2,12,50,00,000

Issued, subscribed and fully paid up

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
	Number of shares	Rs. Million	Number of shares
a. Opening balance	1,28,35,64,664	12,835.65	1,28,35,64,664
b. Changes during the year	-	-	-
c. Closing balance	<u>1,28,35,64,664</u>	<u>12,835.65</u>	<u>1,28,35,64,664</u>

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	12,50,00,000	1,250.00	12,50,00,000	1,250.00	12,50,00,000	1,250.00

Issued, subscribed and fully paid up

(a) Opening balance	3,46,60,767	346.61	3,46,60,767	346.61	3,46,60,767	346.61
(b) Changes during the year	-	-	-	-	-	-
(c) Closing balance	<u>3,46,60,767</u>	<u>346.61</u>	<u>3,46,60,767</u>	<u>346.61</u>	<u>3,46,60,767</u>	<u>346.61</u>

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.

The same are not converted into equity shares during the year.

Shares held by Promoters at year ended March 31, 2023

S. No	Promoter Name	No of Shares	% of Total Shares			% Change during the year
1	Infrastructure Leasing & Financial Services Limited, the	1,17,34,26,464.00	91%			Nil
2	IL&FS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr.	8,60,00,000.00	7%			Nil

Shares held by Promoters at year ended March 31, 2022

S. No	Promoter Name	No of Shares	% of Total Shares			% Change during the year
1	Infrastructure Leasing & Financial Services Limited, the holding company	1,17,34,26,464.00	91%			Nil
2	IL&FS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr. Kaushik Modak	8,60,00,000.00	7%			Nil

Shares held by Promoters at year ended April 1, 2021

S. No	Promoter Name	No of Shares	% of Total Shares			% Change during the year
1	Infrastructure Leasing & Financial Services Limited, the holding company	1,17,34,26,464.00	91%			Nil
2	IL&FS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr. Kaushik Modak	8,60,00,000.00	7%			Nil

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

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, 2023		As at March 31, 2022		As at April 1, 2021	
	Number of shares held	% holding in that class of shares	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	1,17,34,26,464	91.42%	1,17,34,26,464	91.42%	1,17,34,26,464	91.42%
IL&FS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr. Kaushik Modak	8,60,00,000	6.70%	8,60,00,000	6.70%	8,60,00,000	6.70%
0.0001% Compulsorily Convertible Preference Share Capital of Rs. 10 each, fully paid						
Deepak Mawandia	2,47,87,863	71.52%	2,47,87,863	71.52%	2,47,87,863	71.52%
Backbay Equity Partners LLP	98,72,904	28.48%	98,72,904	28.48%	98,72,904	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, 2023		As at March 31, 2022		As at April 1, 2021	
	Number of shares held	Amount	Number of shares held	Amount	Number of shares held	Amount
		Rs. Million				Rs. Million
Equity share of Rs. 10 each, fully paid						
Infrastructure Leasing & Financial Services Limited, India, the holding company	1,17,34,26,464	11,734.26	1,17,34,26,464	11,734.26	1,17,34,26,464	11,734.26

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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, 2023

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
	Rs. Million	Rs. Million	Rs. Million
17 Other equity			
a. Equity component of compound financial instruments (refer note i below)	2,405.86	2,405.86	2,405.86
b. Securities premium (refer note ii below)			
Opening balance	37,557.27	37,557.27	37,557.27
Add: Additions during the year	-	-	-
Closing balance	<u>37,557.27</u>	<u>37,557.27</u>	<u>37,557.27</u>
c. General reserve (refer note iii below)	7.60	7.60	7.60
d. Debenture redemption reserve (refer note iv below)			
Opening balance	673.61	673.61	673.61
Add: Transfer during the year	-	-	-
Closing balance	<u>673.61</u>	<u>673.61</u>	<u>673.61</u>
e. Retained earnings			
Opening balance	(93,040.28)	(93,616.70)	(93,966.84)
Less: adjustment on account of recasting	-	-	(24.10)
Add: Profit for the year	271.04	576.42	374.24
Closing balance	<u>(92,769.24)</u>	<u>(93,040.28)</u>	<u>(93,616.70)</u>
f. Other comprehensive income			
i Remeasurement of defined benefit obligations			
Opening balance	1.69	0.15	(1.14)
Add: Transfer during the year	0.90	2.16	1.98
	<u>2.59</u>	<u>2.31</u>	<u>0.84</u>
Less: Tax on the above	0.31	0.62	0.69
Closing balance	<u>2.28</u>	<u>1.69</u>	<u>0.15</u>
Grand Total (a+b+c+d+e+f)	<u>(52,122.62)</u>	<u>(52,394.25)</u>	<u>(52,972.21)</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 FY 2018-19 onwards. The management believes that this will not have any adverse impact on these standalone financial statements.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

	As at March 31, 2023		As at March 31, 2022		As at April 1, 2021	
	Non-current Rs. Million	Current Maturity Rs. Million	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	-	1,000.00
- Zero Coupon Non Convertible debentures (refer note 'i B' below)	-	1,000.00	-	1,000.00	-	1,000.00
- Non Convertible debentures (refer note 'i C' below)	-	500.00	-	500.00	-	500.00
- Non Convertible debentures (refer note 'i D' below)	-	1,950.00	-	1,950.00	-	1,950.00
- Non Convertible debentures (refer note 'i E' below)	-	2,050.00	-	2,050.00	-	2,050.00
b. Term loans from banks						
- secured						
i. J.C Flowers Asset Reconstruction Private Limited (refer note 'ii' below)	-	1,814.55	-	1,814.55	-	1,814.55
ii. J.C Flowers Asset Reconstruction Private Limited (refer note 'iii' below)	-	306.45	-	306.45	-	306.45
iii. J.C Flowers Asset Reconstruction Private Limited (refer note 'iv' below)	-	2,047.67	-	2,047.67	-	2,047.67
iv. Karnataka Bank Limited (refer note 'v' below)	-	250.00	-	250.00	-	250.00
v. Syndicate Bank Limited (refer note 'vi' below and note 57)	-	3,699.34	-	3,699.34	-	3,699.34
vi. United Bank of India (refer note 'vii' below)	-	1,000.00	-	1,000.00	-	1,000.00
vii. J.C Flowers Asset Reconstruction Private Limited (refer note 'viii' below)	-	0.77	-	1.13	-	1.80
viii. HDFC Bank Limited (refer note 'ix' below)	-	1.91	-	2.89	-	3.79
- unsecured						
i. J.C Flowers Asset Reconstruction Private Limited (refer note 'iii' below)	-	2,758.09	-	2,758.09	-	2,758.09
ii. J.C Flowers Asset Reconstruction Private Limited (refer note 'iv' below)	-	2,047.67	-	2,047.67	-	2,047.67
iii. Karnataka Bank Limited (refer note 'v' below)	-	250.00	-	250.00	-	250.00
c. Term loans from financial institutions						
- secured						
from related parties (refer note 52)						
i. IL&FS Limited (refer note 'x' below)	-	335.96	-	335.96	-	335.96
ii. IL&FS Limited (refer note 'xi' below)	-	2,500.00	-	2,500.00	-	2,500.00
iii. IL&FS Limited (refer note 'xii' below)	-	2,973.50	-	2,973.50	-	2,973.50
iv. IL&FS Limited (refer note 'xiii' below)	-	4,043.86	-	4,043.86	-	4,043.86
v. IL&FS Limited (refer note 'xiv' below)	-	3,990.39	-	3,990.39	-	3,990.39
vi. IL&FS Limited (refer note 'xv' below)	-	2,236.45	-	2,236.45	-	2,236.45
vii. IL&FS Limited (refer note 'xvi' below)	-	996.85	-	996.85	-	996.85
from other parties						
i. Aditya Birla Finance Limited (refer note 'xvii' below)	-	140.00	-	140.00	-	140.00
ii. IFCI Ltd.(refer note 'xviii' below)	-	1,000.00	-	1,000.00	-	1,000.00
d. Inter corporate deposit from related parties (refer note 52)						
- unsecured						
i. Patiala Bio Power Company Limited (refer note (xix 'A'))	-	2,260.16	-	2,260.16	-	2,260.16
ii. Rohtas Bio Energy Limited (refer note (xix 'B'))	-	1,605.02	-	1,605.02	-	1,605.02
	-	42,758.64	-	42,759.98	-	42,761.55
Less: Reclassified to Short Term Borrowings		42,758.64		42,759.98		42,761.55
	-	-	-	-	-	-

Notes: During the year, Yes Bank Limited has assigned its loans in favour of J.C Flowers Asset Reconstruction Private Limited

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

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, 2022: 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, 2022: 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, 2022: 11% p.a.)
 - c. Terms and conditions: During the year ended March 31, 2018, 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, 2022: 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, 2022: 9.50% p.a.) for Series I
Rate of Interest - 9.53% p.a (March 31, 2022: 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, 2022: 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, 2022: 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 all 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, 2022: 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 all 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, 2022: 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, 2022: 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, 2022: 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 all 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, 2022: 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, 2022: 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, 2022: 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, 2022: 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, 2022: 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, 2022: 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, 2022: 16%)
 - b. Terms and security
 - i) Total Sanction limit is Rs. 3,250 million and outstanding is Rs. 2,973.50 million (March 31, 2022: 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, 2022: 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, 2022: 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, 2022: 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, 2022: 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, 2022: 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, 2022: 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, 2022: 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, 2022: 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 earlier year however Rs 140 million is due and outstanding as on March 31, 2023.
- 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 times.

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, 2022: 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, 2022: 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, 2023.

B. Rohtas Bio Energy Limited

- a. Rate of Interest - IFIN Benchmark MCLR + 0.50% spread i.e. 15.50% p.a.(March 31, 2022: 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.

Period and amount of default as on the Balance sheet date in repayment of borrowing as mentioned in note 18 & 22 and interest thereon:

Rs. Million

Sr No	Lender	As at March 31, 2023		As at March 31, 2022	
		Principal	Interest	Principal	Interest
1	Zero Coupon Non Convertible debentures	1,000.00	294.54	1,000.00	294.54
2	Zero Coupon Non Convertible debentures	1,000.00	283.63	1,000.00	283.63
3	Non Convertible debentures	500.00	4.52	500.00	4.52
4	Non Convertible debentures	1,950.00	31.97	1,950.00	31.97
5	Non Convertible debentures	1,450.00	18.49	1,450.00	18.49
6	Non Convertible debentures	600.00	7.68	600.00	7.68
7	Yes Bank Limited	1,814.55	21.62	1,814.55	21.62
8	Yes Bank Limited	3,064.54	39.35	3,064.54	39.35
9	Yes Bank Limited	4,095.34	48.19	4,095.34	48.19
10	Karnataka Bank Limited	500.00	6.93	500.00	6.93
11	Syndicate Bank Limited	3,699.34	11.49	3,675.24	11.49
12	United Bank of India	1,000.00	13.56	1,000.00	13.56
13	IL&FS Limited	335.96	15.07	335.96	15.07
14	IL&FS Limited	2,500.00	192.48	2,500.00	192.48
15	IL&FS Limited	2,973.50	204.09	2,973.50	204.09
16	IL&FS Limited	4,043.86	120.49	4,043.86	120.49
17	IL&FS Limited	3,990.39	273.03	3,990.39	273.03
18	IL&FS Limited	2,236.45	149.35	2,236.45	149.35
19	IL&FS Limited	996.85	41.09	996.85	41.09
20	Aditya Birla Finance Limited	140.00	10.80	140.00	10.80
21	IFCI Limited	1,000.00	15.23	1,000.00	15.23
22	Patiala Bio Power Company Limited	2,260.16	328.25	2,260.16	328.25
23	Rohtas Bio Energy Limited	1,605.02	166.56	1,605.02	166.56
24	Syndicate bank Limited	449.45	6.16	449.45	6.16
25	IMICL Dighi Maritime Limited	1,045.50	81.67	1,045.50	81.67
26	IL&FS Cluster Development Initiative Limited	200.00	15.62	200.00	15.62
27	IL&FS Airport Limited	53.00	4.08	53.00	4.08
28	Yes Bank CC	494.06	-	494.06	-
29	Lalpur Wind Energy Limited	-	6.27	-	6.27
30	Khandke Wind Energy Limited	-	16.59	-	16.59
31	IL&FS Solar Power	-	1.76	-	1.76
32	IL&FS Limited	778.27	-	778.27	-
33	Yes Bank (Against BG)	32.90	-	-	-
34	IL&FS Financial services Limited	-	26.53	-	26.53
	Total	45,809.14	2,457.09	45,752.14	2,457.09

Note :Amount does not include interest accrued and due date after 15th October, 2018 for reasons stated in Note 41 to the financial statements

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
	Rs. Million	Rs. Million	Rs. Million
19 Other financial liabilities			
I Current			
a. Interest accrued and due on borrowings (also refer note 41)	1,909.38	1,909.38	1,909.38
b. Margin money payable	544.22	577.13	577.41
c. Retention money payable	175.35	175.35	175.35
d. Premium payable on redemption of debentures	578.17	578.17	578.17
e. Other liabilities	0.52	0.52	0.52
	3,207.64	3,240.55	3,240.83
20 Provisions			
Non-Current			
Provision for employee benefits (refer note 49)			
(i) Provision for gratuity (net)	0.94	-	-
- Provision for compensated absences	2.69	4.79	5.33
	3.63	4.79	5.33
21 Provisions			
Current			
Provision for employee benefits (refer note 49)			
i. Provision for gratuity (net)	0.93	1.13	-
- Provision for compensated absences	2.15	4.05	4.89
	3.08	5.18	4.89

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

	As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
	Rs. Million	Rs. Million	Rs. Million
22 Current borrowings			
Secured			
I Loans from banks:			
A. Repayable on demand			
J.C Flowers Asset Reconstruction Private Limited (refer note 'i' below)	494.06	494.06	494.06
Yes Bank Limited (refer note 'vii' below)	32.90		
B. Term loans:			
i. Syndicate bank (refer note 'ii' below)	404.50	404.50	404.50
ii. Current maturity of long term borrowings (refer note 18)	9,120.69	9,122.02	9,123.59
II Loan from financial Institutions			
from related parties:			
i. Current maturity of long term borrowings (refer note 18)	17,077.01	17,077.01	17,077.01
Others:			
i. Current maturity of long term borrowings (refer note 18)	1,140.00	1,140.00	1,140.00
Unsecured			
I. Loans from banks:			
A Buyer's credit (refer note 'vi' below)	778.27	778.27	778.27
B Term loans			
i. Syndicate bank (refer note 'ii' below)	44.94	44.94	44.94
ii. Current maturity of long term borrowings (refer note 18)	5,055.76	5,055.76	5,055.76
II. Inter corporate deposit from related parties (refer note 52)			
i. IMICL Dighi Maritime Limited (refer note 'iii' below)	1,045.50	1,045.50	1,045.50
ii. IL&FS Cluster Development Initiative Limited (refer note 'iv' below)	200.00	200.00	200.00
iii. IL&FS Airport Limited (refer note 'v' below)	53.00	53.00	53.00
iv. Current maturity of long term borrowings (refer note 18)	3,865.18	3,865.18	3,865.18
Debentures Unsecured			
Current Maturity of long term borrowings(refer note 18)	6,500.00	6,500.00	6,500.00
	45,811.81	45,780.24	45,781.81

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, 2022: 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, 2023: 16% (March 31, 2022: 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, 2023: 16% (March 31, 2022: 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, 2023: 15.75%. (March 31, 2022: 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.
- vii. Bank Gaurantee issued by Yes Bank has been invoked by the creditor of Saurya Urja Company of Rajasthan Limited. The said non fund limits are secured by way of current assets(excluding current investments of the company).

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

As at March 31, 2023	As at March 31, 2022	As at April 1, 2021
Rs. Million	Rs. Million	Rs. Million

23 Trade payables

Trade payables**

Total Outstanding dues of micro enterprises and small enterprises (refer note 54)*	0.13	0.23	0.19
Total Outstanding dues of creditors other than micro enterprises and small enterprises	1,141.89	1,142.00	1,145.63
	1,142.02	1,142.23	1,145.82

* 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.

Ageing of Trade payables

Particulars	Outstanding for following periods from due date of Payment				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at 31-03-23					
(i) Undisputed - MSME	0.08			0.05	0.13
(ii) Undisputed - Others	18.13	0.52	2.59	1,120.78	1,142.02
(iii) Disputed Dues - MSME	-	-	-	-	
(iv) Disputed Dues - Others	-	-	-	-	
As at 31-03-22					
(i) Undisputed - MSME	0.18		0.01	0.04	0.23
(ii) Undisputed - Others	25.48	3.57	8.70	1,104.77	1,142.52
(iii) Disputed Dues - MSME	-	-	-	-	
(iv) Disputed Dues - Others	-	-	-	-	

**includes payable to related party (refer note 52)

Note- During the year, one of the creditor Sterling & Wilson has filed the complaint with EOW mumbai against Embassy group, IL&FS Solar Power Limited (Subsidiary of the Company) and the company pertaining to its dues for 100 MW of Solar Project. The matter is being investigated by EOW, however the claim of said party has already been admitted by claim management agency (Refer note 35)

24 Other current liabilities

a. Revenue received in advance	7.10	7.10	8.50
b. Statutory dues	202.80	206.75	209.28
c. Other payable	88.92	-	-
	298.82	213.85	217.78

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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, 2023

	For the year ended March 31, 2023	For the year ended March 31, 2022
	Rs. Million	Rs. Million
25 Revenue from operations		
a. Sale of electricity (refer note 46)	3.58	8.94
b. Maintenance charges	0.99	
	4.57	8.94
26 Other income		
A a. Interest income on:		
i. Bank deposits at amortised cost	349.67	183.46
ii. On other assets	0.83	4.23
b. Guarantee fees	-	1.40
	350.50	189.09
B Dividend income on:		
- Equity instruments	51.15	289.65
	51.15	289.65
C Other gains and losses		
a. Net gain on sale of property, plant and equipment	1.51	0.11
b. Net gain on sale of Undertaking (refer note 8)	6.29	-
c. Net gain on sale of Investments	3.90	-
d. Net gain arising on financial assets (investment in joint ventures) designated at Fair value through profit or loss (refer note 39)	48.92	144.45
e. Reversal of impairment of financial assets designated as at amortised cost	81.75	-
f. Reversal of impairment	-	-
- On receivables	1.87	-
- On other financial assets carried at amortised cost	0.56	-
- Other financial assets	-	-
g. Lease liability written back	-	4.74
h. Reimbursement of expenses from subsidiaries	0.36	0.33
i. Liabilities written back	-	46.48
j. Provision written back	3.40	
	148.56	196.11
	550.21	674.85
27 Employee benefits expense		
a. Salaries, wages and incentives	37.43	41.12
b. Contribution to provident and other funds (refer note 49)	5.59	7.43
c. Staff welfare expenses	0.44	0.79
	43.46	49.34
Less: Transferred to Capital Work in Progress	-	-
	43.46	49.34

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.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

	For the year ended March 31, 2023	For the year ended March 31, 2022
	Rs. Million	Rs. Million
28 Finance costs		
a Interest expenses:		
i. On borrowings (refer note 41)	0.19	0.72
ii. On delayed payment of direct & indirect taxes	0.10	-
iii. On lease liabilities	-	0.09
b Other borrowing cost	1.02	0.08
	1.31	0.89
29 Other expenses		
a. Electricity expenses	0.08	-
b. Rent	11.23	4.97
c. Repairs and maintenance		
i. Plant and machinery	0.73	1.44
ii. Others	2.53	3.51
d. Insurance	3.23	4.58
e. Rates and taxes	0.10	0.14
g. Communication	0.48	0.68
h. Travelling and conveyance	0.67	0.62
i. Printing and stationery	0.21	0.17
j. Advertisement and business promotion	0.13	0.28
k. Legal and professional expenses	40.14	25.52
l. Office maintenance expenses	0.43	0.48
m. Director sitting fees	0.93	0.51
n. Payments to auditors (refer note (i) below)	6.93	1.95
o. Impairment loss on financial assets		
- On trade receivables	0.29	22.89
- On other financial assets designated at cost	59.21	5.29
p. Impairment loss of Property, Plant and Equipment	-	13.06
q. Miscellaneous expenses	3.81	1.42
r. Net loss on sale of Investments	-	13.44
	131.13	100.95
Notes		
i. Payments to the auditors comprises (net of GST/Service tax input credit)		
a. Audit Fees		
- For Statutory Audit	6.30	1.95
- For Limited Review	0.45	-
b. Other services	0.12	-
c. Reimbursement of expenses	0.06	-
	6.93	1.95
30 Depreciation and amortisation expense		
a. Depreciation of property, plant and equipment	3.31	6.76
b. Amortisation of intangible assets	0.08	0.14
c. Depreciation of Right of use assets	0.17	8.26
	3.56	15.16
31 Impairment (refer note 39)		
a. Financial assets designated as at amortised cost	111.00	1.05
b. Financial assets (in respect of other companies) designated at fair value through profit or loss	-	2.63
	111.00	3.68

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

		For the year ended March 31, 2023	For the year ended March 31, 2022
		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	-	1.30
	ii. Deferred tax		
	In respect of the current year	(0.31)	(0.62)
		(0.31)	0.68
	b. Income tax recognised in other comprehensive income		
	i. Remeasurement of defined benefit plans	0.31	0.62
	ii. Effective portion of gains and loss on designated portion of hedging instruments in cash flow hedge	-	-
		0.31	0.62
		-	1.30
	c. The income tax expenses for the year can be reconciled to the accounting profit as follows:		
	i. Profit before tax from continuing operations	264.63	513.09
	ii. Statutory tax rate in India	34.944%	34.944%
	iii. Income tax expenses calculated at enacted tax rate	92.47	179.29
	iv. Effect of income that is exempt from taxation - Dividend income on equity instruments	-	-
	v. Impact of Ind AS adjustments	(7.39)	(13.52)
	vi. Effect of unused tax losses and tax assets not recognised as deferred tax asset	(85.08)	(165.77)
	vii. Impact of MAT credit not recognised in current year	-	-
	Income tax expenses recognised in profit or loss	-	-
33	Earning per share	Unit	Year ended March 31, 2023
			Year ended March 31, 2022
	a. Net Profit after tax from continuing operations	Rs. (in million)	264.63
	b. Weighted average number of equity shares	Number of shares	1,28,35,64,664
	c. Weighted average number of compulsorily convertible preference shares		3,46,60,767
	d. Total shares considered for the computation of Basic earnings per share (b+c)*		1,31,82,25,431
	e. Basic earnings per share (a/d)	Rupees	0.20
	h. Diluted earnings per share (a/g)	Rupees	0.20
			0.39

* 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 however pursuant to events as mentioned in note 2 & 3, the claim management agency has considered the claim of FCCD holders as debt hence, the management has not considered these FCCD in the computation of number of the equity shares to compute basic earnings per share as well as to compute the number of potential dilutive equity shares.

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

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE IND AS FINANCIAL STATEMENTS FOR THE YEAR ENDED March 31, 2023

		As at March 31, 2023 Rs. Million	As at March 31, 2022 Rs. Million
34 A	a	Assets related to Advisory business held for sale	
	i	Trade receivables	85.65
		Less impairment	(2.05)
			83.60
	ii	Cash and cash equivalents	62.99
			146.59
		Liabilities related to Advisory business	
		Trade Payables	10.33
		Inter division payable	
			10.33
	b	Liability in realtion to Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	600.00
	c	Profit and loss from Advisory business	
		For the year ended March 31, 2023 Rs. Million	For the year ended March 31, 2022 Rs. Million
		Revenue from operations	230.66
		Expenses	
		Employee benefits expense	27.4
		Finance costs	1.64
		Other expenses	138.29
			167.33
		Profit/(loss) before tax for the year	63.33
		Total tax expense*	
			63.33

* Tax in current year/previous year was computed based on overall business of the company hence not considered .

Sl. No.	Ratio	At March 31, 2023	At March 31, 2022	Variance	Reason for variance
i	Current ratio	0.17	0.18	-6%	Current ratio improves pursuant to realisation from sale of investment
ii	Debt-equity ratio	Not determinable	Not determinable		
iii	Debt service coverage ratio *****	Not determinable	Not determinable		
iv	Return on equity ratio *****	Not determinable	Not determinable		
v	Inventory turnover ratio	Not applicable	Not applicable	NA	
vi	Trade receivables turnover ratio	0.89	2.34	-62%	
vii	Trade payables turnover ratio	0.14	0.24	-42%	
viii	Net capital turnover ratio *****	Not determinable	Not determinable		
ix	Net profit ratio	44.58%	63.20%	-29%	
x	Return on capital employed	3.96%	8.80%	-55%	

Formulae for computation of ratios are as follows:-

Sl. No	Ratios	Formulae
1	Current ratio	Current assets ÷ Current liabilities
2	Debt-equity ratio	Total debt- (cash and cash equivalent+Bank balances) ÷ Shareholder's equity
3	Debt service coverage ratio	Earnings available for debt service* ÷ Debt Service**
4	Return on equity ratio	(Net profit after tax - Preference Dividend (if any)) ÷ Average shareholder's equity
5	Inventory turnover ratio	Cost of goods sold or sales ÷ Average Inventory
6	Trade receivables turnover ratio	Revenue from operations ÷ Average accounts receivables
7	Trade payables turnover ratio	Expenses ÷ Average trade payables
8	Net capital turnover ratio	Net Sales ÷ Working capital
9	Net profit ratio	Net profit ÷ Total Income
10	Return on capital employed	Earnings before interest and Taxes ÷ Capital employed*****
11	Return on investment	Market value of Investment at year end- Market value of Investment at year starting-Net Cash inflow/outflow during the year)/Market value of Investment at year Starting+ Weighted average of Net Cash Inflow/outflow during the year

* Earning for Debt Service = Net Profit after taxes*** + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.

** Debt service = Interest & Lease Payments + Principal Repayments (This ratio is not applicable since the Company has stopped repayment of borrowing and has not accrued / paid interest on borrowing due to moratorium period (refer note 3 of financial statements)

*** "Net Profit after tax" means reported amount of "Profit / (loss) for the period" and it does not include items of other comprehensive income.

**** Capital Employed = Tangible Net Worth + Total Debt + Deferred Tax Liability

***** Denominator negative hence not determinable

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

35 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. 9,584.50 million) in respect of the Company as on 31st January, 2023. 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, 2023, the Company has liabilities and provisions aggregating Rs 50,467.00 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 45).

36 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 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.

37 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 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 statements.

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- (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 statements. The Company does not fulfil 50-50 test as on 31st March, 2023 and 31st March, 2022. Accordingly provisions pertaining to registration as Non Banking Finance Company are not applicable to the Company.

38 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 statements in this regard. Also refer Note 45 for contingent liability disclosures.

39 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 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.

- I 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 8 subsidiary, 4 joint venture and 4 other investee companies for year ended March 31, 2023.

Further, in respect of the joint ventures, the Company has recognised gain of 48.92 million (Rs. 144.45 million during the year ended March 31, 2022) on the basis of the net assets of one of the joint ventures as at March 31, 2023.

On this basis, provision has been made in respect of the financial assets (comprising of loans, receivables and investments) aggregating to Rs. 170.50 million during the current year (Rs. 31.86 million during the year ended March 31, 2022), of which provision of Rs. 57.69 million (Rs. 7.92 million during the year ended March 31, 2022) is made in relation to various group companies and provision of Rs. 112.81 million (Rs. 24 million during the year ended March 31, 2022) is made in relation to third parties balances and provision of Nil towards property plant and equipment (Rs 13.06 million in year ended March 31, 2022), except in respect of certain entities where certain assets are marketable or there is cash surplus, and management expects realization of those assets.

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, 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 March 31, 2023.

40 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, 2023 is Rs. 7,780.55, million (March 31, 2022: Rs. 8,030.55 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 35). 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 45 for contingent liability disclosures.

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41 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, 2023, which approximates Rs. 35,123.74 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, 2023, which approximates Rs. 21,540.84 million. These amounts exclude penal/other interest and charges.

The Company has also not-recognised interest expenses amounting to Rs. 78.69 million and Rs. 58.61 million on account of non-deposit of tax deducted at source and Goods and services tax respectively till March 31, 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.

42 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, 2023 accordingly disclosures are not applicable.

43 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property

44 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, 2023. The Company has accumulated losses of Rs. 92,769.24 million as at March 31, 2023 (March 31, 2022: Rs 93,040.28 million) for the year ended March 31, 2023 and has net liabilities of Rs 41,636.96 million as at March 31, 2023 (March 31, 2022: Rs. 41,658.52 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 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.

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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

45 Contingent liabilities and commitments

	As at March 31, 2023 Rs. Million	As at March 31, 2022 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)	7,780.55	8,030.55
ii. Claims against the Company not acknowledged as debt towards demand raised by Income Tax authorities (see note 'ii' below)	1,089.08	1,019.28
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)	-	-

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 35).
- 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	4,458.43	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	471.71	A.Y. 2019-20	Rectification u/154 Filed

* including interest till 31-03-2023

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 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

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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. 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.

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.

46 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.

47 There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

48 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.

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The capital structure of the Company consists of net debt of Rs. 38,323.25 million (March 31, 2022 Rs 38,677.91 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. (38,940.36) million (March 31, 2022 Rs (39,211.99) 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, 2023	March 31, 2022
A	Debt (see note (i) below)	45,811.81	45,780.24
B	Cash and bank balances (see note (ii) below)	7,488.56	7,102.33
C	Net debt (A-B)	38,323.25	38,677.91
D	Total Equity	(38,940.36)	(39,211.99)
E	Total Capital (C-D)	(617.10)	(534.08)
F	Net debt to Total Capital (C/E)	-6210.22%	-7,241.96%

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.

2. Categories of Financial Instruments

		Amount (Rs. in Mn)	
		As at	As at
		March 31, 2023	March 31, 2022
Financial assets			
Mandatory measured at FVTPL			
a)	Investments held for sale	-	314.76
Designated measured at FVTPL			
a)	Investments in joint ventures	1243.33	1,194.42
Measured at amortised cost			
a)	Investments	-	-
b)	Loans	1178.25	1,073.54
c)	Trade receivables	67.87	87.06
d)	Cash and cash equivalents	2,499.75	2,388.04
e)	Bank balances	4,988.81	4,714.29
f)	Other financial assets	211.16	302.01
Financial liabilities			
Measured at amortised cost			
a)	Borrowings (including current maturity of long-term borrowings)	45,811.81	45,780.24
b)	Trade payables	1,142.02	1,142.75
c)	Other financial liabilities (excluding current maturity of long-term borrowings) (including lease liabilities)	3,207.64	3,240.03

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

As the Company is under resolution process and the liabilities have been crystalized as on Oct 15, 2018 hence Company has no foreign currency exchange risk involved.

As mentioned above, the liabilities are crystalized as on Oct 15, 2018 hence foreign currency sensitivity analysis, currency swap contracts, interest rate risk are not applicable

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4.2 Other price risk

The Company is exposed to equity price risks arising from equity investments. As detailed in note 39 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, 2023.

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, 2019, the Company has defaulted on its interest and principal obligations which are 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.

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	within 1 year	1 year to 5 years	More than 5 years	Total	Rs. Million Carrying amount
As at March 31, 2023					
Payable to Non-group parties:					
• Borrowings (see note 18,19 and 22)	23,571.12	-	-	23,571.12	23,571.12
• Trade payables	18.12	598.30	279.30	895.73	895.73
• Other financial liabilities	988.98	7.27	-	996.25	996.25
Payable to Group companies	24,451.57	117.16	129.64	24,698.37	24,698.37
Grand Total	49,029.80	722.73	408.94	50,161.47	50,161.47
As at March 31, 2022					
Payable to Non-group parties:					
• Borrowings (see note 18,19 and 22)	22,761.28	-	-	22,761.28	22,761.28
• Trade payables	895.25	-	-	895.25	895.25
• Other financial liabilities	988.98	7.27	-	996.25	996.25
Payable to Group companies	25,510.24	-	-	25,510.24	25,510.24
Grand Total	50,155.75	7.27	-	50,163.02	50,163.02

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.

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A. Investment in joint ventures

S. No.	Name of the Joint Venture	Rs. Million	
		March 31, 2023	March 31, 2022
1	Saurya Urja Company of Rajasthan Limited	708.84	663.55
2	Cross Border Power Transmission Company Limited	482.21	482.21
3	Power Transmission Company Nepal Limited	52.28	48.66
4	Bihar Power Infrastructure Company Private Limited	-	-
5	Assam Power Project Development Company Limited	-	-
Total		1243.33	1,194.42

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

Particulars	Rs. Million	
	As at March 31, 2023	As at March 31, 2022
Opening balance	1194.42	2,525.96
Purchases during the year	-	-
Sold during the year	-	(1475.99)
Gain/(loss) recognized in statement of profit and loss account (refer note 26)	48.92	144.45
	1243.33	1,194.42

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.

B. Investment in other companies

S. No.	Name of the Joint Venture	Rs. million	
		March 31, 2023	March 31, 2022
1	KVK Nilanchal Power Private Limited	-	-
2	SV Power Private Limited	-	-
3	Shalivahana Green Energy	-	-
4	Nana Layja Power Company Limited	-	-
5	Mota Layja Gas Power Company Limited	-	-
6	Units in Urjankur Nidhi Trust	-	314.76
		-	314.76

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

Particulars	Rs. Million	
	As at March 31, 2023	As at March 31, 2022
Opening balance	314.76	314.76
Purchases during the year	-	-
Sold during the year	314.76	-
Gain/(loss) recognized in statement of profit and loss account (refer note 31)	-	-
	-	314.76

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

49 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. 2.85 million (March 31, 2022 Rs. 6.09 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 Gratuity Trust 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, 2023 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, 2023	Year ended March 31, 2022
I	Movement in the present value of defined benefit obligations:		
	Benefit obligations at the beginning	16.58	17.61
	Service Cost	0.92	1.02
	Interest Cost	0.75	0.68
	Remeasurement - Actuarial (gains)/losses	-	
	- Due to Change in Demographic assumptions	(0.02)	-
	- Due to Change in financial assumptions	(0.41)	(0.14)
	- Due to experience	0.31	2.19
	Liability Transferred In	-	
	Liability Transferred Out	-	-
	Benefits paid	(6.57)	(4.77)
	Benefit obligations at the end	11.57	16.58
II	Movement in the fair value of plan assets:		
	Fair value of plan assets at the beginning	15.44	18.34
	Interest Income	0.70	0.71
	Transfer of assets		
	Transfer out assets		
	Remeasurement - Return on plan assets excluding amounts included in interest income	(1.01)	(0.12)
	Contributions	1.13	1.29
	Adjustment		
	Benefits paid	(6.57)	(4.77)
	Fair value of plan assets at the end	9.70	15.45
III	Amount recognized in Statement of profit and loss account under employee benefit expenses:		
	Service Cost	0.92	1.02
	Other adjustment		(1.28)
	Net interest on net defined benefit liabilities	0.05	(0.03)
		0.97	(0.29)
IV	Amount recognized in other comprehensive income:		
	Remeasurement of the net defined benefit liability/(asset)		
	Actuarial (gains)/losses		-
	- Due to Change in Demographic assumptions	-0.11	2.05
	- 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)	1.01	0.12
		0.89	2.16

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

		Rs. Million	
	Particulars	Year ended March 31, 2023	Year ended March 31, 2022
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	11.57	16.58
	Fair value of plan assets	(9.69)	(15.45)
	Unfunded status		
	Net liability/(assets) arising from defined benefit obligations (refer note 14)	1.87	1.13
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	11.57	16.58
VII	Assumptions		
	Discount Rate	7.29%	4.56%
	Rate of return on plan assets	7.29%	4.56%
	Salary escalation	3.00%	3.00%
	Mortality	Indian Assured Lives Mortality (2012-14) Urban	Indian Assured Lives Mortality (2012-14) Urban
VIII	Category of assets		
	Government of India Assets	-	-
	State Government Securities	-	-
	Special Deposits Scheme	-	-
	Debt Instruments	-	-
	Corporate Bonds	-	-
	Cash and Cash Equivalents	-	-
	Insurance fund	9.69	15.45
	Asset-Backed Securities	-	-
	Structured Debt	-	-
	Other	-	-
	Total	9.69	15.45
IX	Maturity Analysis of the Benefit Payments: from the fund Projected Benefits Payable in Future Years from the date of reporting		
	1 year	4.88	7.30
	2-5 years	7.11	9.10
	6-10 years	0.72	1.13
	More than 10 years	0.05	0.04
	Total	12.76	17.57
X	Average Expected Future Service	1	1

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

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, 2023	As at March 31, 2022
Effect of +1% change in rate of discounting	(0.13)	(0.19)
Effect of -1% change in rate of discounting	0.14	0.20
Effect of +1% change in rate of salary increase	0.14	0.20
Effect of -1% change in rate of salary increase	(0.14)	(0.20)
Effect of +1% change in rate of employee turnover	0.02	0.01
Effect of -1% change in rate of employee turnover	(0.02)	(0.01)

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. 1.87 million (March 31, 2022 Rs. 1.13 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, 2023	Year ended March 31, 2022
Discount rate	7.29%	4.56%
Salary escalation	3.00%	3.00%
Attrition	40%	43.00%

50 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".

51 Leases

The Company has lease contracts for its various office premises used in its operations with lease terms between 1 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 for offices covered under long term lease, the Company is not incurring any expense on borrowings.
- Applied the exemption not to recognize right-of-use asset and liabilities for leases which are having cancellation clause and recognized those as short term lease.

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, 2021	8.43
Additions	-
Less: Depreciation expense	8.26
As at March 31, 2022	0.17
Additions	-
Deletions	-
Less: Depreciation expense	0.17
As at March 31, 2023	-

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

Set out below are the carrying amounts of lease liability recognised and the movements during the year

Particulars	As at March 31, 2023 (Rs. in million)	As at March 31, 2022 (Rs. in million)
Opening Balance	0.20	9.66
Additions		
Accretion of interest	-	0.09
Payments	0.20	4.81
Written back due to foreclosure	-	4.74
Closing Balance	-	0.20
Current	-	0.20
Non-current	-	-

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

Particulars	As at March 31, 2023 (Rs. in million)	As at March 31, 2022 (Rs. in million)
Depreciation expense of right-of-use assets	0.17	8.26
Interest expense on lease liabilities	-	0.09
Expense relating to short-term leases with a remaining maturity of less than 12 months (included in Rent)	-	-
Expense relating to leases having short term maturity	12.15	9.50
Total	12.32	17.85

The lease with respect to two premises have been closed during the previous year as Company shifted its office premises in a new leased building with effect from December 1, 2021

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

52 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
Mahidad Wind Energy Private Limited
Sipla Wind Energy Limited
IL&FS Solar Power Limited
IL&FS Wind Energy Limited
Shendra Green Energy Limited
Jogihali Wind Energy Private Limited
Vejas Power Projects Limited
Rohtas Bio Energy Limited
Cuddalore Solar Power Private Limited (till 30/03/2023)
Patiala Bio Power Company Limited
Mota Layja Gas Power Company Limited (till 19/06/2022)
Nana Layja Power Company Limited (till 19/06/2022)
Ramagiri Renewable Energy Limited
Maritime International Offshore PTE Limited

Fellow Subsidiaries

IL&FS Financial Services 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

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
PDCOR Limited
Noida Toll Bridge Company Limited
Mangalore SEZ Limited
Jharkhand Infrastructure Development Corporation Limited

Key Managerial Personnel

Mr. Feby Koshy, CEO
Mr. Ritendra Bhattacharjee, Chief Financial Officer
Ms. Dinesh Ladwa (Company Secretary) (with effect from October 26, 2021 till May 02, 2023)

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

b) Details of transactions entered during the current year and previous year

Particulars	Mar 31, 2023 Rs. Million	Mar 31, 2022 Rs. Million
<u>A) Holding Company</u>		
Infrastructure Leasing & Financial Services Limited		
Rent	10.03	12.39
Office Maintenance expenses	0.02	0.17
Reimbursement of Expenses	0.02	0.02
Total	10.07	12.58
<u>B) Subsidiary companies</u>		
Reimbursement of expenses		
IL&FS Tamil Nadu Power Company Limited	0.48	0.44
Cuddalore Solar Power Limited	0.16	0.02
Mahidad Wind Energy Private Limited	0.44	0.34
Shendra Green Energy Limited	3.37	3.80
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	-	2.97
Nana Layja Power Company Limited	1.20	0.57
IL&FS Wind Energy Limited	50.43	4.98
Mota Layja Gas Power Company Limited	0.47	0.00
Vejas Power Projects Limited	0.21	0.11
Patiala Bio Power Company Limited	-	0.54
Rohtas Bio Energy Private Limited	0.11	0.03
Sipla Wind Energy Limited	2.58	1.83
Ramagiri Renewable Energy Limited	-	0.07
Joghali Wind Energy Private Limited	0.06	0.06
Total	59.51	15.76
Dividend Income		
IL&FS Solar Power Limited	-	170
C) Fellow Subsidiary		
Demat Charges		
IL&FS Securities Services Limited	0.43	0.30
<u>D) Joint Venture / Affiliates</u>		
Dividend Income		
ONGC Tripura Power Company Limited	-	94.31
Power Transmission Company Nepal Limited	5.06	5.06
Cross Border Power Transmission Company Limited	46.08	20.28
Total	51.14	119.61
Reimbursement of expenses		
Bihar Power Infrastructure Company Private Limited	0.05	-
Saurya Urja Company of Rajasthan Limited	1.34	3.59
Total	1.39	3.59
Margin Money Repaid/Adjusted		
Saurya Urja Company of Rajasthan Limited	32.90	-
Total	32.90	-

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

Particulars	Mar 31, 2023 Rs. Million	Mar 31, 2022 Rs. Million
<u>E) Managerial Remuneration</u>		
Salaries, Wages, and Incentives		
Feby Koshy	10.54	10.52
Ritendra Bhattacharjee	5.43	5.28
Shilpa Parekh	-	0.99
Dinesh Ladwa	1.88	1.64
Total	17.85	18.43

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

c) Balances outstanding as at March 31, 2023 and March 31, 2022

Particulars	Mar 31, 2023 Rs. Million	Mar 31, 2022 Rs. Million
<u>A) Holding Company</u>		
Infrastructure Leasing & Financial Services Limited		
Share Capital	11,734.26	11,734.26
Current - Borrowings	17,077.01	17,077.01
Trade Payables	123.14	123.36
Current - Interest Accrued and Due on Borrowings	995.60	995.60
Trade Receivable	0.06	0.06
Current account	0.19	0.19
Interest Accrued and Due on Investment	190.64	190.64
Investment in Debentures	68.54	68.54
	30,189.44	30,189.65
Less: Impairment	(190.64)	(190.64)
Total	29,998.80	29,999.01
<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
Total	0.02	0.02
Current - Loans and advances		
Shendra Green Energy Limited	298.94	298.94
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
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
Nana Layja Power Company Limited	-	792.65
IL&FS Wind Energy Limited	1,073.80	1,073.80
	15,060.70	15,980.78
Less: Impairment	(14,253.97)	(15,166.90)
Total	806.73	813.88

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

Particulars	Mar 31, 2023 Rs. Million	Mar 31, 2022 Rs. Million
Inter corporate deposits		
IL&FS Wind Energy Limited	481.90	481.90
Cuddalore Solar Power Limited	-	0.40
Mota Layja Gas Power Company Limited	-	9.47
	481.90	491.77
Less: Impairment	(481.90)	(482.30)
Total	-	9.47
Trade receivables		
IL&FS Tamil Nadu Power Company Limited	169.11	169.13
IL&FS Wind Energy Limited	-	2.56
	169.11	171.69
Less: Impairment	(169.11)	(169.13)
Total	-	2.56
Current - Other Receivables		
IL&FS Wind Energy Limited	87.66	61.71
Sipla Wind Energy Limited	4.85	2.18
Mahidad Wind Energy Private Limited	2.01	1.43
IL&FS Tamil Nadu Power Company Limited	55.22	54.65
Ramagiri Renewable Energy Limited	-	0.07
Jogihali Wind Energy Private Limited	0.06	0.06
Nana Layja Power Company Limited	-	1.59
Shendra Green Energy Limited	9.10	5.54
Mota Layja Gas Power Company Limited	-	0.03
Patiala Bio Power Company Private Limited	-	0.54
Rohtas Bio Energy Limited	0.13	0.03
Cuddalore Solar Power Limited	-	0.01
Vejas Power Projects Limited	-	0.11
	159.03	127.95
Less: Impairment	(61.36)	-
Total	97.67	127.95
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
Mahidad Wind Energy Private Limited	618.99	618.99
Nana Layja Power Company Limited	-	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
Ramagiri Renewable Energy Limited	-	47.55
	6,136.76	6,249.48
Less: Impairment	(6,136.76)	-
Total	-	6,249.48
Current - Receivable for sale of investments		
IL&FS Wind Energy Limited	300.00	300.00
	300.00	300.00
Less: Impairment	(300.00)	(300.00)
Total	-	-
Investment in Equity/deemed equity Instruments		
Nana Layja Power Company Limited	-	360.50
Ramagiri Renewable Energy Limited	-	31.80
Sipla Wind Energy Limited	0.80	0.80

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

Particulars	Mar 31, 2023 Rs. Million	Mar 31, 2022 Rs. Million
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
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
Cuddalore Solar Power Private Limited	-	0.50
IL&FS Solar Power Limited	0.50	0.50
Shendra Green Energy Limited	240.40	240.40
	47,410.87	47,804.17
Less: Impairment	(47,410.87)	(47,803.67)
Total	-	0.50
Investment in Deemed Equity (On Account of Interest Waiver)		
Sipla Wind Energy Limited	71.09	71.09
	71.09	71.09
Less: Impairment	(71.09)	(71.09)
Total	-	-
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
	7,855.78	7,855.78
Less: Impairment	(7,855.78)	(7,855.78)
Total	-	-
Sundry Advances		
IL&FS Wind Energy Limited	1.75	1.75
Total	1.75	1.75
C) Fellow Subsidiaries		
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 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	0.00	(0.18)

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

Particulars	Mar 31, 2023 Rs. Million	Mar 31, 2022 Rs. Million
IL&FS Transportation Networks Limited	2.67	2.67
Total	127.03	126.84
Payable Related to Sale of Investment		
IL&FS Investment Managers Limited	-	22.20
Total	-	22.20
Current - Inter Corporate Deposit (Assets)		
Porto Novo Maritime Limited	50.80	50.80
Sealand Ports Private Limited	400.00	400.00
	450.80	450.80
Less: Impairment	(450.80)	(450.80)
Total	-	-
Trade receivables		
IL&FS Maritime Infrastructure Company Limited	5.27	5.27
Noida Toll Bridge Company Limited	0.23	0.23
Mangalore SEZ Limited	0.46	0.46
	5.96	5.96
Less: Impairment	(5.96)	(5.96)
Total	-	-
Current - Interest accrued on loans and investments		
Porto Novo Maritime Limited	17.28	17.28
Sealand Ports Private Limited	423.23	423.23
	440.51	440.51
Less: Impairment	(440.51)	(440.51)
Total	-	-
<u>Affiliates / Joint Ventures</u>		
Current - Margin money payable		
Saurya Urja Company of Rajasthan Limited	217.10	250.00
Total	217.10	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
	135.00	135.00
Less: Impairment	(132.38)	(132.38)
Total	2.62	2.62
Current - Interest accrued on loans and investments		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	-	46.64
	-	46.64
Less: Impairment	-	(23.62)
Total	-	23.02
Current - Loans and advances		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	-	142.70
Less: Impairment	-	-
Total	-	142.70

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

Particulars	Mar 31, 2023 Rs. Million	Mar 31, 2022 Rs. Million
Current - Inter Corporate deposit		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	-	116.38
Less: Impairment		(13.45)
Total	-	102.93
Trade Payable		
Saurya Urja Company of Rajasthan Limited	-	0.41
Total	-	0.41
Trade receivables		
Bihar Power Infrastructure Company Private Limited	2.01	1.97
Cross Border Power Transmission Company Limited	0.17	0.17
Power Transmission Company Nepal Limited	0.32	0.32
Saurya Urja Company of Rajasthan Limited	28.06	26.61
PDCOR Limited	-	-
Jharkhand Infrastructure Development Corporation Limited	3.46	3.46
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	-	3.50
Total	34.02	36.02
Less: Impairment	(5.79)	(7.30)
Total	28.23	28.72
Other receivables		
Bihar Power Infrastructure Company Private Limited	0.26	-
Total	0.26	-
Investment - Equity Instruments		
Cross Border Power Transmission Company Limited	184.34	184.34
Power Transmission Company Nepal Limited	64.33	64.33
Saurya Urja Company of Rajasthan Limited	649.69	649.69
Bihar Power Infrastructure Company Private Limited	62.69	62.69
Assam Power Projects Development Company Limited	2.04	2.04
Total	963.09	963.09
Add: fair value impact	280.24	231.33
	1,243.33	1,194.42
Investment - Equity Instruments - Held for Sale		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	-	280.35
Total	-	280.35
Less: fair value impact		-
	-	281.66
Guarantees Given		
Saurya Urja Company of Rajasthan Limited	-	250.00
Total	-	250.00

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

53 Non-cash transaction

During the year ended March 31, 2023, the Company has divested from its investment in Urjankur Shree Tatyasaheb Kore warna Power Company Limited. The buyer has given the advance of Rs 600 million in earlier years which has been adjusted against the sale consideration to be paid towards said investment.

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

Particulars	March 31, 2023 Rs. Million	March 31, 2022 Rs. Million
The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting period.	0.13	0.23
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	-	-

- 55** 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 and Hon’ble Justice D.K. Jain for the transfer of the said contracts, Company has received the approval from Hon’ble NCLAT during FY 2021-22.

Subsequent to the year ended March 31, 2022, the transaction has been consummated and has novated these revenue generating contracts on July 26, 2022.

56. Other information

- The Company has no transactions during the year with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956.
- The Company has not traded or invested in Crypto currency or virtual currency during the financial year.
- As per the records available, No Bank or financial institution or other lender has declared the Corporation as willful defaulter.
- The Company has not advanced or given loan or invested funds during the year to any persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) during the year with the understanding (whether recorded in writing or otherwise) that the Company shall:
 - directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

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

6. The Company does not have any transaction during the year which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).
7. The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period except the following:

Rs Mn.

Charge Holder Name	Registrar Location	As at March 31, 2023	As at March 31, 2022	
Infrastructure Leasing & Financial Services Limited*	Registrar of Company, Delhi	4,250.00	4,250.00	Creation
Yes Bank Limited*	Registrar of Company, Delhi	2.30	2.30	Creation
Yes Bank Limited	Registrar of Company, Delhi	1,500	1,500	Satisfaction
Infrastructure Leasing & Financial Services Limited	Registrar of Company, Delhi	14,200	14,800	Satisfaction
IL&FS Financial Services Limited	Registrar of Company, Delhi	600	600	Satisfaction

* It may be noted that deed of Hypothecation had been signed in both above cases

57 Additional Disclosure

The foreign currency loan availed from Syndicate bank was wrongly restated to year end closing rates. However pursuant to resolution plan approved by the Hon'ble NCLT, the liabilities are crystalized as on Oct 15, 2018. As a consequence, the profit and loss of earlier years was over/under stated. During the current year, said error has been rectified by charging it to the retained earnings. Accordingly restated position for the period Oct 18, 2018 to March 31, 2022 is as under

			Rs. Mn
Particular	As on March 31, 2021	Adjustment	As on April 01, 2021
	Previously reported		Restated
Current Borrowing	45,757.71	24.10	45,781.81
Retained Earnings	(93,592.60)	(24.10)	(93,616.70)
Particular	As on March 31, 2022	Adjustment	As on March 31, 2022
	Previously reported		Restated
Current Borrowing	45,871.26	(91.02)	45,780.24
Retained Earnings	(93,131.30)	91.02	(93,040.28)

The profit for the year ended 31st March 2023 and 31st March, 2022 have been overstated by Rs.320.49 million and 115.12 million respectively with corresponding impact on borrowings.

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

58 These financial statements were approved for issue by the Board of directors on May 30, 2023.

For C N K & Associates LLP

Chartered Accountants

ICAI Firm Registration Number: 101961W/W-100036

VIJAY HARSUKHLAL MEHTA
Digitally signed by VIJAY HARSUKHLAL MEHTA
Date: 2023.05.30 17:07:21 +05'30'

Vijay Mehta

Partner

Membership Number: 106533

For and on behalf of Board of Directors of

IL&FS Energy Development Company Limited

PRIYA PREMPAL SHETTY
Digitally signed by PRIYA PREMPAL SHETTY
Date: 2023.05.30 14:58:49 +05'30'

Priya Prempal Shetty

Director

DIN: 08858814

KAUSHIK MODAK
Digitally signed by KAUSHIK MODAK
Date: 2023.05.30 14:38:29 +05'30'

Kaushik Modak

Director

DIN: 01266560

RITENDRA BHATTACHARJEE
Digitally signed by RITENDRA BHATTACHARJEE
Date: 2023.05.30 14:38:29 +05'30'

Ritendra Bhattacharjee

Chief Finance Officer

CHANDRA SHEKHAR RAJAN
Digitally signed by CHANDRA SHEKHAR RAJAN
Date: 2023.05.30 15:33:10 +05'30'

C S Rajan

Director

DIN: 00126063

Feby Koshy Bin Koshy
Digitally signed by Feby Koshy Bin Koshy
Date: 2023.05.30 14:31:28 +05'30'

Feby Koshy Bin Koshy

Chief Executive Officer

Place: Mumbai

Date: May 30, 2023

Place: Mumbai

Date: May 30, 2023

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED MARCH
31, 2023

INDEPENDENT AUDITOR'S REPORT

To the Members of
IL&FS Energy Development Company Limited

Report on the Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated Financial Statements of IL&FS Energy Development Company Limited ("the Holding Company"), its subsidiaries listed in **Annexure A** (the Holding Company and its Subsidiaries together referred to as "the Group") and its joint ventures, comprising of the Consolidated Balance Sheet as at March 31, 2023, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement for the year then ended and Notes to the Consolidated Financial Statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, except for the effects and possible effects of the matter described in the Basis for Qualified Opinion section of our report, the aforesaid Consolidated Financial Statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India of the Consolidated State of affairs (Consolidated Financial Position) of the Group as at March 31, 2023, its Consolidated Profit including Other Comprehensive Loss (Consolidated Financial Performance), Consolidated Statement of Changes in Equity and its Consolidated Cash Flows for the year ended on that date.

Basis for Qualified Opinion

We draw attention to the matters more fully discussed in the following notes to the Consolidated Financial Statements:

1. We draw attention to Note 63 to the Consolidated Financial Statements, stating that value of amounts payable in foreign currency has been restricted to the liability in INR as crystallized 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, consolidated profit for the year ended March 31, 2023 has been overstated by Rs. 757.86 million (PY Rs. 268.60

million). Also, borrowings and trade and other payables as on reporting date is understated by Rs. 411.51 million (PY Rs. 91.02 million) and Rs. 559.29 million (PY Rs. 121.92 million) respectively with corresponding impact on retained earnings.

2. As mentioned in note 38 of Consolidated Financial Statements, provision for impairment of financial assets have been made (comprising of loans, receivables and investments) of Rs. 112.81 million (PY Rs. 26.57 million) (net of reversal).

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 in its entirety. Thus, we are unable to comment on the possible effects of the aforesaid on the Consolidated Financial Statements as at and for the year ended March 31, 2023.

3. As mentioned in note 39 to the Consolidated Financial Statements, Holding Company has made non provision of interest expense amounting to Rs.137.30 million (PY Rs. 101.01 million) on unpaid statutory dues relating to Tax Deducted at Source and Goods and Service Tax liability.
4. Holding Company's Management assessment:
 - i. of recoverability of income tax assets of Rs.1,245.68 million (PY Rs. 1,198.48 million) 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 Holding Company, on-going tax litigations and pending tax assessments and impact of matters related to qualified opinion;
 - ii. for non-conversion of Compulsorily Convertible Preference Shares having face value of Rs. 346.61 million (PY Rs. 346.61 million) into equity shares on due date of conversion as referred to in note 17;
 - iii. for non-conversion of Fully Compulsorily Convertible Debentures having face value of Rs. 2,470.00 million (PY Rs. 2,470.00 million) into fixed number of equity shares on due date of conversion as referred to in note 18;

We are unable to comment on the consequential effects of the matters stated above on the Consolidated Financial Statements.

5. Note 5a to the Consolidated Financial Statements regarding determination of recoverable value, and provision of impairment of property, plant and equipment in the previous year by ITPCL. As discussed in that Note, any future changes to estimates, assumptions and dependencies on external factors, including inter alia the extension of power purchase

agreement with the state electricity distribution company / entering into new revenue agreements, continued validity of the various assumptions made, consideration by management, may affect the recoverable value of the related assets and consequently the provision for impairment recorded by the ITPCL.

6. Note 35 to the Consolidated Financial Statements, relating to contractual liabilities not accounted for, by ITPCL for the reasons stated in the said note. In our opinion, ITPCL may be required to account for the liabilities aggregating Rs. 6,655.58 million as at March 31, 2023 (PY Rs.6,655.58 million). Further, pending the final assessment and determination of various claims received as stated in Note 35 we are unable to comment on the adjustments that may be required in this regard, to the Consolidated Financial Statements.

Our previous year audit report was also modified in respect of above matters except point no.1.

We conducted our audit of the Consolidated Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by The Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of Consolidated Financial Statements under the provisions of the Act and the Rules made thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified opinion on Consolidated Financial Statements.

Material Uncertainty Related to Going Concern

On the basis of audit reports on Standalone Financial Statements of the Holding Company and respective financial statements of its material subsidiaries i.e. ITPCL and IL&FS Wind Energy Limited (IWEL), we report as under:

1. Holding Company has defaulted in repayment of interest and principal on the debt taken from related parties and others aggregating to Rs. 48,266.23 million and the said defaults are continuing till the date of this report where interest is booked upto October 15, 2018. As at March 31, 2023, the current liabilities of the Holding Company exceeds the current assets by Rs. 41,636.95 million. Further, it has accumulated loss of Rs. 92,769.24 million and its net-worth is fully eroded;
2. As at March 31, 2023, though the consolidated net worth of ITPCL group as on March 31, 2023 is Rs. 19,403.62 million, if the non-provision of finance cost estimated to Rs. 51,452.90 million is considered till the reporting date, the net worth would be negative Rs. 32,049.28 million. As reported in the said note ITPCL has defaulted on payments

of borrowings. Further the current liabilities of the ITPCL Group aggregating to Rs. 95,107.27 million exceed the current assets aggregating to Rs. 45,577.67 million.

3. As at March 31, 2023, current liabilities of IWEL exceeds current assets by Rs. 1,852.62 million for which there is no clarity on how the said liabilities would be met. Further, IWEL has defaulted in repayment of interest and principal on the debt taken from related parties and others aggregating to Rs. 7,983.01 million and the said defaults are continuing till the date of this report. As stated in Note 2 of the Consolidated Financial Statements, the distribution framework as per the revised resolution process approved by the NCLAT vide its order dated March 12, 2020 has been challenged by one the company's lender in the Hon'ble Supreme Court of India.

These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Group's ability to continue as a 'going concern'.

Our opinion on the Consolidated Financial Statements 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 Consolidated Financial Statements are prepared on 'Going Concern' basis;
2. Note 2 to the Consolidated Financial Statements, wherein it is stated that 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 for loans from banks and debentures, and October 31 2018 for cash credit accounts), 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 37 to the Consolidated Financial Statements, the Group 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 of Chief Executive Officer, non-preparation of Consolidated Financial Statements within the timeframe as required under the Companies Act, 2013, etc. Further in case of ITPCL there is non-compliance of certain loan covenants.

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

4. Attention is drawn to Note 43 to the Consolidated Financial Statements, wherein it is stated that for reasons stated in that note, ITPCL has not recorded the net difference of Rs. 30,478.10 million as of March 31, 2023 (PY Rs. 19,172.40 million) between balances as per books of ITPCL and as per bank and financial institutions in respect of loans from banks and financial institutions.

Our opinion is not modified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Consolidated Financial Statements of the current period. These matters were addressed in the context of our audit of the Consolidated Financial Statements as a whole, and in forming our opinion thereon and we do not provide a separate opinion on these matters.

Except for the matter described in the Basis for Qualified Opinion, Material Uncertainties related to Going Concern and Emphasis of Matters paragraph above, we have determined that there are no other key audit matters to communicate in our report.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance Report, and Shareholder's information but does not include the Consolidated Financial Statements and our auditor's report thereon. The other information as above is expected to be made available to us after the date of this auditor's report.

Our opinion on the Consolidated Financial Statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit, or otherwise appears to be materially misstated.

When we read the other information, if we conclude that there is a material misstatement therein, we will be required to communicate the matter to those charged with governance.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these Consolidated Financial Statements in terms of requirements of the Act that give a true and fair view of the Consolidated Financial Position, Consolidated Financial Performance, Consolidated Total Comprehensive Income, Consolidated Changes in Equity and Consolidated Cash Flows of the Group in accordance with the Ind-AS and other accounting principles generally accepted in India. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of the adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the 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 Consolidated Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

In preparing the Consolidated Financial Statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Management and Board of Directors either intends to liquidate the companies or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in Group are also responsible for overseeing the financial reporting process of the Group.

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

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Holding Company and its subsidiaries incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls;
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors;
- Conclude on the appropriateness of Management and Board of Director's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation;
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial

Statements of which we are the independent auditors. For other entities included in the Consolidated Financial Statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion;

We communicate with those charged with governance of the Holding Company and such other entities included in Consolidated Financial Statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the Consolidated Financial Statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. We did not audit the financial statements of 8 subsidiaries included in the Consolidated Financial Statements, whose Standalone/Consolidated Financial Statements reflect total assets of Rs. 1,959.05 million, total liabilities of Rs. 20,999.38 million as at March 31, 2023, total income of Rs. 60.29 million and total comprehensive loss of Rs. 2.90 million for the year ended March 31, 2023 as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose report has been furnished to us and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of section 143 of the Act, in so far as it relates to these subsidiaries, is based solely on the reports of other auditors;
2. Financial information of 1 foreign subsidiary included in the Consolidated Financial Statements, whose financial statements reflect total assets of Rs. 0.29 million, total liabilities of Rs. 4.65 million as at March 31, 2023, total income of Rs. Nil and total comprehensive loss of Rs.0.35 million for the year ended March 31, 2023, is based on unaudited financial statements. Financial information of this subsidiary has been furnished

to us by the Holding Company's Management and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary is based solely on such unaudited financial information;

3. As mentioned in Note 8 to the Consolidated Financial Statements in respect of 3 subsidiaries, the Financials for the year ended March 31, 2023 are not considered for consolidation due to reasons specified in the said note;
4. Consolidated Financial Statements include Group's share of net profit and other comprehensive loss Rs. 107.33 million for the year ended March 31, 2023, in respect of 2 joint ventures, whose financial statements have been audited by other auditors whose reports have been furnished to us by management of the Holding Company and our opinion on the Consolidated Financial Statements, in so far as it relates to the amounts and disclosures included in respect of these joint ventures is based solely on the reports of the other auditors;
5. As mentioned in Note 8 to the Consolidated Financial Statements in respect of 2 Joint Ventures, the Financials for the year ended March 31, 2023 are not considered for consolidation due to reasons specified in the said note;

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiaries and joint ventures, incorporated in India, as noted in the 'Other Matters' paragraph, we give in the **"Annexure B"** a statement on the matters specified in paragraph 3(xxi) of the Order.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
 - a) We have sought and except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the Consolidated Financial Statements;
 - b) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion, proper books of account as required by law

relating to preparation of the Consolidated Financial Statements have been kept so far as it appears from our examination of those books;

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d) Except for the possible effects of the matter described in the Basis for Qualified Opinion paragraph, in our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated Financial Statements comply with the Ind AS;
- e) The matters described in ‘Basis for Qualified Opinion’ and ‘Material Uncertainty related to Going Concern’ in our opinion, may have an adverse effect on the functioning of the Group;
- f) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2023 taken on record by the Board of Directors of the Holding Company, none of the directors is disqualified as on March 31, 2023 from being appointed as a director in terms of Section 164(2) of the Act;
- g) With respect to the adequacy of the internal financial controls with reference to the Consolidated Financial Statements of the Holding Company and its subsidiaries, and joint ventures, incorporated in India, and the operating effectiveness of such controls, refer to our report in “**Annexure C**”;
- h) 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 Group has disclosed the impact of pending litigations on its Consolidated Financial Statements – Refer Note 51 to the Consolidated Financial Statements;
 - ii. The Group did not have any 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 companies incorporated in India;
- iv.
 - 1. The Management of the Group has represented that, during the year to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Group to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - 2. The Management of the Group has represented, that, during the year to the best of it's knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been received by the Group from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Group shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - 3. Based on such audit procedures that we have considered reasonable and appropriate in the circumstances; nothing has come to our notice that has caused us to believe that the representations under subclause (1) and (2) contain any material misstatement.
- v. There were no amounts which were declared or paid during the year as dividend by the Group and its joint ventures
- 3. According to the information and explanation given by the management of the Holding Company and its subsidiaries incorporated in India, during the year, no managerial remuneration has been paid by the Holding Company to its directors and remuneration paid by subsidiaries to its directors is in accordance with the provisions of section 197 read with Schedule V to the Act.

4. Proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 for maintaining books of account using accounting software which has a feature of recording audit trail (edit log) facility is applicable to the Company with effect from April 1, 2023, and accordingly, reporting under Rule 11(g) of Companies (Audit and Auditors) Rules, 2014 is not applicable for the financial year ended March 31, 2023.

For C N K & Associates LLP

Chartered Accountants

Firm Registration Number: 101961W/W-100036

VIJAY

HARSUKHLAL

MEHTA

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HARSUKHLAL MEHTA

Date: 2023.09.06

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Vijay Mehta

Partner

Membership No.: 106533

UDIN: 23106533BGXNIY9996

Place: Mumbai

Date: 6th September, 2023

Annexure A: List of Subsidiaries and Joint Ventures Consolidated

I. List of Subsidiaries (Direct/ Indirect):

1. IL&FS Solar Power Limited
2. IL&FS Tamil Nadu Power Company Limited
 - a) IL&FS Maritime Offshore Pte Limited
 - b) IL&FS Offshore Natural Resources Pte Limited
 - c) Se7en Factor Corporation
 - d) PT Bangun Asia Persada
 - e) PT Mantimin Coal Mining
3. IL&FS Wind Energy Limited
4. Jogihali Wind Energy Private Limited
5. Mahidad Wind Energy Private Limited
6. Patiala Bio Power Company Limited
7. Rohtas Bio Energy Limited
8. Sipla Wind Energy Limited
9. Vejas Power Projects Limited
10. Maritime International Offshore Pte Ltd
11. Shendra Green Energy Limited
12. Mota Layja Gas Power Company Limited (under liquidation since 19.06.2022)
13. Nana Layja Power Company Limited (under liquidation since 19.06.2022)
14. Cuddalore Solar Power Private Limited (under liquidation since 30.03.2023)

II. List of Joint Ventures:

1. Bihar Power Infrastructure Company Private Limited
2. Assam Power Project Development Company Limited
3. Saurya Urja Company of Rajasthan Limited
4. Cross Border Power Transmission Company Limited

Annexure B referred to in paragraph 1 of our report of even date on Other Legal and Regulatory Requirements for the year ended March 31, 2023

- Summary of comments and observations given by the respective auditors in the Companies (Auditors Report) Order of the respective subsidiary companies and joint ventures is given hereunder:

Sr. No	Name	CIN	Holding Company/ Subsidiary/ Joint Venture	Clause number of the CARO report which may have possible adverse impact
1	IL&FS Energy Development Company Limited	U40300DL2007PLC163679	Standalone Holding Company	iii(c), iii(d), vii (a), ix(a), ix(c), xix
2	IL&FS Tamil Nadu Power Company Limited	U72200TN2006PLC060330	Subsidiary	iii(c), iii(d), ix(a), ix(c), xix
3	IL&FS Wind Energy Limited	U40300DL2007PLC163679	Wholly Owned Subsidiary	v, vii(a), ix(a), ix(c), xix
4	Vejas Power Projects Limited	U40109MH2007PLC176368	Wholly Owned Subsidiary	iii(b), iii(c), ix(a), xvi(a), xvi(b), xix
5	IL&FS Solar Power Limited	U40300MH2010PLC207073	Wholly Owned Subsidiary	xvii, xix
6	Jogihali Wind Energy Private Limited	U74900MH2014PTC255989	Wholly Owned Subsidiary	vii(a), ix(a), xvii, xix
7	Mahidad Wind Energy Private Limited	U74999MH2014PTC255870	Wholly Owned Subsidiary	vii(a), ix(a), xix
8	Sipla Wind Energy Limited	U40300MH2011PLC220004	Wholly Owned Subsidiary	vii(a), ix(a), xvii, xix.
9	Patiala Bio Power Company Private Limited	U40200MH2011PLC220462	Wholly Owned Subsidiary	i(c), ix(a), xi(a), xiii, xv, xvi(a), xix
10	Rohtas Bio Energy Limited	U40300MH2011PLC220218	Wholly Owned Subsidiary	ix(a), xi(a), xiii, xv, xvi(a), xix

11	Shendra Green Energy Limited	U40100MH2005PLC151412	Wholly Owned Subsidiary	vii(a), ix(a), xvii, xix
12	Assam Power Project Development Company Limited	U40102AS2007PLC008471	Joint Venture	vii(a), xi(a), xiii, xv, xix
13	Saurya Urja Company of Rajasthan Limited	U40104RJ2015PLC047322	Joint Venture	i(a)(A), vi(a), xiv, xix
14	Cross Border Power Transmission Company Limited	U40102DL2006PLC156738	Joint Venture	xix

Annexure C to the Independent Auditor's Report

(Referred to in paragraph 2(g) under “Report on Legal and Regulatory Requirements” in the Independent Auditor's Report of even date on the Consolidated Financial Statements of IL&FS Energy Development Company Limited for the year ended March 31, 2023)

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

As mentioned in the Independent Auditor's Report on Consolidated Financial Statements of IL&FS Energy Development Company Limited above, we have audited the internal financial controls with reference to Consolidated Financial Statements of IL&FS Energy Development Company Limited (“the Holding Company”) and such companies incorporated in India under the Companies Act, 2013 (“the Act”) which are its subsidiaries (Holding Company and subsidiaries together referred to as “the Group”) and its joint ventures as of that date, in conjunction with our audit of the Consolidated Financial Statements of the Holding Company for the financial year ended March 31, 2023.

Management's Responsibility for Internal Financial Controls

The respective Management and Board of Directors of the companies included in the Group and joint ventures, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (“the Guidance Note”) 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 respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Holding Company's internal financial controls with reference to these Consolidated Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these Consolidated Financial Statements was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to the Consolidated Financial Statements.

Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements

A company's internal financial controls with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated Financial Statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to Consolidated 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 Consolidated Financial Statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on Consolidated Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to the Consolidated Financial Statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to the Consolidated Financial Statements to future periods are subject to the risk that the internal financial control with reference to the Consolidated Financial Statements may

become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Holding Company, its subsidiaries, and joint ventures, which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial control over financial reporting with reference to the Consolidated Financial Statements and such internal financial controls were operating effectively as at March 31, 2023, based on the criteria for internal financial control over financial reporting established by the Holding Company considering the essential components of internal control stated in the Guidance Note.

For C N K & Associates LLP

Chartered Accountants

Firm Registration Number: 101961W/W-100036

VIJAY

HARSUKHLAL

MEHTA

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VIJAY HARSUKHLAL
MEHTA
Date: 2023.09.06
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Vijay Mehta

Partner

Membership No.: 106533

UDIN: 23106533BGXNIY9996

Place: Mumbai

Date: 6th September, 2023

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2023

	Note Ref.	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
ASSETS				
I. NON-CURRENT ASSETS				
(a) Property, plant and equipment	5a	60,438.97	62,257.71	63,385.13
(b) Right-of-use assets	5b	0.00	0.17	41.36
(c) Capital work-in-progress	5a	1,247.80	1,232.53	1,370.18
(d) Goodwill	6	-	-	-
(e) Other intangible assets	7	0.60	0.78	0.64
(f) Financial assets				
i) Investments	8	1,244.19	1,179.31	2,705.04
ii) Trade receivables	10	15,333.44	16,490.33	2,220.95
iii) Loans	12	681.65	697.82	785.34
iv) Other financial assets	13	600.60	588.38	2,016.75
(g) Deferred tax assets (net)	25	51.88	51.88	51.88
(h) Non-current tax assets (net)	14	1,451.23	1,356.09	1,210.32
(i) Other non current assets	15	26.87	2.67	495.23
Total non-current assets (A)		81,077.23	83,857.67	74,282.82
II. CURRENT ASSETS				
(a) Inventories	9	4,250.62	1,608.20	2,449.24
(b) Financial assets				
i) Trade receivables	10	12,048.22	14,203.83	16,676.81
ii) Cash and cash equivalents	11a	2,541.17	2,650.62	19,766.45
iii) Bank balances other than (ii) above	11b	38,377.68	28,663.96	10,304.00
iv) Loans	12	208.86	247.57	261.04
v) Other financial assets	13	2,487.48	5,131.45	3,155.32
(c) Other current assets	15	625.20	672.27	635.77
		60,539.23	53,177.90	53,248.63
Assets classified as held for sale	16	113.87	890.53	597.74
Total Current Assets (B)		60,653.10	54,068.43	53,846.37
TOTAL ASSETS (A) + (B)		1,41,730.33	1,37,926.10	1,28,129.19
EQUITY AND LIABILITIES				
III. EQUITY				
(a) Share capital	17	13,182.26	13,182.26	13,182.26
(b) Other equity	18	(38,028.14)	(43,699.82)	(52,701.05)
Equity attributable to owners of the Company		(24,845.88)	(30,517.56)	(39,518.79)
Non-controlling interests	19	16,646.72	15,824.38	13,778.94
Total equity (C)		(8,199.15)	(14,693.18)	(25,739.85)
LIABILITIES				
IV. NON-CURRENT LIABILITIES				
(a) Financial liabilities				
i) Borrowings	23	-	-	-
ii) Other financial liabilities	20	1.48	1.36	1.32
iii) Lease liabilities	5b	-	-	2.73
(b) Provisions	21	6.64	7.66	38.55
(c) Deferred tax liabilities (net)	25	288.81	235.88	226.87
(d) Other non-current liabilities	22	7,997.73	8,246.08	8,491.18
Total non-current liabilities (D)		8,294.66	8,490.98	8,760.65
V. CURRENT LIABILITIES				
(a) Financial liabilities				
i) Borrowings	23	1,23,479.49	1,26,161.12	1,27,246.55
ii) Trade payables	24			
Total outstanding dues of micro enterprises and small enterprises		24.80	21.20	8.42
Total outstanding dues of creditors other than micro enterprises and small enterprises		5,801.12	4,999.47	5,593.58
iii) Lease liabilities	5b	-	0.20	6.93
iv) Other financial liabilities	20	11,560.33	11,607.06	10,931.04
(b) Provisions	21	11.41	20.43	7.85
(c) Current tax liabilities (net)	14	10.05	11.29	49.52
(d) Other current liabilities	22	727.60	654.94	664.50
		1,41,614.80	1,43,475.71	1,44,508.39
Liabilities associated with assets classified as held for sale	16	20.02	652.59	600.00
Total current liabilities (E)		1,41,634.82	1,44,128.30	1,45,108.39
TOTAL LIABILITIES (F) = (D) + (E)		1,49,929.48	1,52,619.28	1,53,869.04
TOTAL EQUITY AND LIABILITIES (C) + (F)		1,41,730.33	1,37,926.10	1,28,129.19

See accompanying notes forming part of the consolidated financial statements

1-65

In terms of our report attached

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

Vijay Mehta
Partner
Membership No. 106533
Digitally signed by VIJAY HARSUKHLAL MEHTA
Date: 2023.09.06 17:59:36 +05'30'

Place: Mumbai
Date: September 06, 2023

For and on behalf of the Board of Directors

PRIYA PREMPAL SHETTY
Digitally signed by PRIYA PREMPAL SHETTY
Date: 2023.09.06 14:30:38 +05'30'

Priya Prempal Shetty
Director
DIN: 08858814

Ritendra Bhattacharjee
Chief Financial Officer

Place: Mumbai
Date: September 06, 2023

CHANDRA SHEKHAR RAJAN
Digitally signed by CHANDRA SHEKHAR RAJAN
Date: 2023.09.06 16:50:24 +05'30'

C S Rajan
Director
DIN: 0126063

Febby Koshy
Chief Executive Officer
Digitally signed by FEBBY KOSHY
Date: 2023.09.06 14:04:15 +05'30'

KAUSHIK MODAK
Digitally signed by KAUSHIK MODAK
Date: 2023.09.06 15:15:22 +05'30'

Kaushik Modak
Director
DIN: 01266560

Nishant Upadhyay
Company Secretary
Membership Number: A23414
Digitally signed by Nishant Upadhyay
Date: 2023.09.06 14:04:53 +05'30'

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2023

	Note Ref.	Year ended 31.03.2023 Rs. Million	Year ended 31.03.2022 Rs. Million
I. Income			
Revenue from operations	26	23,218.28	26,227.53
Other income	27	5,324.07	1,873.35
Total Income (A)		28,542.35	28,100.88
II. Expenses			
Cost of fuel consumed	28	15,408.13	12,500.51
Other direct expenses	29	887.60	707.61
Employee benefits expense	30	285.87	274.56
Finance costs	31	151.70	240.78
Depreciation and amortisation expense	5a, 5b & 7	1,990.29	1,989.98
Impairment expense	32	118.83	16.75
Other expenses	33	3,162.18	1,459.26
Total expenses (B)		22,004.60	17,189.45
Profit/(Loss) before tax and share from Associates and Joint Ventures (A) - (B)		6,537.75	10,911.43
III. Share of profit/(loss) of Joint Venture and Associates (C)			
Share of profit/ (loss) of Joint Ventures		107.56	157.59
IV. Profit/(Loss) before tax (D) = (A) - (B) + (C)		6,645.31	11,069.02
V. Tax expense: (E)			
(a) Current tax	34	85.92	68.09
(b) Deferred tax	34	52.61	10.97
(c) Minimum alternate tax (MAT) credit entitlement		-	-
		138.53	79.06
VI. Profit/(Loss) for the year (F) = (D) - (E)		6,506.77	10,989.95
Profit / (loss) for the Year from Continuing Operations		6,506.77	10,989.95
Discontinued Operation (Refer note on discontinuing operation)			
Profit / (Loss) from Discontinued Operations before tax (F)	16	165.39	54.65
Tax Expenses of Discontinued Operations		-	3.90
Profit / (Loss) from Discontinued Operation after tax		165.39	50.75
Profit / (loss) for the Year		6,672.16	11,040.70
VII. Other comprehensive income (OCI)			
A) i) Items that will not be reclassified to profit or loss			
a. Remeasurement of defined benefit plans	54	0.38	5.00
b. Share of OCI in Joint Ventures and Associates		(0.23)	(0.04)
ii) Income tax related to item that will not be reclassified to profit and loss	26	(0.31)	(0.62)
		(0.16)	4.34
B) i) Items that will be reclassified to profit or loss			
a. Exchange differences in translating financial statements of foreign operations	18 g	(11.20)	1.24
		(11.20)	1.24
Total other comprehensive income / (loss) (G)		(11.36)	5.58
VIII. Total comprehensive income/ (loss) for the year (F) + (G)		6,660.80	11,046.29
Profit / (loss) for the year from continuing operations attributable to:			
- Owners of the Company		5,684.43	8,944.93
- Non-controlling interests		822.34	2,045.02
		6,506.77	10,989.95
Profit / (loss) for the year from discontinuing operations attributable to:			
- Owners of the Company		165.39	50.75
- Non-controlling interests		-	-
		165.39	50.75
Other comprehensive income / (loss) for the year from continuing operations			
- Owners of the Company		(11.36)	5.58
- Non-controlling interests		-	-
		(11.36)	5.58
Other comprehensive income / (loss) for the year from discontinuing operations			
- Owners of the Company		-	-
- Non-controlling interests		-	-
		-	-
Total comprehensive income / (loss) for the year			
- Owners of the Company		5,838.47	9,001.26
- Non-controlling interests		822.34	2,045.02
		6,660.80	11,046.29
Earning per equity share	60		
Earning per equity share (for continuing Operations)			
(Face value of Rs. 10 per share)			
- Basic (in Rs.)		4.42	6.97
- Diluted (in Rs.)		4.42	6.97
Earning per equity share (for discontinuing Operations)			
(Face value of Rs. 10 per share)			
- Basic (in Rs.)		0.13	0.04
- Diluted (in Rs.)		0.13	0.04
Earning per equity share (for continuing Operations & discontinuing Operations)			
(Face value of Rs. 10 per share)			
- Basic (in Rs.)		4.55	7.01
- Diluted (in Rs.)		4.55	7.01

See accompanying notes forming part of the consolidated financial statements 1-65

In terms of our report attached

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

Vijay Mehta
Partner
Membership No. 106533

VIJAY HARSUKHLAL MEHTA
Digitally signed by VIJAY HARSUKHLAL MEHTA
Date: 2023.09.06 18:00:37 +05'30'

Place: Mumbai
Date: September 06, 2023

For and on behalf of the Board of Directors

PRIYA PREMPAL SHETTY
Digitally signed by PRIYA PREMPAL SHETTY
Date: 2023.09.06 14:29:37 +05'30'

Priya Prempal Shetty
Director
DIN: 08858814

Ritendra Bhattacharjee
Chief Financial Officer

Place: Mumbai
Date: September 06, 2023

CHANDRA SHEKHAR RAJAN
Digitally signed by CHANDRA SHEKHAR RAJAN
Date: 2023.09.06 14:49:39 +05'30'

C S Rajan
Director
DIN: 0126063

Feby Koshy
Chief Executive Officer

FEBY KOSHY BIN BIN KOSHY
Digitally signed by FEBY KOSHY
Date: 2023.09.06 14:06:34 +05'30'

KAUSHIK MODAK
Digitally signed by KAUSHIK MODAK
Date: 2023.09.06 15:16:32 +05'30'

Kaushik Modak
Director
DIN: 01266560

Nishant Upadhyay
Company Secretary
Membership Number: A23414

Nishant Upadhyay
Digitally signed by Nishant Upadhyay
Date: 2023.09.06 14:07:00 +05'30'

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2023

	Note Ref.	For the year ended March 31, 2023 Rs. Million	For the year ended March 31, 2022 Rs. Million
CASH FLOW FROM OPERATING ACTIVITIES			
Profit / (Loss) after tax from Continuing Operations		6,506.77	10,989.95
Profit / (Loss) after tax from Dis-Continuing Operations		165.39	50.75
Adjustment for:			
Share of profit/(loss) in Joint Ventures		(107.56)	(157.59)
Depreciation and amortisation expense		1,990.28	1,989.98
Gain/(Loss) on sale of property, plant and equipment		(1.51)	(0.11)
Finance costs		151.49	240.69
Interest income		(1,817.90)	(983.72)
Net gain/(loss) on derecognition of financial liability		(3.63)	(3.17)
Impairment Expenses		37.08	528.49
Income Tax of Earlier Year		-	(0.06)
Reversal of provision of impairment of Property, Plant & Equipment		-	(975.36)
Provision for doubtful trade receivables/(payable)		1,215.07	736.58
Capital advances / Interest Receivable w/off		-	9.27
Provisions written back		(0.34)	(0.62)
Amortisation of Government Grants		(248.36)	(248.39)
Inventory Written off		0.03	-
Impairment of Tax Receivable		-	7.12
Provision for Impairment of Security Deposits (VAT)		-	0.20
Provision for Impairment of TDS Receivable		0.15	-
Net gain/(loss) on foreign currency transactions and translation		(0.34)	(0.12)
Gain/ (Loss) on disposal of subsidiaries		(164.62)	-
Gain/(Loss) on derecognition of subsidiary		(3,061.32)	-
Contract Assets Written off		0.85	-
Provision for Expected Credit Loss		0.48	5.44
Gain on sale of financial assets - investments		(170.69)	-
Reversal of impairment of financial assets designated as at amortised cost		81.75	(55.91)
Dividend Income		(5.07)	(175.06)
Operating profit before working capital changes		4,568.00	11,958.37
Movement in working capital			
Adjustments for increase / (decrease) in operating Assets:			
Inventories		(2,797.45)	393.64
Trade receivables		4,942.69	(14,308.75)
Other financial assets		(186.12)	(11.07)
Other assets		(12.59)	(39.46)
Adjustments for increase / (decrease) in operating liabilities:			
Trade payables		2,077.51	(416.91)
Other financial liabilities		25.76	(162.00)
Provision for employee benefits		(2.22)	2.04
Other Liabilities		80.28	(5.21)
Cash generated from operations		8,695.86	(2,589.35)
Taxes (paid)/refund received		(18.49)	(78.79)
Net cash flow from operating activities		8,677.37	(2,668.14)
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property plant and equipment		(33.91)	71.78
Proceeds from sale of property plant and equipment		1.51	0.11
Increase/(decrease) in fixed deposits not considered as cash and cash equivalents		(104.25)	(1,118.28)
Increase/(decrease) in escrow account with security agent		(9,827.32)	(16,218.18)
(Investment)/Matured in Fixed Deposits		218.61	149.45
Consideration received from Sale of Investment (net of cash and cash equivalent)		(28.33)	1,475.99
Increase/(decrease) in loans and advances		197.73	87.53
Net income tax paid on Interest Income (including tax deducted at source)		-	(100.18)
Loans received back		0.05	-
Interest received		1,809.50	976.22
Dividend received		51.15	289.65
Net cash flow from investing activities		(7,715.26)	(14,385.90)
CASH FLOW FROM/(USED IN) FINANCING ACTIVITIES			
Proceed from long term borrowings(net)		(951.05)	(1.57)
Finance costs paid		(104.17)	8.25
Loan Repaid (net)		(84.54)	-
Net cash flow used in financing activities		(1,139.75)	6.67
Net increase/(decrease) in cash and cash equivalents		(177.65)	(17,047.37)
Cash and cash equivalents at the beginning of the year	11a & 16	2,719.07	19,766.44
Cash and cash equivalents at the end of the year	11a & 16	2,541.42	2,719.07
Net increase/(decrease) in cash and cash equivalents		(177.65)	(17,047.37)

See accompanying notes forming part of the Ind AS financial statements

1-65

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

Vijay Mehta
Partner
Membership No. 106533

**VIJAY
HARSUKHLAL
MEHTA**
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HARSUKHLAL MEHTA
Date: 2023.09.06
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For and on behalf of the Board of Directors of
IL&FS Energy Development Company Limited

**PRIYA PREMPAL
SHETTY**

Priya Prempal Shetty
Director
DIN: 08858814

**CHANDRA
SHEKHAR
RAJAN**

C S Rajan
Director
DIN: 0126063

Kaushik Modak
Director
DIN: 01266560

**KAUSHIK
MODAK**
Digitally signed by
Kaushik Modak
Date: 2023.09.06
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Ritendra Bhattacharjee
Chief Financial Officer

**RITENDRA
BHATTACHARJEE**
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Ritendra Bhattacharjee
Date: 2023.09.06
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**FEBY
KOSHY BIN
KOSHY**
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Feby Koshy
Date: 2023.09.06
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Feby Koshy
Chief Executive Officer

Nishant Upadhyay
Company Secretary
Membership Number: A23414

**Nishant
Upadhyay**
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Nishant Upadhyay
Date: 2023.09.06
14:09:13 +05'30'

Place: Mumbai
Date: September 06, 2023

Place: Mumbai
Date: September 06, 2023

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

	Number of shares	Amount Rs. Million
(a) Equity Share Capital		
Balance as at April 1, 2021	1,28,35,64,664	12,835.65
Changes in equity share capital during the year	-	-
Balance as at March 31, 2022	1,28,35,64,664	12,835.65
Changes in equity share capital during the year	-	-
Balance as at March 31, 2023	1,28,35,64,664	12,835.65
(b) Compulsorily Convertible Preference Share Capital ('CCPS')		
Balance as at April 1, 2021	3,46,60,767	346.61
Changes in CCPS during the year	-	-
Balance as at March 31, 2022	3,46,60,767	346.61
Changes in CCPS during the year	-	-
Balance as at March 31, 2023	3,46,60,767	346.61

										Rs. Million
(c) Other Equity	Equity component of compounding financial instruments	Securities premium account	General reserve	Reserves and surplus Debenture redemption reserve	Capital reserve created on consolidation	Retained earnings	Other Comprehensive Foreign currency translation reserve	Attributable to owners of the Company	Non controlling interests (NCI)	Total
Balance as at April 1, 2020	2,405.89	37,552.76	7.60	718.33	(5,222.53)	(91,804.42)	(659.97)	(57,002.33)	13,014.71	(43,987.62)
(Loss) / profit for the year	-	-	-	-	-	4,394.72	-	4,394.72	764.23	5,158.95
Remeasurement of defined benefit obligation (net of income tax)	-	-	-	-	-	4.45	-	4.45	-	4.45
Other comprehensive income (Net of income tax)	-	-	-	-	-	-	(42.22)	(42.22)	-	(42.22)
Less: Restatement impact	-	-	-	-	-	(55.66)	-	(55.66)	-	(55.66)
Total comprehensive income	-	-	-	-	-	4,343.51	(42.22)	4,301.29	764.23	5,065.52
Addition during the year	-	-	29.25	(29.25)	-	-	-	-	-	-
Balance as at March 31, 2021	2,405.89	37,552.76	36.85	689.08	(5,222.53)	(87,460.91)	(702.18)	(52,701.04)	13,778.94	(38,922.10)

										Rs. Million
Other Equity	Equity component of compounding financial instruments	Securities premium account	General reserve	Reserves and surplus Debenture redemption reserve	Capital reserve created on consolidation	Retained earnings	Other Comprehensive Income Foreign currency translation reserve	Attributable to owners of the Company	Non controlling interests (NCI)	Total
Balance as at April 1, 2021	2,405.89	37,552.76	36.85	689.08	(5,222.53)	(87,460.91)	(702.18)	(52,701.04)	13,778.94	(38,922.10)
(Loss) / profit for the year	-	-	-	-	-	8,995.68	-	8,995.68	2,045.44	11,041.12
Remeasurement of defined benefit obligation (net of income tax)	-	-	-	-	-	4.34	-	4.34	-	4.34
Other comprehensive income (Net of income tax)	-	-	-	-	-	-	1.24	1.24	-	1.24
Less: Restatement impact	-	-	-	-	-	(557.18)	557.14	(0.04)	-	(0.04)
Total comprehensive income	-	-	-	-	-	8,442.84	558.38	9,001.22	2,045.44	11,046.66
Addition during the year	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2022	2,405.89	37,552.76	36.85	689.08	(5,222.53)	(79,018.07)	(143.80)	(43,699.82)	15,824.38	(27,875.44)

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2023

Continued

Rs. Million									
Other Equity		Reserves and surplus					Other Comprehensive Income		
	Equity component of compounding financial instruments	Securities premium account	General reserve	Debenture redemption reserve	Capital reserve created on consolidation	Retained earnings	Foreign currency translation reserve	Attributable to owners of the Company	Non controlling interests (NCI)
Balance as at March 31, 2022	2,405.89	37,552.76	36.85	689.08	(5,222.53)	(79,018.07)	(143.80)	(43,699.82)	15,824.38
(Loss) / profit for the year	-	-	-	-	-	5,849.82	-	5,849.82	822.34
Remeasurement of defined benefit obligation (net of income tax)	-	-	-	-	-	(0.15)	-	(0.15)	-
Other comprehensive income (Net of income tax)	-	-	-	-	-	-	(11.20)	(11.20)	-
Addition/(Deletion) during the year	-	-	-	-	(166.79)	-	-	(166.79)	-
Total comprehensive income	-	-	-	-	(166.79)	5,849.68	(11.20)	5,671.69	822.34
Addition during the year	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2023	2,405.89	37,552.76	36.85	689.08	(5,389.32)	(73,168.39)	(155.00)	(38,028.14)	16,646.72
									(21,381.41)

See accompanying notes forming part of the consolidated financial statements

In terms of our report attached

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

Vijay Mehta
Partner
Membership No. 106533

VIJAY HARSUKHLAL MEHTA
Digitally signed by VIJAY HARSUKHLAL MEHTA
Date: 2023.09.06 18:02:43 +05'30'

Place: Mumbai
Date: September 06, 2023

For and on behalf of the Board of Directors

PRIYA PREMPAL SHETTY
Digitally signed by PRIYA PREMPAL SHETTY
Date: 2023.09.06 14:27:42 +05'30'

Priya Prempal Shetty
Director
DIN: 08858814

RITENDRA BHATTACHARJEE
Digitally signed by RITENDRA BHATTACHARJEE
Date: 2023.09.06 16:02:08 +05'30'

Ritendra Bhattacharjee
Chief Financial Officer

Place: Mumbai
Date: September 06, 2023

CHANDRA SHEKHAR RAJAN C S Rajan
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Date: 2023.09.06 16:48:15 +05'30'

Chandra Shekhar Rajan
Director
DIN: 0126063

FEBY KOSHY BIN KOSHY
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Date: 2023.09.06 14:10:21 +05'30'

Febby Koshy
Chief Executive Officer

KAUSHIK MODAK
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Date: 2023.09.06 15:18:17 +05'30'

Kaushik Modak
Director
DIN: 01266560

Nishant Upadhyay
Digitally signed by Nishant Upadhyay
Date: 2023.09.06 14:11:06 +05'30'

Nishant Upadhyay
Company Secretary
Membership Number: A23414

1. General Information

IL&FS Energy Development Company Limited ("the Holding 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 110057. The Holding Company is engaged in development and operations of power projects and providing advisory services. The Holding Company is a subsidiary of Infrastructure Leasing & Financial Services Limited (IL&FS). These financial statements were authorized for issue in accordance with a resolution of the Company's Board of Directors on September 06, 2023.

2. Significant developments at the Holding Company, IL&FS and various group companies ('the IL&FS Group') during the year ended March 31, 2023 and subsequent to the year end.

The Holding Company reported defaults on its borrowing obligations during the financial year 2018-19 which are continuing as on the date of signing of these consolidated financial statements. Further, the credit rating of the Holding Company and IL&FS was downgraded to 'D' (lowest grade) on October 5, 2018 and 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 IL&FS and its subsidiaries be investigated by the Serious Fraud Investigation Office ("SFIO"). SFIO commenced investigation of affairs of the IL&FS/Group Companies. 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 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 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 governance and management change were 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 of the IL&FS 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 of the bank accounts 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 resolution process of IL&FS Group Companies (including the Holding Company) and Crystallizing the 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 IL&FS Company

The New Board of Directors of the IL&FS (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 that no creditors can proceed against it except under Article 226 of Constitution of India.

The New Board of IL&FS 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 Holding 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 Holding 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.

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 consolidated financial statements.

4. Significant accounting policies

4.1 Basis of preparation and presentation

The Consolidated financial statements of the Holding 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 Consolidated 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 Group categories 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 Holding Company's assumptions about pricing by market participants.

4.3 Basis of Consolidation

The Group consolidates all entities which are controlled by it. The consolidated financial statements comprise the financial statements of the Group, its controlled entities and its subsidiaries. Control exists when the parent has power over the entity, is exposed, or has rights, to variable returns from its involvement with the entity and has the ability to affect those returns by using its power over the entity. Power is demonstrated through existing rights that give the ability to direct the relevant activities, those which significantly affect the entity's returns. The entities are consolidated from the date control commences until the date control ceases.

The Consolidated financial statements of the Group companies are consolidated on a line-by-line basis and intra-group balances and transactions including unrealized gain/loss from such transactions are eliminated upon consolidation. These consolidated financial statements are prepared by applying uniform accounting policies in use at the Group. Non-Controlling interests which represent part of the net profit or loss and net assets of subsidiaries that are not, directly, or indirectly, owned or controlled by the Group, are excluded.

Changes in the Group's interests in subsidiaries that do not result in loss of control are accounted for as equity transactions. The carrying amount of the Group's interest and the non-controlling interests are adjusted to reflect the changes in their relative interests in the subsidiaries. Any difference between the amount by which the non-controlling interest

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

are adjusted and the fair value of the consideration paid or received is recognised directly in equity and attributed to owners of the Group.

Details of the Group's subsidiaries / step down subsidiaries at the end of the reporting period considered in the preparation of the Consolidated Financial Statements are as follows:

	Country of Incorporation	Interest as at 31.03.2023	Interest as at 31.03.2022
A. Subsidiary Companies			
a. Vejas Power Projects Limited (formerly IL&FS Wind Projects Development Limited)	India	100%	100%
b. Nana Layja Power Company Limited (NLPCL)	India	0%	100%
c. Mota Layja Gas Power Company Limited (MLGPCL)	India	0%	100%
d. IL&FS Wind Energy Limited (formerly Mandavi LNG Terminal Limited)	India	100%	100%
e. IL&FS Tamilnadu Power Company Limited (ITPCL)	India	80.32%	80.32%
f. Maritime International Offshore PTE Limited (MIOPL)	Singapore	100%	100%
g. IL&FS Solar Power Limited (ISPL)	India	100%	100%
h. Patiala Bio Power Company Limited (PBPCL)	India	100%	100%
i. Sipla Wind Energy Limited (SWEL) (Formerly Nakhatrana Biomass Energy Limited)	India	100%	100%
j. Shendra Green Energy Limited (SGEL) (Formerly GAPS Power & Infrastructure Private Limited)	India	100%	100%
k. Rohtas Bio Energy Limited (RBEL)	India	100%	100%
l. Ramagiri Renewable Energy Limited (RREL) (formerly IL&FS Wind Farms Limited)	India	0%	100%
M Cuddalore Solar Power Private Limited (CSPL)	India	0%	100%
n. Jogihali Wind Energy Private Limited (JWEPL)	India	100%	100%
o. Mahidad Wind Energy Private Limited (MWEPL)	India	100%	100%

	Country of Incorporation	Interest as at 31.03.2023	Interest as at 31.03.2022
B. Subsidiaries of ITPCL (effective shareholding)			
a. IL&FS Maritime Offshore Pte Limited (IMOPL)	Singapore	100%	100%
b. IL&FS Offshore Natural Resources Pte. Limited (IONRPL)	Singapore	100%	100%
c. PT Bangun Asia Persada (PBAP)	Indonesia	100%	100%
d. PT Mantimin Coal Mining (PMCM)	Indonesia	95%	95%
e. Se7factor Corporation (SFC)	Seychelles	100%	100%

4.4 Revenue recognition

Revenue is recognised at transaction price when:

- the Group satisfies a performance obligation by transferring control of a promised goods / services to a customer; and
- it is probable that the Group will collect the consideration to which it will be entitled to in exchange for the goods or services that will be transferred to the customer.

The Group satisfies the performance obligation by transferring control of promised goods or services to a customer and control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

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

The specific recognition criteria described below must also be met before revenue is recognised.

Rendering of services

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price allocated to that performance obligation. The transaction price of services rendered is net of any foreseeable losses towards that obligation.

Sale of Electricity

Revenue from Sale of Power is recognised on accrual basis based on the actual energy exported by the Group during the relevant accounting period, at the tariff / rate agreed upon with the relevant customer in the contract / agreement and it is probable that the Group will collect the consideration to which it is entitled. The transmission charges, wheeling and other charges recovered from the customers for the energy supplied is also recognised as revenue and the matching amounts paid / payable to the transmission utility is recognised as expenses.

The Group's contracts with customers for the sale of electricity generally include only one performance obligation. The Group has concluded that revenue from sale of electricity should be recognised at the point in time when electricity is supplied to the customer.

Other Income

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Group 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 assets 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 Group and the amount of income can be measured reliably).

4.5 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 exists, 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 Group 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.

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 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

Freehold land is not depreciated.

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.

4.6 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 Group 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.

4.7 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 Group 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 Group'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);
- net interest expense or income; and
- re-measurement

The Group 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 Group has taken the policy to meet its obligation towards gratuity. The Group 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 Group. 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 Consolidated Balance Sheet represents the actual deficit or surplus in the Group'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 Group'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 Group 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 Group 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 Provisions, contingent liability and contingent asset

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group 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 Consolidated financial statements by way of notes to accounts when an inflow of economic benefits is probable.

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

4.11 Financial instruments

Financial assets and financial liabilities are recognised when Group 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.

4.12 Financial assets

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

Cash and cash equivalents

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

Financial assets at amortised cost

Financial assets are 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 Holding 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 Group 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 Group 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 Group 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.

Assets held for sale

The Company consider the investments and related assets as held for sale once the application for approval of said sale has been filed to Hon'ble NCLAT post approval from Hon'ble Justice Jain.

4.13 Financial liabilities and equity instruments

Classification as debt or equity

Debt and equity instruments issued by a Group 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 Group are recognised at the proceeds received, net of direct issue costs.

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 Group 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 Holding 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 109.

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 Group derecognises financial liabilities when, and only when, the Group'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 except for amounts to be settled in foreign currency as on October 15, 2018 are carried at the exchange rate prevailing on that date.

4.14 Foreign currency

The functional currency of the Group is Indian Rupees which represents the currency of the primary economic environment in which it operates. These Consolidated 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.

4.15 Leases

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

Right to use assets

The Group recognizes 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 life 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 Holding 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 Holding 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 Group 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.

4.16 Segment reporting

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

4.17 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.

4.18 Operating cycle

The Group has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

4.19 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.

4.20 Dividend

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

4.21 Critical accounting judgements and key sources of estimation uncertainty

4.21.1 Use of estimates

The preparation of the consolidated 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
- ii) Useful lives and residual values of property, plant and equipment
- iii) Valuation of Deferred tax assets/liabilities
- iv) Provisions and contingencies
- v) Estimation of assets and obligations relating to employee benefits (including actuarial assumption)
- vi) Going concern assumption

4.21.2 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 Group 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 Holding 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 Group 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 Consolidated financial statements.

4.22 Application of new and revised Ind AS

On March 31, 2023, the Ministry of Corporate Affairs (MCA) has notified Companies (Indian Accounting Standards) Amendment Rules, 2023. This notification has resulted into following amendments in the existing Accounting Standards which are applicable from April 1, 2023.

- i. Ind AS 101 – First time adoption of Ind AS – modification relating to recognition of deferred tax asset by a first-time adopter associated with (a) right to use assets and related liabilities and (b) decommissioning, restoration and similar liabilities and corresponding amounts recognised as cost of the related assets.
- ii. Ind AS 102 – Share-based Payment – modification relating to adjustment after vesting date to the fair value of equity instruments granted.
- iii. Ind AS 103 – Business Combination – modification relating to disclosures to be made in the first financial statements following a business combination.
- iv. Ind AS 107 – Financial Instruments Disclosures – modification relating to disclosure of material accounting policies including information about basis of measurement of financial instruments.
- v. Ind AS 109 – Financial Instruments – modification relating to reassessment of embedded derivatives.

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- vi. Ind AS 1 - Presentation of Financials Statements – modification relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.
- vii. Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors – modification of definition of 'accounting estimate' and application of changes in accounting estimates.
- viii. Ind AS 12 – Income Taxes – modification relating to recognition of deferred tax liabilities and deferred tax assets.
- ix. Ind AS 34 – Interim Financial Reporting – modification in interim financial reporting relating to disclosure of 'material accounting policy information' in place of 'significant accounting policies'.

The Group is evaluating the amendments and the expected impact, if any, on the consolidated financial statements on application of the amendments for annual reporting periods beginning on or after 1 April 2023

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NOTE 5a

Property, plant and equipment

i Carrying amount

	As at March 31, 2023	As at March 31, 2022	As at April 01, 2021
	Rs. Million	Rs. Million	Rs. Million
Freehold land	3,094.08	3,094.08	2,118.72
Building	3,952.37	4,109.12	4,265.36
Roads & Drainage	15.19	18.27	24.88
Plant & Machinery			
-Thermal Power Plant	49,957.43	51,354.77	52,908.80
-Wind Energy converters	53.48	56.29	87.24
-Transmission Line	1,417.78	1,457.55	1,497.32
-Other Plant & machinery	20.87	22.09	117.75
Hydraulics works, pipelines and sluices	1,121.66	1,245.01	1,368.35
Railway siding & track hopper	781.00	871.96	962.93
Furniture & fixtures	11.32	13.45	15.45
Office Equipment	4.56	4.10	6.92
Computer	4.70	4.44	3.98
Vehicles	4.53	6.58	7.43
	60,438.97	62,257.71	63,385.13
Capital work in progress	1,247.80	1,232.53	1,370.18
	61,686.76	63,490.24	64,755.31

	Freehold	Buildings	Roads & Drainage	Plant and Equipment				Hydraulics works, pipelines and sluices	Railway Siding & Track Hopper	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
				Thermal power generation plant	Wind energy converters (WECs)	Transmission Line	Other plant and machinery							
As at April 01, 2021	3,641.29	7,269.31	303.49	96,543.44	300.10	2,512.90	402.70	2,937.03	1,981.18	62.90	34.27	26.42	15.85	1,16,030.89
Add: Additions	-	0.31	-	507.16	-	-	-	-	-	0.15	0.37	2.04	1.56	511.59
Less: Disposals	-	-	-	-	-	-	-	-	-	(0.03)	(0.41)	(0.01)	-	(0.45)
Add: Exchange difference on translation of foreign operations	-	1.36	-	-	-	-	-	-	-	-	-	-	-	1.36
Less: Reclassification to assets held for sale	-	(129.27)	-	-	(116.73)	-	(336.14)	-	(0.00)	(1.06)	(0.12)	(0.03)	(0.00)	(583.36)
As at March 31, 2022	3,641.29	7,141.71	303.49	97,050.60	183.37	2,512.90	66.56	2,937.03	1,981.18	61.97	34.10	28.42	17.41	1,15,960.03
Add: Additions	-	0.02	-	167.86	-	-	-	-	-	-	1.85	2.09	0.08	171.90
Less: Disposals	-	-	-	-	-	-	-	-	-	-	(1.72)	-	-	(1.72)
Add: Exchange difference on translation of foreign operations	-	(0.42)	-	-	-	-	-	-	-	-	-	-	-	(0.42)
As at March 31, 2023	3,641.29	7,141.30	303.49	97,218.46	183.37	2,512.90	66.56	2,937.03	1,981.18	61.97	34.23	30.52	17.49	1,16,129.79

iii Accumulated depreciation & impairment

As at April 01, 2021	1,522.58	3,003.95	278.61	43,634.64	212.86	1,015.58	284.95	1,568.68	1,018.25	47.45	27.35	22.44	8.42	52,645.75
Add: Depreciation for the year	-	155.90	6.61	1,548.39	2.81	39.77	4.43	123.34	90.96	2.11	3.10	1.58	2.50	1,981.50
Add: Impairments	-	-	-	512.80	-	-	13.06	-	-	-	-	-	-	525.86
Less: Impairment reversal	(975.36)	-	-	-	-	-	-	-	-	-	-	-	-	(975.36)
Add: Exchange difference on translation of foreign operations	-	2.01	-	-	-	-	-	-	-	-	-	-	-	2.01
Less: Deductions / Adjustments	-	-	-	-	-	-	-	-	-	(0.03)	(0.32)	(0.01)	-	(0.36)
Less: Reclassification to assets held for sale	-	(129.27)	-	-	(88.59)	-	(257.97)	-	-	(1.01)	(0.12)	(0.02)	(0.09)	(477.08)
As at March 31, 2022	547.22	3,032.58	285.22	45,695.83	127.08	1,055.35	44.47	1,692.02	1,109.22	48.52	30.00	23.99	10.83	53,702.32
Add: Depreciation for the year	-	155.82	3.09	1,565.20	2.81	39.77	1.48	123.34	90.96	2.13	1.39	1.84	2.13	1,989.95
Add: Effect of foreign currency exchange difference	-	0.53	-	-	-	-	-	-	-	-	-	-	-	0.53
Less: Deductions / Adjustments	-	-	-	-	-	-	(0.26)	-	-	-	(1.72)	-	-	(1.98)
As at March 31, 2023	547.22	3,188.93	288.30	47,261.03	129.89	1,095.12	45.69	1,815.37	1,200.18	50.65	29.67	25.82	12.96	55,690.82

Net Carrying amount

As at April 01, 2021	2,118.72	4,265.36	24.88	52,908.80	87.24	1,497.32	117.75	1,368.35	962.93	15.45	6.92	3.98	7.43	63,385.13
As at March 31, 2022	3,094.08	4,109.12	18.27	51,354.77	56.29	1,457.55	22.09	1,245.01	871.96	13.45	4.10	4.44	6.58	62,257.71
As at March 31, 2023	3,094.08	3,952.37	15.19	49,957.43	53.48	1,417.78	20.87	1,121.66	781.00	11.32	4.56	4.70	4.53	60,438.97

Notes :

(i) The above assets have been hypothecated on a project by project basis to secure borrowings of the Group.

(ii) ITPCL has constructed a thermal based power project of 1200 Mega Watt (MW) in two units (Unit I and Unit II) of 2 X 600 MW each (during Phase I). Unit I achieved its Commenced Operations Date ("COD") in the year 2015-16, and Unit II achieved COD in the year 2016- 17. ITPCL entered into a Power Purchase Agreement ("PPA") with TANGEDCO in respect of Unit I, for a period of 15 years, effective June 01, 2014. In respect of Unit II, ITPCL has entered into a PPA effective April 1, 2019, for a period of 3 years.

Management of ITPCL performed an assessment of the recoverable amount of the above-mentioned Cash Generating Unit (CGU), and related provision for impairment, as at March 31, 2023, under the requirements of Ind-AS 36, Impairment of Assets. The Management obtained a third-party valuation on a Fair Market Value less cost of disposal of the CGU and also calculated value in use based on present value of future cash flows. On comparing the two methods, though the value in use is higher than the carrying value of the CGU, the difference in the value is marginal and hence no impairment provision or reversal has been considered in current financial year. ITPCL has provided an impairment loss provision during the previous year ended March 31, 2022 - Rs. 512.80

In respect of land the recoverable value is higher than the carrying value. Accordingly, out of the total impairment losses of earlier years Rs. 1,522.55, an amount of Rs. 975.30 of impairment loss was reversed during the previous year ended March 31, 2022.

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NOTE 5b

The Holding Company has lease contracts for its various office premises used in its operations with lease terms between 1 to 5 years.

The Holding 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 for offices covered under long term lease, the Holding Company is not incurring any expense on borrowings.
- Applied the exemption not to recognize right-of-use asset and liabilities for leases which are having cancellation clause and recognized those as short term lease.

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

Particulars	Amount (Rs. Million)
As at April 01, 2021	41.36
Additions	-
Less: Depreciation expense	8.26
Less: Reclassification to assets held for sale	32.93
As at March 31, 2022	0.17
Additions	-
Less: Depreciation expense	0.17
Less: Reclassification to assets held for sale	-
As at March 31, 2023	0.00

Set out below are the carrying amounts of lease liability recognised and the movements during the year

Particulars	As at March 31, 2023 (Rs. Million)	As at March 31, 2022 (Rs. Million)	As at April 01, 2021 (Rs. Million)
Opening Balance	0.20	9.66	10.51
Additions	-	-	5.58
Accretion of interest	-	0.09	0.33
Payments	0.20	4.81	6.76
Written back due to foreclosure	-	4.74	-
Closing Balance	(0.00)	0.20	9.66
Current	-	0.20	6.93
Non-current	-	-	2.73

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

Particulars	As at March 31, 2023 (Rs. Million)	As at March 31, 2022 (Rs. Million)	As at April 01, 2021 (Rs. Million)
Depreciation expense of right-of-use assets	0.17	8.26	6.14
Interest expense on lease liabilities	-	0.09	0.33
Expense relating to short-term leases with a remaining maturity of less than 12 months (included in Rent)	-	-	2.84
Expense relating to leases having short term maturity	12.15	9.50	13.48
Total	12.32	17.85	22.79

The lease with respect to two premises have been closed during the previous year as Holding Company shifted its office premises in a new leased building with effect from December 1, 2021

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

NOTE 6

Goodwill

	As at 31.03.2023	As at 31.03.2022	As at 01.04.2021
	Rs. Million	Rs. Million	Rs. Million
Balance at the beginning of the Year	6,707.59	6,707.59	6,707.59
Reversal during the year on disposal of subsidiary	-	-	-
Impairment	(6,707.59)	(6,707.59)	(6,707.59)
Transferred to assets held for sale	-	-	-
	<u>-</u>	<u>-</u>	<u>-</u>

The Group tests goodwill annually for impairment. Goodwill relates to subsidiaries which are identified as individual Cash Generating Units.

As per note 2, as the holding company had defaulted on its borrowing obligations and the credit rating of the holding and the IL&FS Group was downgraded, the group has recognised a provision for impairment against goodwill.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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NOTE 7

Other intangible assets

i Carrying amount

	As at 31.03.2023	As at 31.03.2022	As at 01.04.2021
	Rs. Million	Rs. Million	Rs. Million
Software	0.61	0.78	0.64
Coal Mining Rights	-	(0.00)	(0.00)
	0.61	0.78	0.64

ii Cost

	Software	Coal Mining Rights	Technical know how	Total
	Rs. Million	Rs. Million	Rs. Million	Rs. Million
As at April 01, 2021	128.11	3,903.75	8.06	4,039.92
Add: Additions	0.36	-	-	0.36
Less: Reclassification to assets held for sale	-	-	(9.50)	(9.50)
As at March 31, 2022	128.48	3,903.75	(1.44)	4,030.79
Add: Additions	-	-	-	-
As at March 31, 2023	128.48	3,903.75	(1.44)	4,030.79

iii Accumulated amortisation

As at April 01, 2021	127.47	3,903.75	8.06	4,039.28
Add: Amortisation	0.22	-	-	0.22
Less: Reclassification to assets held for sale	-	-	(9.50)	(9.50)
As at March 31, 2022	127.69	3,903.75	(1.44)	4,030.01
Add: Amortisation	0.18	-	-	0.18
As at March 31, 2023	127.87	3,903.75	(1.44)	4,030.18

Carrying amount

As at April 01, 2021	0.64	(0.00)	-	0.64
As at March 31, 2022	0.78	(0.00)	-	0.78
As at March 31, 2023	0.61	(0.00)	-	0.60

	Year ended 31.03.2023	Year ended 31.03.2022	Year ended 01.04.2021
	Rs. Million	Rs. Million	Rs. Million
Reconciliation of depreciation and amortisation with statement of profit or loss			
Depreciation on Property, plant and equipment as per note 5a	1,989.95	1,981.50	1,996.26
Amortisation on Intangible assets as per note 7	0.18	0.22	0.12
Depreciation on ROU as per note 5b	0.17	8.26	6.14
	1,990.29	1,989.98	2,002.52
Less: Depreciation on assets reclassified to held for sale as per note 16	-	-	-
Depreciation and amortisation as per statement of profit or loss	1,990.29	1,989.98	2,002.52

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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	As at 31.03.2023 (Units)	As at 31.03.2023 Rs. Million	As at 31.03.2022 (Units)	As at 31.03.2022 Rs. Million	As at 01.04.2021 (Units)	As at 01.04.2021 Rs. Million
NOTE 8						
Investments						
Investments - Non-current (Unquoted), all fully paid up						
(a) Investments accounted by using the equity method		1,191.80		1,130.53		3,978.27
(b) Investments carried at fair value through profit or loss		52.28		48.66		45.49
(c) Investments carried at amortised cost		57.19		57.19		391.17
Total investments before impairment		1,301.27		1,236.38		4,414.93
Less: Impairment in the value of investments		(57.08)		(57.07)		(1,709.89)
Investment in equity instruments						
Total investments (net)		1,244.19		1,179.31		2,705.04
(a) Investments in equity instruments (accounted for using the equity method) of Joint Venture companies (see note i & iv)						
A. ONGC Tripura Power Company Limited		-		-	13,47,34,328	2,967.50
B. Assam Power Project Development Company Limited	25,000	-	25,000	-	25,000	-
C. Cross Border Power Transmission Company Limited	1,84,33,615	482.96	1,84,33,615	466.98	1,84,33,615	421.68
D. Bihar Power Infrastructure Company Private Limited	25,000	-	25,000	-	25,000	-
E. Saurya Urja Company of Rajasthan Limited	6,49,68,650	708.84	6,49,68,650	663.55	6,49,68,650	589.09
Total (a)		1,191.80		1,130.53		3,978.27
(b) Investments carried at fair value through profit or loss						
I. Equity instruments of other entities (see note ii)						
A. Power Transmission Company Nepal Limited	4,50,000	52.28	4,50,000	48.66	4,50,000	45.49
B. Shalivahana Green Energy Limited	2,02,44,480	-	2,02,44,480	-	2,02,44,480	-
C. KVK Nilachal Power Private Limited	51,80,000	-	51,80,000	-	51,80,000	-
D. ACB (India) Limited	1,77,78,864	-	1,77,78,864	-	1,77,78,864	-
Total (b)		52.28		48.66		45.49
(c) Investments carried at amortised cost						
I. Debentures, bonds and other						
A. Non Convertible Debentures (NCDs) of Infrastructure Leasing & Financial Services Limited	68,540	57.07	68,540	57.07	68,540	57.07
B. Optionally Fully Convertible Debentures of Punjab Biomass Power Limited (Debentures of Rs 10 each) (see note iii)	-	-	3,33,97,818	-	3,33,97,818	333.98
C. Government Securities (National Savings Certificates)	-	0.12	-	0.12	-	0.12
Total (c)		57.19		57.19		391.17
Total [(a)+(b)+(c)]		1,301.27		1,236.38		4,414.93
Aggregate amount of impairment in the value of investments		(57.08)		(57.07)		(1,709.89)
Total Investments (net)		1,244.19		1,179.31		2,705.04
Disclosure						
Non Current Investments						
Aggregate Value of (unquoted) investments		1,301.27		1,236.38		4,414.93
Aggregate Value of impairment (unquoted) investments		(57.08)		(57.07)		(1,709.89)
Aggregate amount of carrying value of Investments		1,244.19		1,179.31		2,705.04

Notes:

- i. Investment in Joint Ventures includes goodwill : Rs. Nil million (As on March 31, 2022 : Rs. Nil million), net of capital reserve:Rs. 0.69 million (As on March 31, 2022 : Rs. 0.69 million)
- ii. With respect to three companies namely KVK Nilanchal Power Private Limited ("KVK"), SV Power Private Limited and Shalivahana Green Energy Limited, the Holding Company has Nil carrying amount in respect of investment. Considering that KVK is already under liquidation process, the management had already impaired the full value of investment till March 31, 2021 and believes that the impairment recognised in earlier years need not to be re-assessed accordingly, has not made any further adjustments in these consolidated financial statements.
- In respect of KVK the Holding Company is in the process of getting 3,533,500 equity shares transferred in its name as March 31, 2021 (March 31, 2020 : 3,533,500 equity shares). The same is pledged by the erthwhile holder with the lenders of the loan taken by KVK.
- iii. Optionally fully convertible debentures carries interest rate of 17.50% to 17.65% (As at March 31, 2022: 17.50% to 17.65%)
The debentures were to be converted into 33,39,78,180 equity shares having face value of Rs 1 each by October 2020. The same has been written off during the year
- iv. With respect to two Company's namely- Cross Border Power Transmission Company Limited (Cross Border) and Power Transmission Company Nepal Limited (PTCN), the Holding Company has carrying value of total exposure of Rs. 482.21 million and 48.66 million, respectively as at March 31, 2023 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.
- In case of other investment in OTPC (divested earlier), Justic D K Jain has 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 Holding Company. The management has adopted the same approach for the investment held in PTCN and Cross Border. Further Holding Company has not received the latest financials of these companies hence have not done any fair value of the investments in these companies.
- Further, in respect of the other joint venture companies named as Saurya Urja Company of Rajasthan Limited ("Saurya Urja"), the Holding Company has computed the the recoverable value of the shares based on the Net Assets and has accordingly recognised net asset gain of Rs. 45.29 million in respect of this joint venture company in these consolidated 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 consolidated financial statements
- Further in case of Bihar Power Infrastructure Company Private Limited ("Bihar Power"), Assam Power Project Development Company Limited ("Assam Power") where Company has filed the application to NCLT for closure of Assam Power under Section 361 of Companies Act and for Bihar Power under Section 271(e) of Companies Act, no further adjustment has been made.
- v. 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 Holding Company has an investment of Rs. 360.50 million and receivables of Rs. 859.88 million on account of other receivable, loans given and interest thereon. Further during the previous year, Nana Layja has applied for voluntary liquidation and liquidator has been appointed during the FY 22-23. As Management Control of the Holding Company ceases to exist hence investment in Nana Layja has been classified as other investment. The Holding Company has made provision of Rs 1.43 million during the year resulting into impairment of all the investment and receivables as at March 31, 2023
- vi. IRP/Liquidator has been appointed for Mota Layja Gas Power Company Limited/Cuddalore Solar Power Private Limited respectively during the year. As Management Control of the Holding Company ceases to exist on these companies, hence investment in these companies has been classified as other investment.
- vii. In earlier years, the Holding 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 Holding Company. During the previous years, due to consequences of the events as discussed in note 2 above, the Holding 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 financial statements based on the current market scenarios and business position of the Group.
- viii. In earlier year, the Holding 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 Holding 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 financial statements.
- ix. In respect of Punjab Biomass Power Limited (PBPL), the Company has given loan of Rs. 215.92 million and has other receivables of Rs. 158.15 million. Further the Holding Company has investment of Rs. 198.68 million. Till March 31, 2021, the Holding Company had provided for the whole amount recoverable as doubtful of recovery. During the previous year, based on the liquidation process of Punjab Biomass, the loan and receivables from PBPL has been written off
- x. In respect of erstwhile associate company named as Himachal Sorang Power Limited ("Himachal Sorang"), the Holding 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 Holding 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 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 financial statements.
- xi. During the previous year, Board has approved the written off of investment in Punjab Biomass Power Limited and deemed equity in Wind Urja India Limited, Lalpur Wind Energy Limited, Tadas Wind Energy Private Limited and Ratedi Wind Energy Private Limited vide its meeting dated September 02, 2022. The impact of the same is considered in FY 2021-22 financial statements

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

NOTE 8 continued

A Details of material Joint Venture entities

Details of each of the Group's material Joint Ventures at the end of the reporting year are as follows :

Sr. No.	Name of Joint Venture	Principal activity	Place of incorporation and Principal place of business	Proportion of ownership interest/ voting rights held by the Group		
				As at 31.03.2023	As at 31.03.2022	As at 01.04.2021
1.	ONGC Tripura Power Company Limited*	Generation of power	India	0.00%	12.03%	12.03%
2.	Cross Border Power Transmission Company Limited	Transmission of power	India	38.00%	38.00%	38.00%
3.	Saurya Urja Company of Rajasthan Limited	Development of solar energy park	India	50.00%	50.00%	50.00%

All the above Joint Venture entities are accounted for using the equity method in these consolidated financial statements.

Summarised financial information in respect of each of the Group's material Joint Venture entities is set out below.

The summarised financial information below represents amount shown in the Joint Venture's financial statement prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

1. ONGC Tripura Power Company Limited

Particulars	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
Non-current assets			28,018.91
Current assets			6,239.50
Non-current liabilities			(15,552.10)
Current liabilities			(4,581.69)
	-	-	14,124.62
The above amounts of assets and liabilities includes the following:			
Cash and cash equivalents			591.80
Current financial liabilities (excluding trade payables and provisions)			(4,264.58)
Non-current financial liabilities (excluding trade payables and provisions)			(14,527.67)
Particulars	Year ended 31.03.2023 Rs. Million	Year ended 31.03.2022* Rs. Million	Year ended 01.04.2021 Rs. Million
Revenue	-	4,607.84	16,792.60
Profit for the year	-	145.19	2,241.47
Other comprehensive income / (loss) for the year	-	0.10	1.12
Total comprehensive income for the year	-	145.29	2,242.59
The above profit for the year include the following:			
Depreciation and amortisation	-	765.60	1,964.90
Interest income	-	-	263.74
Interest expense	-	416.81	1,421.84
Income-tax expense / (income)	-	105.83	441.30

(*The above figures of OTPC for the previous year has been taken till August 13, 2021)

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

NOTE 8 continued

Reconciliation of the above summarised financial information to the carrying amount of interest in ONGC Tripura Power Company Limited recognised in the consolidated financial statements:

Particulars	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
Net assets of the Joint Venture	-	-	14,124.62
Proportion of the Group's ownership interest	0.00%	12.03%	12.03%
Proportion of the Group's ownership interest in net assets	-	-	1,699.19
Consolidation adjustments	-	-	25.86
Goodwill	-	-	1,242.45
Carrying amount of the Group's interest before impairment	-	-	2,967.50
Less: Impairment in the value of investment	-	-	-
Net carrying value of investment	-	-	2,967.50

2. Cross Border Power Transmission Company Limited

Particulars	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
Non-current assets	1,789.92	1,918.14	2,037.68
Current assets	727.16	660.22	548.33
Non-current liabilities	(960.28)	(1,131.45)	(1,259.58)
Current liabilities	(245.81)	(177.93)	(176.68)
	1,310.99	1,268.97	1,149.75
The above amounts of assets and liabilities include the following :			
Cash and cash equivalents	349.19	261.71	182.41
Current financial liabilities (excluding trade payables and provisions)	235.17	152.94	155.56
Non-current financial liabilities (excluding trade payables and provisions)	959.68	1,087.63	1,215.59

Particulars	Year ended 31.03.2023 Rs. Million	Year ended 31.03.2022 Rs. Million	Year ended 01.04.2021 Rs. Million
Revenue	329.53	344.77	334.32
Profit for the year	163.29	172.59	151.91
The above profit for the year include the following:			
Depreciation and amortisation	0.16	0.18	0.26
Interest income	255.37	272.51	262.48
Interest expense	113.15	123.67	136.12

Reconciliation of the above summarised financial information to the carrying amount of interest in Cross Border Power Transmission Company Limited recognised in the Consolidated Financial Statements:

Particulars	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
Net assets of the Joint Venture	1,310.99	1,268.97	1,149.75
Proportion of the Group's ownership interest	38.00%	38.00%	38.00%
Proportion of the Group's ownership interest in net assets	498.18	482.21	436.90
Consolidation adjustments	(14.53)	(14.54)	(14.53)
Goodwill/(Capital reserve)	(0.69)	(0.69)	(0.69)
Carrying amount of the Group's interest	482.96	466.98	421.68

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

NOTE 8 continued

3. Saurya Urja Company of Rajasthan Limited

Particulars	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
Non-current assets	1,033.56	997.15	1,052.93
Current assets	1,979.86	1,896.82	1,776.10
Non-current liabilities	(1,017.41)	(1,007.12)	(1,057.69)
Current liabilities	(578.34)	(559.74)	(593.20)
	1,417.68	1,327.11	1,178.14
The above amounts of assets and liabilities include the following :			
Cash and cash equivalents	1,475.60	1,411.63	1,186.53
Current financial liabilities (excluding trade payables and provisions)	496.80	104.80	152.52
Non-current financial liabilities (excluding trade payables and provisions)	995.91	981.64	1,045.06

Particulars	Year ended 31.03.2023 Rs. Million	Year ended 31.03.2022 Rs. Million	Year ended 01.04.2021 Rs. Million
Revenue	359.57	534.12	1,208.23
Profit /(Loss) for the year	91.02	149.08	301.72
The above profit / (loss) for the year include the following:			
Depreciation and amortisation	12.40	6.88	5.70
Interest income	56.74	49.51	34.82
Interest expense	83.10	81.78	82.66
Income-tax expense	34.35	57.81	104.91

Reconciliation of the above summarised financial information to the carrying amount of interest in Saurya Urja Company of Rajasthan Limited recognised in the consolidated financial statements:

Particulars	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
Net assets of the Joint Venture	1,417.68	1,327.11	1,178.14
Proportion of the Group's ownership interest	50.00%	50.00%	50.00%
Proportion of the Group's ownership interest in net assets	708.84	663.55	589.07
Consolidation adjustments	(0.02)	(0.02)	0.00
Goodwill/(Capital reserve)	0.02	0.02	0.02
Carrying amount of the Group's interest	708.84	663.55	589.09

C Aggregate information of Joint Ventures that are not individually material

Sr. No.	Name of Joint Venture	Principal activity	Place of incorporation and Principal place of business	Proportion of ownership interest/ voting rights held by the Group		
				As at 31.03.2023	As at 31.03.2022	As at 01.04.2021
1.	Assam Power Project Development Company Limited	Consultancy services	India	50.00%	50.00%	50.00%
2.	Bihar Power Infrastructure Company Private Limited	Consultancy services	India	50.00%	50.00%	50.00%

The Board of BPIC is not in place, the financials of the BPIC are not available for FY 22-23. Further the investment in BPIC has already been fully impaired hence the impact on the consolidated financial will be immaterial.

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

	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
NOTE 9			
Inventories			
Valued at lower of cost or net realisable value			
(a) Stores and spares including goods in transit of Rs. Nil (goods in transit as on 31.03.2022- Rs. Nil)	621.55	536.10	962.29
(b) Fuel	3,629.07	1,072.10	1,486.95
	4,250.62	1,608.20	2,449.24

Refer note 23 for Inventories pledged as security for liabilities
In ITPCL, there has been no write down of Inventories.

NOTE 10

Trade receivables
Unsecured

a) Non-current	15,333.44	16,490.33	2,220.95
	15,333.44	16,490.33	2,220.95
b) Current			
(i) Considered good	12,053.80	14,209.27	16,676.81
(ii) Considered doubtful	5,830.86	4,615.61	3,881.76
	17,884.66	18,824.88	20,558.57
	(5,836.44)	(4,621.05)	(3,881.76)
Less: Impairment for doubtful debts	12,048.22	14,203.83	16,676.81

Notes:

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

For charge created on receivables (Refer Note 23)

Impairment for doubtful debts (including expected credit loss allowance)

The Group closely monitors the credit quality of its trade receivables. Accordingly, there is no significant credit risk pertaining to the receivable except in certain cases where the Group has made allowance for the expected credit loss considering the estimated recoverability time frame for the receivables.

Movement in impairment for doubtful debts (including expected credit loss allowance)

Opening balance	4,621.05	3,881.76	2,671.56
Change during the year	1,215.10	741.34	1,271.19
Bad debts w/off	-	-	(50.09)
Adjusted towards assets held for sale	0.29	(2.05)	-
Reversed during the year	-	-	(10.90)
Closing balance	5,836.44	4,621.05	3,881.76

NOTE 11a

Cash and cash equivalents

For the purposes of the statement of cash flows, cash and cash equivalents include cash on hand and in banks, cheques, drafts on hand and does not include balances with banks in earmarked accounts (Refer note 11b). Cash and cash equivalents at the end of the reporting period as shown in the statement of cash flows can be reconciled to the related items in the balance sheet as follows:

(a) Cash on hand	-	0.01	-
(b) Balance with banks			
- in current accounts	50.84	410.30	468.37
- in demand deposit accounts	2,490.33	2,240.31	19,298.07
	2,541.17	2,650.62	19,766.45
Cash and cash equivalents as per statement of cash flow	2,541.17	2,650.62	19,766.45

NOTE 11b

Other bank balances

(a) Balance with banks in earmarked accounts:			
(i) deposits accounts held as margin money with banks	663.90	592.57	398.63
(ii) Deposit held for distribution purpose with bank	4,329.91	3,896.72	2,352.84
(iii) In escrow account with security agent of long term lenders*	2,180.58	16,061.00	713.41
(b) Deposits with original maturity of less than 3 months*	14,424.08	-	-
(c) Deposit with remaining maturity for less than 12 months*	16,779.21	8,113.67	6,839.12
	38,377.68	28,663.96	10,304.00

Notes:

*ITPCL has an escrow account with Punjab National Bank (Large Corporate Branch) escrow agent, on behalf of all the term loan lenders of the Consortium. As part of the agreement, the balances with the escrow account agent are part of the security structure in favour of lenders and hence its usage is restricted to payments as approved by the lenders.

ITPCL has placed Fixed deposit of Rs 192.56 mn (PY Rs 192.56 mn) as margin towards bank guarantee and Debt Service Reserve Account (DSRA).

Deposit with original maturity of less than 3 months will be credited to Escrow account on maturity, hence considered as bank balance other than cash and cash equivalents.

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

	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
NOTE 12			
Loans			
I. Non-current			
(Secured)			
Loans to others			
- Considered good	497.47	695.20	782.72
- Considered doubtful	725.46	725.46	725.46
Less: Allowance for bad and doubtful loans	(725.46)	(725.46)	(725.46)
(Unsecured and considered good)			
Loans to related parties	2.62	2.62	2.62
Loans to others	181.56	-	-
(Unsecured and considered doubtful)			
Loans to related party	132.38	132.38	132.38
Less: Allowance for bad and doubtful loans	(132.38)	(132.38)	(132.38)
	681.65	697.82	785.34
II. Current			
(Unsecured)			
(a) Loans to related parties			
- Considered good	21.46	142.64	142.64
- Considered doubtful	22.72	22.72	22.72
Less: Allowance for bad and doubtful loans	(22.72)	(22.72)	(22.72)
(b) Loans to others			
- Considered good	177.93	2.01	2.02
- Considered doubtful	2,333.89	1,502.71	1,702.58
Less: Allowance for bad and doubtful loans	(2,333.89)	(1,502.71)	(1,702.58)
(c) Inter-corporate deposits to related parties			
- Considered good	-	102.92	116.38
- Considered doubtful	1,784.51	1,797.96	1,784.51
Less: Allowance for bad and doubtful loans	(1,784.51)	(1,797.96)	(1,784.51)
(d) Inter-corporate deposits to others			
- Considered good	9.47	-	-
- Considered doubtful	0.40	-	16.06
Less: Allowance for bad and doubtful loans	(0.40)	-	(16.06)
	208.86	247.57	261.04
Movement in allowance for Bad and doubtful loans			
Opening balance	4,181.23	4,383.71	4,732.77
Change during the year	818.13	(202.48)	(349.06)
Closing balance	4,999.36	4,181.23	4,383.71

Note:

(1) Consequent to the various matters mentioned in Note 2 and 3 to these consolidated financial statement, the normal business operations of the Holding Company as they existed until September 30, 2018 have ceased. The Holding Company is unable to locate loan agreements in respect of 8 loans of Rs. 695.92 million extended to group companies and 10 loans of Rs. 1,462.92 million to extended third parties. The management believes that this will not have any adverse impact on these consolidated financial statements. The management believes that as these loans were given prior to Oct 15, 2018 hence need not to be renewed. Further interest income is not recognised after October 15, 2018 on these loan. Also refer note 8 and 67 for details of investments made, loans and deposits given to related parties.

Pursuant to the approval of Hon'ble NCLT, during the year Holding Company has consummate the transaction of Ramagiri Renewable Energy Limited (RREL). Pending final distribution of amount received by the Holding Company on behalf of RREL, Holding Company has made the reversal of provision of Rs 81.75 mn based on the distribution working done by the claim management agency.

Pursuant to the approval of Hon'ble NCLT, during the year Holding Company has consummate the transaction of Urjankur Shree Tatyasaheb Kore Warana Power Company Limited and accordingly written off the balance amount of 37.07 mn on account of loan and interest accrued thereon. The same was already provided for in earlier years.

(2) The Loan of Rs. 2100 Mn given by IL&FS Financial Services Limited to Wind World Wind Farms (MP) Pvt. Limited ("WWWFMP") was assigned to Vejas Power Project Limited (VPPL) in December 2015. As the recovery is uncertain, the VPPL has not recorded any interest income on the same since April 01, 2018 and amount recovered has been adjusted from opening outstanding interest and principal. Due to debit Freeze of Escrow account, there was no recoveries from 20th July 2021 to 15th September 2022. Considering the uncertainty in the timing of recoverability, the same has been disclosed as Non current asset.

The VPPL filed application before the Honorable National Company Law Tribunal (NCLT), Mumbai for initiating insolvency resolution process against Vaayu Infrastructure LLP (Vaayu) (being one of the Corporate Guarantee Providers) under the Insolvency and Bankruptcy Code, 2016 (IBC) due to continuous default by the Wind World Wind Farms (MP) Pvt. Limited ("WWWFMP"). The petition of VPPL was accepted on Aug 30, 2019, however the same was dismissed on the appeal of Partners of Vaayu in January 06, 2023.

In February 2021, the VPPL also filed application before the Honorable National Company Law Tribunal (NCLT), Mumbai for initiating insolvency resolution process against Vish Wind Infrastruktire LLP (Vish Wind) (being the other Corporate Guarantee Provider) which was also dismissed by NCLT vide its order dated 9th February 2023.

Based on advice of Group Executive Committee (GEC), the Management is exploring the opportunity to sale the financial asset.

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

	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
NOTE 13			
Other financial assets			
I Non-current (Unsecured and considered good)			
(a) Interest accrued on:			
i. loans and investments	-	20.43	-
ii. deposits	134.41	100.69	86.92
(b) Fixed deposits under lien (maturity more than twelve months)**	119.17	119.17	125.52
(c) Other Bank deposits (due after 12 months)	325.22	325.96	1,779.10
(d) Security Deposits	22.10	22.43	24.40
Less : Provision for Impairment of Security Deposit	(0.30)	(0.30)	-
(e) Earnest money deposit and other advances	-	-	0.81
	600.60	588.38	2,016.75
II Current			
Considered good			
(a) Unbilled revenue	1,567.23	4,282.91	2,591.53
(b) Interest accrued on:			
i. on deposits	265.56	84.71	100.24
ii. on advances to related parties	-	-	6.84
iii. on advances to other parties	-	-	0.01
iv. on fixed deposit	70.82	51.69	55.95
(c) Advance to suppliers (refer note 56)	249.98	249.97	249.97
(d) Receivables for sale of investment	-	111.00	111.00
(e) Deposits with statutory authorities	-	-	0.08
(f) Security deposits	165.18	323.77	12.89
(g) Balance with government authorities	45.58	-	-
(h) Other balances with banks*	89.77	-	-
(i) Other receivables	33.36	27.40	26.81
	2,487.48	5,131.45	3,155.32
Considered doubtful			
(a) Interest accrued on:			
i. on investments	274.86	222.37	359.75
ii. on loans and advances	1,007.71	742.40	776.61
(b) Receivables for sale of investment	211.00	100.00	100.00
(c) Other receivables	2.45	-	-
(d) Other advances	31.74	31.74	31.74
	1,527.76	1,096.51	1,268.10
Less: Allowance for doubtful debts	(1,527.76)	(1,096.51)	(1,268.10)
	-	-	-
	2,487.48	5,131.45	3,155.32
* Holding Company has received Rs 89.77 million from the buyer of RREL towards the settlement of creditors of RREL. Pending final distribution of the amount to the creditors of RREL, it is shown as liability (refer note 22). Though Holding Company is the major creditor for RREL, however management is of the view that holding company can't use the said funds until the final resolution of RREL is approved.			
** ITPCL has placed fixed deposit of Rs. 339.13 (PY Rs. 339.13) as margin towards bank guarantee and Debt Service Reserve Account (DSRA)			
Other financial assets have been hypothecated against borrowings of the Group (refer note 22)			
Movement in allowance for interest accrued (including current and non current)			
Opening balance	964.77	1,136.36	1,210.06
Change during the year	317.80	(171.59)	(73.70)
Closing balance	1,282.57	964.77	1,136.36
Movement in allowance of other advances and receivables (current)			
Opening balance	31.74	31.74	31.74
Change during the year	2.45	-	-
Closing balance	34.19	31.74	31.74
Movement in Receivables for sale of investment (current)			
Opening balance	100.00	100.00	1,480.00
Change during the year	111.00	-	(1,380.00)
Closing balance	211.00	100.00	100.00
NOTE 14			
Tax assets and liabilities			
(a) Income tax assets (Net)			
I Non-current			
Advance tax (net of provision for tax)	1,522.20	1,344.82	1,202.46
Add: Excess TDS paid now recoverable	7.83	7.83	7.89
Add : Advance Tax Paid	6.70	6.25	-
Add : TDS Receivable	4.52	4.34	-
Add : Income tax Receivable	0.22	-	-
Less: Current Income Tax liability	(75.11)	-	-
Less: Written Off - TDS Receivable (AY 2016 - 2017)	(7.12)	-	-
Less: Impairment	(8.01)	(7.15)	(0.03)
	1,451.23	1,356.09	1,210.32
(b) Income tax liabilities (Net)			
I Current			
-Provision for income tax (net of advance tax)	10.05	11.29	49.52
	10.05	11.29	49.52

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

	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
NOTE 15			
Other assets			
I Non-current			
(a) Capital advances			488.13
(i) to others	-	-	7.10
(b) Prepaid expenses	26.87	2.67	7.10
	26.87	2.67	495.23
II Current			
(a) Prepaid expenses	107.90	117.82	65.93
(b) Balances with government authorities	63.73	78.15	182.04
(c) Advance to suppliers	111.87	133.51	139.20
(d) Other receivables	6.18	6.18	12.23
(e) Advance interest	326.63	326.64	326.64
(f) Employee advance	-	1.70	-
(g) Accrued Interest Receivable on FD	0.20	-	-
(h) Gratuity fund (net)	8.69	8.27	1.69
	625.20	672.27	727.73
Less: Impairment allowance	-	-	(91.96)
	625.20	672.27	635.77
NOTE 16			
Assets classified as held for Sale (See note - B below)	113.87	295.42	-
(At carrying value or fair value whichever is less)			
Investment in equity instruments			
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (USTKWPL) (2,81,00,000 Equity share of Rs. 10 each)(See note - A below)	-	280.35	281.66
Nana Layja Power Company Limited (3,60,50,000 Equity share of Rs 10 each)	360.50	-	-
Mota Layja Gas Power Company Limited (50,000 Equity share of Rs 10 each)	0.50	-	-
Cuddalore Solar Power Private Limited (50,000 Equity share of Rs 10 each)	0.50	-	-
Less: Impairment	(361.50)	-	-
Investment in units of trusts			
Urjankur Nidhi Trust (55900 unit of Rs. 10 each)	-	314.76	316.08
	113.87	890.53	597.74
Liabilities associated with assets classified as held for sale (See note B below)			
	20.02	52.59	-
	-	600.00	600.00
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (USTKWPL) (2,81,00,000 Equity share of Rs. 10 each)(See note - A below)	20.02	652.59	600.00

Notes

A) The Holding Company (IL&FS Renewable Energy Limited, now amalgamated with the Holding 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 Holding 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 Warana 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 Holding 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 Holding Company. The management is in the process to locate the physical certificates of 31,030 units as earlier allotted to the Holding Company. The Holding Company has classified these investment as held for sale and recognised the same at Rs. 595.11 million (net of share transfer expenses of Rs. 29.83 million), and consideration of Rs. 600.00 million as received by the Holding Company from the buyer is disclosed as Liabilities directly associated with investments classified as held for sale on the face of the balance sheet. During the year end, the Holding Company has transferred the shares and units post approval from the Hon'ble NCALT and received the balance sale consideration.

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

Note 16 : Assets held for sale (Contd)

B) In the consolidated financial statement of the group, the two subsidiaries are treated as 'Held for sale':

i) In view of the steps taken by the IL&FS Group for resolution, Shendra Green Energy Limited, included in the group, is treated as held for sale on the date of signing of these consolidated financial statements. The Company's Sale process is underway and Share Purchase Agreement has been signed between the shareholder, the Company and the purchaser on June 04, 2022 and March 23, 2022. Application for obtaining necessary approval from the NCLT has also been filed on June 10, 2022 and March 23, 2022. Further the Company has received the bid for sale of Shendra and had filed the application in Hon'ble NCLT for approval. The said approval was received during the current year however pending fulfilment of certain conditions by the buyer, the actual consummation of transaction is pending. The distribution of the same will be determined by claim management agency post consummation of transaction.

ii) Pursuant to the approval of Hon'ble NCLT, during the year the Holding Company has consummate the transaction of Ramagiri Renewable Energy Limited (RREL).

Shareholding of the holding company in each subsidiaries are as follows:

Name of the Subsidiary	Domiciled In	Percentage of Shareholding
Shendra Green Energy Limited	India	100%
Ramagiri Renewable Energy Limited	India	0%

Financial position and performance, including the cash flow statement relating to these subsidiaries is set out below:

a) The carrying value of major classes of assets and liabilities of the company held for sale as at March 31, 2023 are as follows:

Particulars	As at 31 March 2023	As at 31 March 2022
	Rs. Million	Rs. Million
Property Plant and Equipment	78.16	106.30
Right to use assets	32.93	32.93
Other non current asset	1.76	3.33
Trade Receivable	-	83.60
Cash and Cash Equivalents	0.25	68.45
Other current assets	0.11	0.15
Inventories	0.66	0.66
Total Assets	113.87	295.42
Non current liabilities	-	20.80
Trade payables	16.30	26.41
Other current liabilities	3.71	5.37
Total Liabilities	20.02	52.59

b) Financial Performance and cash flow information for held for sale subsidiaries is as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Rs. Million	Rs. Million
Revenue	52.52	230.66
Other Income	2.13	0.32
Other direct expense	2.17	2.17
Finance costs	0.01	1.64
Employee benefits expense	7.52	27.40
Other expenses	44.18	145.11
Profit/ (Loss) before Tax	0.77	54.65
Tax expense: (D)	-	3.90
a. Current tax	-	3.90
Total Tax Expense	-	3.90
Profit/ (Loss) after Income Tax from discontinued operations	0.77	50.75

c) The net cash flows incurred by subsidiaries are, as follows:

Particulars	For the year ended March 31, 2023	For the year ended March 31, 2022
	Rs. Million	Rs. Million
Net Cash flow from operating activities	(0.31)	(7.11)
Net Cash inflow/outflow from investing activities (Includes amounts from (f) below)	(0.08)	8.56
Net Cash inflow/outflow from financing activities	-	-
Net increase/decrease in cash generated from discontinued operations	(0.39)	1.45

Particulars	As at 31 March 2023
	Rs. Million
Consideration received	-
Less : Expense incurred on disposal of subsidiaries	-
Net Consideration received	-
Add : Carrying amount of NCI	-
Less : Goodwill/Capital reserve on Consolidation	-
Less : Carrying amount of Net Assets Sold (refer note (e) below)	(164.62)
Profit / (Loss) on disposal of subsidiaries before Tax	164.62

e) Calculation of Net assets of subsidiaries sold during the year

Particulars	As at January 13, 2023
	Rs. Million
Property Plant and Equipment	28.14
Other non current asset	0.12
Cash and Cash Equivalents	1.04
Other current assets	0.14
Total Assets	29.44
Non current liabilities	20.78
Trade payables	0.07
Other current liabilities	173.21
Total Liabilities	194.06
Total Net Assets	(164.62)

Particulars	Rs. Million
f) Net cash inflows from disposal of subsidiary	-
Net Consideration Received	-
Cash and Cash Equivalents disposed off	(1.04)
Net cash inflows to be included in Investing Activities	(1.04)

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

NOTE 17	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Number of shares	Rs. Million	Number of shares	Rs. Million	Number of shares	Rs. Million

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 (March 31, 2022 Rs. 10 each) with voting rights	2,12,50,00,000	21,250.00	2,12,50,00,000	21,250.00	2,12,50,00,000	21,250.00

Issued, subscribed and fully paid up

a. Opening balance	1,28,35,64,664	12,835.65	1,28,35,64,664	12,835.65	1,28,35,64,664	12,835.65
b. Changes during the year	-	-	-	-	-	-
c. Closing balance	1,28,35,64,664	12,835.65	1,28,35,64,664	12,835.65	1,28,35,64,664	12,835.65

Terms and rights attached to equity shares

The Holding 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 Holding Company, holder of equity shares will be entitled to receive remaining assets of the Holding Company after distribution of all preferential amount. The distribution will be in proportionate to the number of equity shares held by the shareholders.

B Compulsorily Convertible Preference Share Capital ('CCPS')

Authorised

0.0001% Compulsorily Convertible Preference Shares ('CCPS') of Rs. 10 each (March 31, 2022 Rs. 10 each)	12,50,00,000	1,250.00	12,50,00,000	1,250.00	12,50,00,000	1,250.00

Issued, subscribed and fully paid up

(a) Opening balance	3,46,60,767	346.61	3,46,60,767	346.61	3,46,60,767	346.61
(b) Changes during the year	-	-	-	-	-	-
(c) Closing balance	3,46,60,767	346.61	3,46,60,767	346.61	3,46,60,767	346.61
Total share capital	1,31,82,25,431	13,182.26	1,31,82,25,431	13,182.26	1,31,82,25,431	13,182.26

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 Holding Company and shall be entitled to vote together with the holders of equity shares of the Holding 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 was to 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 December 02, 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.

The same are not converted into equity shares during the year.

Shares held by Promoters at year ended March 31, 2023

Sr.No	Promoter Name	No of Shares	% of Total Shares	% Change during the year
1	Infrastructure Leasing & Financial Services Limited, The Ultimate Holding Company	1,17,34,26,464.00	91%	Nil
2	IL&FS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr. Kaushik Modak	8,60,00,000.00	7%	Nil

Shares held by Promoters at year ended March 31, 2022

Sr.No	Promoter Name	No of Shares	% of Total Shares	% Change during the year
1	Infrastructure Leasing & Financial Services Limited, The Ultimate Holding Company	1,17,34,26,464.00	91%	Nil
2	IL&FS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr. Kaushik Modak	8,60,00,000.00	7%	Nil

Shares held by Promoters at year ended April 01, 2021

Sr.No	Promoter Name	No of Shares	% of Total Shares	% Change during the year
1	Infrastructure Leasing & Financial Services Limited, The Ultimate Holding Company	1,17,34,26,464.00	91%	Nil
2	IL&FS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr. Kaushik Modak	8,60,00,000.00	7%	Nil

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

NOTE 17 continued

Share capital

C Details of shares held by each shareholder holding more than 5% shares:

Promoter Name	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of	Number of shares held	% holding in that class of shares
Equity share capital						
Infrastructure Leasing & Financial Services Limited, the ultimate holding company	1,17,34,26,464	91.42%	1,17,34,26,464	91.42%	1,17,34,26,464	91.42%
ILFS Employee Welfare Trust through its trustees, Mr. Chandra Shekhar Rajan, Dr. Malini Shankar and Mr. Kaushik Modak	8,60,00,000	6.70%	8,60,00,000	6.70%	8,60,00,000	6.70%
Compulsorily Convertible Preference Share Capital ('CCPS')						
0.0001% Compulsorily convertible preference shares are held by Deepak Mawandia	2,47,87,863	71.52%	2,47,87,863	71.52%	2,47,87,863	71.52%
0.0001% Compulsorily convertible preference shares are held by Backbay Equity Partners LLP	98,72,904	28.48%	98,72,904	28.48%	98,72,904	28.48%

D Details of shares held by the ultimate 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:

Particulars	Aggregate number of shares					
	As at March 31, 2023		As at March 31, 2022		As at April 01, 2021	
	No of Shares held	Rs. Million	No of Shares held	Rs. Million	No of Shares held	Rs. Million
Fully paid up equity shares (face value - Rs.10) with voting rights						
Infrastructure Leasing & Financial Services Limited, India, the ultimate holding company	1,17,34,26,464	11,734.26	1,17,34,26,464	11,734.26	1,17,34,26,464	11,734.26

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

	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
NOTE 18			
Other equity			
a. Equity component of compound financial instruments (refer note a)			
Opening balance	2,405.89	2,405.89	2,405.89
Add: Adjustment for the period	-	-	-
	<u>2,405.89</u>	<u>2,405.89</u>	<u>2,405.89</u>
b. Securities premium account			
Opening balance	37,552.76	37,552.76	37,552.76
Add: Additions during the year	-	-	-
	<u>37,552.76</u>	<u>37,552.76</u>	<u>37,552.76</u>
c. General reserve			
Opening balance	36.85	36.85	7.60
Add: Adjustment for the period	-	-	29.25
	<u>36.85</u>	<u>36.85</u>	<u>36.85</u>
d. Debenture redemption reserve			
Opening balance	689.08	689.08	718.33
Add: Additions during the year	-	-	(29.25)
	<u>689.08</u>	<u>689.08</u>	<u>689.08</u>
e. Capital reserve created on consolidation			
Opening Balance	(5,222.53)	(5,222.53)	(5,222.53)
Add: Additions / (deletions) during the year	(166.79)	-	-
	<u>(5,389.32)</u>	<u>(5,222.53)</u>	<u>(5,222.53)</u>
f. Retained earnings			
Opening balance	(79,018.07)	(87,460.91)	(91,804.42)
Add / (less):			
Profit /(Loss) for the year	5,849.82	8,995.68	4,394.72
Other comprehensive income / (expense) (Net of taxes)	(0.15)	4.34	4.45
Less: Restatement impact	-	(557.18)	(55.66)
	<u>(73,168.39)</u>	<u>(79,018.07)</u>	<u>(87,460.91)</u>
g. Foreign currency translation reserve			
Opening balance	(143.80)	(702.18)	(659.97)
Add: Effect of foreign exchange rate variations during the year	(11.20)	1.24	(42.22)
Less: Restatement impact	-	557.14	-
	<u>(155.00)</u>	<u>(143.80)</u>	<u>(702.19)</u>
Total other equity	<u><u>(38,028.14)</u></u>	<u><u>(43,699.82)</u></u>	<u><u>(52,701.05)</u></u>

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

NOTE 18 continued

Other equity

Nature and purpose of reserves

a. Equity component of compound financial instrument:

The Holding Company has issued 247,000 Fully Compulsorily Convertible Debentures (FCCD) of Rs 10,000 each to Infrastructure Leasing & Financial Services Limited ("holder") during the year ended March 31, 2012. Terms of the FCCD have been changed in the financial year ended March 31, 2017, as per the revised terms of FCCD, the Holding Company has 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 Holding Company has an option to convert these FCCD along with the option premium and interest accrued from April 1, 2016 till the date of maturity into fix number of equity shares .Vide memorandum dated February 8, 2017, the Holding 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 regards.

b. Securities premium reserve:

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

c. 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.

d. Debenture redemption reserve:

The Holding 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 Holding Company has not created any additional debenture redemption reserve FY 2018-19 onwards. The management believes that this will not have any adverse impact on these consolidated financial statements

e. Capital reserve and capital reserve on consolidation:

This Reserve represents the difference between value of the net assets transferred to the Group in the course of business combinations and the consideration paid for such combinations.

f. Retained earnings:

Retained Earnings are the profits of the Group earned till date net of appropriations.

g. Foreign currency translation reserve:

This comprises of exchange differences arising from translation of financial statements/financial information of foreign operations.

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NOTE 19

Non Controlling Interest (NCI)

i Movement in NCI

	As at 31.03.2023	As at 31.03.2022	As at 01.04.2021
	Rs. Million	Rs. Million	Rs. Million
Balance at beginning of the year	15,824.38	13,778.94	13,014.71
Share of profit for the year	822.34	2,045.44	764.23
	16,646.72	15,824.38	13,778.94

ii Details of non-wholly owned subsidiaries that have non-controlling interests (NCI)

The table below shows details of non - wholly owned subsidiaries of the Group that have non-controlling interests

Name of Subsidiary	Place of incorporation and Principal place of business	Rs. Million								
		Ownership interest of NCI as at			Total comprehensive income / (loss) allocated to NCI			Accumulated NCI		
		31.03.2023	31.03.2022	31.03.2021	31.03.2023	31.03.2022	31.03.2021	31.03.2023	31.03.2022	31.03.2021
IL&FS Tamilnadu Power Company Limited (ITPCL)	India	19.68%	19.68%	19.68%	822.34	2,045.44	764.23	16,646.72	15,824.38	13,778.94
					822.34	2,045.44	764.23	16,646.72	15,824.38	13,778.94

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

	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
NOTE 20			
Other financial liabilities			
I Non-current			
At amortised cost			
Other payables	1.48	1.36	1.32
	1.48	1.36	1.32
II Current			
At amortised cost			
(a) Interest accrued and due on borrowings	2,296.10	2,305.67	977.49
(b) Payable towards capital expenditure	5,439.40	5,446.22	5,933.85
(c) Premium payable on redemption of debentures	1,055.85	1,055.85	1,055.85
(d) Retention money in respect of project contracts	2,463.62	2,463.18	2,463.12
(e) Debentures subscription fee payable	68.89	68.89	68.89
(f) Interest accrued on option premium payable	0.01	0.01	-
(g) Prepayment liability	13.88	13.88	13.88
(h) Other payables	4.96	2.82	167.15
(i) Statutory Dues	-	0.01	-
(j) Other liabilities	0.52	0.52	0.52
(k) Margin money payable	217.10	250.01	250.29
	11,560.33	11,607.06	10,931.04
NOTE 21			
Provisions			
I Non-current			
(a) Provision for employee benefits	4.10	5.26	18.09
(b) Provision for decommissioning liability	2.40	2.27	20.33
Add: Provision created during the year	0.05	0.05	0.05
Add: Unwinding of discount and effect of changes in discount rate	0.09	0.08	0.08
	6.64	7.66	38.55
II Current			
Provision for gratuity (net)	0.93	1.13	-
Provision for employee benefits (see note 54)	10.48	19.30	7.85
	11.41	20.43	7.85
Movement of provision for decommissioning liability			
Opening balance	20.46	20.46	20.33
Provision recognised during the year	0.05	0.05	0.05
Unwinding of discount	0.08	0.08	0.08
Reclassification to assets held for sale	(18.19)	(18.19)	-
	2.40	2.40	20.46
Provision for decommissioning liability are initially measured at the estimated cost that the group will incur upon the end of the useful life of the related asset, discounted at an appropriate risk adjusted discount rate. The estimates used in measuring the decommissioning liability are reviewed annually. Any change in the estimate are adjusted to the cost of assets and the unwinding of discount is recognised in the statement of profit or loss as finance costs.			
NOTE 22			
Other liabilities			
I Non-current			
(a) Operation and maintenance cost equalisation reserve	2.45	2.57	2.73
(b) Advances from Customers	3.58	3.47	-
(c) Deferred government grant (see note 55)	7,991.70	8,240.04	8,488.45
	7,997.73	8,246.08	8,491.18
II Current			
(a) Income received in advance	7.10	7.10	8.50
(b) Deferred Government Grant (see note 55)	248.36	248.39	248.37
(c) Other payables - statutory dues	377.59	393.23	392.50
(d) Advance from customers	5.63	6.17	15.08
(e) Other payables - others	88.92	-	-
(f) Provision	-	0.05	0.05
	727.60	654.94	664.50

NOTE 23	As at 31.03.2023	As at 31.03.2022	As at 01.04.2021
	Rs. Million	Rs. Million	Rs. Million
Current borrowings (at amortised cost)			
(a) Term loans			
(i) From banks			
- Secured (see note (i) & (ii) below)	9,451.29	9,418.39	9,418.39
- Unsecured	44.94	44.94	44.94
(ii) From related parties- Unsecured	-	-	150.65
(iii) Current maturity of long term borrowings (Secured)			
- Debentures	7,206.12	7,206.12	7,206.12
- Term loans from banks	58,144.18	58,140.68	58,137.17
- Term loans from other parties	1,140.00	1,140.00	1,140.00
- Term loans from related parties	23,482.05	26,225.50	26,225.50
- Term loans from Financial Institutions	7,294.13	7,294.12	7,294.12
(iv) Current maturity of long term borrowings (Unsecured)			
- Debentures	6,500.00	6,500.00	6,500.00
- Term loans from banks	5,055.76	5,055.76	5,055.76
- Term loans from related parties	3,084.25	3,058.85	3,997.13
(b) Inter corporate deposits from related party - unsecured	1,298.50	1,298.50	1,298.50
(c) Buyers Credit- Unsecured	778.27	778.27	778.27
	1,23,479.49	1,26,161.12	1,27,246.55

Notes:

- i. Cash credit limit of Rs. 500.00 million is secured by first charge on current assets (excluding current investments of the holding 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, 2022: 9.30% p.a). The loan was due for repayment on September 28, 2018 and has not been repaid till date.
- iii. Loans repayable on demand from banks represents cash credit facilities availed by ITPCL. The principal moneys due from time to time and all interest thereon calculated from day to day at the rate hereinafter mentioned, additional interest, interest tax at the rate as in force, and the amount of all charges, commission and expenses etc. are secured by way of first pari-passu charge on:
 - (a) The present and future stocks of raw materials including in transit, work in process stores and spares (hereinafter referred to as the Goods), which belong to it and which now or hereinafter from time to time during the continuance of this agreement shall be brought in, stored or be in or about its premises or godowns at Cuddalore or any other godowns or be in the course of transit from one godown to another or wherever else the same may be and
 - (b) the present and future book debts, operating cash flows, outstanding decrees, money receivables, claims, securities, Government subsidies, investments, rights and other moveable assets excluding bills purchased/discounted by Bank and bills against which advances have been made (all of which are hereinafter referred to as 'Book Debts') which belong to the Borrower and which now or hereinafter from time to time during the continuance of this Agreement may belong to it (the said 'Goods' and 'Book Debts are hereinafter referred to as 'hypothecated assets/'the Securities' apart from other Securities as more fully described in the Schedule hereto), as security for payment of the balance due to the Bank by the Borrower at any time or ultimately found due on the Bank by them at any time or ultimately found due on the closing of the said Accounts and for payment of all debts and liabilities mentioned hereafter.
- 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 ie as on March 31, 2023: 16% (March 31, 2022: 16% p.a.). The deposit was due for repayment on June 30, 2018.
- v. The deposit was repayable at the end of 6 months from the date of disbursement. Rate of interest is linked to IFIN benchmark rate ie as on March 31, 2023: 16% (March 31, 2022 : 16% p.a.). The deposit was due for repayment on September 30, 2018 however it is yet to be repaid
- vi. The Holding 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 Holding Company has not repaid the amount which were due during the period subsequent to October 15, 2018.
- vii. Bank Gaurantee issued by Yes Bank has been invoked by the creditor of Saurya Urja Company of Rajasthan Limited. The said non fund limits are secured by way of current assets(excluding current investments of the holding company).

viii. Security

Short Term loans availed by various entities of the Group including cash credits, loan repayable on demand and bill discounting facility are secured by way of fixed deposits, charge on the current assets, loans and advances of the corresponding project, the present and future stocks of raw materials including in transit, work in process stores and spare, present and future book debts, operating cash flows, outstanding decrees, money receivables, claims, securities, Government subsidies, investments, rights and other moveable assets excluding bills purchased/discounted by bank.

ix. Interest Rate and Terms of Repayments

- (a) Short term loans from banks and others are repayable on or before the end of 12 months from the date of first disbursement.
- (b) Interest rates on cash credit, loan repayable on demand and other short term loans are ranging from 6.7% to 18% (March 31, 2022: 6.7% to 18%).

x. Terms of Repayment (Unsecured)

Secured debentures issued includes non convertible debentures of Rs. Nil million (as at March 31, 2022: Rs. Nil million) carrying interest at rate of 9.80% p.a. The same was redeemable in two equal installments on March 16, 2020 and March 14, 2021

xi. Non convertible debentures

Consequent to the approval of the Board of Directors of ITPCL at their meeting held on November 28, 2016, the ITPCL has raised funds by way of private placement of 5,000 secured, unlisted, redeemable non convertible debentures having face value of Rs. 10,00,000 aggregating to Rs. 5000 million. Birla Sunlife Trustee Company Private Limited has subscribed for these debentures. The NCD has been raised based on the undertaking given by IL&FS Energy Development Company Ltd. Non convertible debentures carries a rate of Interest of 9.80% p.a. These NCD's repayable in two Installments of Rs. 2,500 million each on March 16 2020 and March 14 2021 respectively.

xii. Rupee Term Loan:

Loans repayable on demand from banks represents principal outstanding together with interest, additional interest, default interest, upfront fees, costs, charges, expenses are secured in favour of the lenders/security trustees by way of first pari-passu charge without any lender having priority/preference over the other lender and include the following:

- (a) A first charge over all the immovable properties of the Holding Company including leasehold rights if any both the present & future.
- (b) A first charge by way of hypothecation on all moveable assets including but not limited to plant & machinery, machinery spares, tools and accessories, furniture, fixtures, vehicles and all other moveable assets both present and future.
- (c) A first charge on the project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising.
- (d) A first charge over all Accounts, including without limitation, the Debt Service Reserve Account, the Escrow Accounts, letter of credits, and other reserves and such other Bank Accounts that may be opened in terms of hereof or project documents and over all the funds from time to time deposited therein and over all Authorised Investments or other securities representing all amounts credited thereto.
- (e) First Charge by way of mortgage/hypothecation/assignment or otherwise creation of Security interest within 6 months from the date of initial disbursement (a) all right, title benefit, claims and whatsoever of the ITPCL on the Project Documents (b) all rights, title and interest of the ITPCL under all Government Approvals (c) all rights, title, benefit, claims and demand whatsoever of the ITPCL in any Letter of Credit, guarantee and liquidated damages and performance bond provided by any party to the Project Documents (d) all rights, title and Interest of the ITPCL in, to and under all Insurance Contracts / Insurance Proceeds.
- (f) Non disposal undertaking from the promoter viz. IL&FS Energy Development Company Limited to hold at least 51% of the Paid up capital of the ITPCL.
- (g) Pledge of 100% shares of IL&FS Maritime Offshore Pte limited and IL&FS offshore Natural Resources Pte limited held by the ITPCL.
- (h) There is no loan which is guaranteed by directors or others.

xiii. Rate of interest:

As on 31.03.2023, the term loan facility carries a rate of interest calculated at 5 year MCLR(8.45%) of Punjab national bank + 1.95% 1.e. 10.40% p.a. The rate of Interest shall remain floating throughout the tenor of the loan.

xiv. Terms of repayment

Repayable on quarterly instalments till 30.06.2037.

xv. Breach of Loan agreement

Payments towards interest and principal have not been met since October 2018 based on order passed by Honorable NCLAT.

NOTE 24**Trade payables**

Trade payables (see note below)

Total outstanding dues of micro enterprises and small enterprises (refer note 62)

24.80

21.20

8.42

Total outstanding dues of creditors other than micro enterprises and small enterprises

5,801.12

4,999.47

5,593.58

5,825.92

5,020.67

5,602.00

Note:

- i. Payable pertaining to Micro and Small Enterprises, as stated above, have been identified by the Group from the available information, which has been relied upon by the auditors.
- ii. During the year, one of the creditor Sterling & Wilson has filed the complaint with EOW mumbai against Embassy group, IL&FS Solar Power Limited (Subsidiary of the Holding Company) and the holding company pertaining to its dues for 100 MW of Solar Project. The matter is being investigated by EOW, however the claim of said party has already been admitted by claim management agency.
- iii. The credit period for goods and services are upto 365 days. Interest is payable on trade payables as per contractual terms, if any.

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NOTE 25

DEFERRED TAX BALANCES (NET)

	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million	As at 01.04.2021 Rs. Million
i Deferred tax assets	51.88	51.88	51.88
ii Deferred tax liabilities	288.81	235.88	226.87

i. Financial year 2022-23

A. Deferred tax asset

Deferred tax assets

	Opening Balance Rs. Million	Recognised in statement of profit and loss Rs. Million	Recognised in other comprehensive income Rs. Million	Closing balance Rs. Million
a. Tax losses (including unabsorbed depreciation) adjustable in future years	2,444.44	(10.12)	-	2,434.32
b. Provisions for doubtful debts / investments	29,425.49	(33.12)	-	29,392.37
c. Provision for employee benefits	3.39	(1.09)	(0.31)	1.99
d. MAT credit entitlement	436.48	(436.48)	-	0.00
e. Provision for decommissioning liability	(0.02)	-	-	(0.02)
f. Borrowings	376.70	(7.48)	-	369.22
g. Operation and maintenance cost equalisation reserve	2.28	-	-	2.28
h. Other financial liabilities	(160.16)	0.09	-	(160.07)
i. Provision for expenses	0.07	(0.07)	-	0.00
j. Property, plant and equipment	384.70	-	-	384.70
k. Others	(0.34)	-	-	(0.34)
	32,913.03	(488.27)	(0.31)	32,424.45

Adjustment on account of Deferred Tax assets restricted to Deferred tax liability	(32,906.10)	488.58	-	(32,417.52)

	6.93	0.31	(0.31)	6.93

Deferred tax liabilities

a. Property, plant and equipment and intangible Assets	(7.50)	-	-	(7.50)
b. Financial assets at FVTPL - Investments	52.45	-	-	52.45
	44.95	-	-	44.95

Net deferred tax assets

	51.88	0.31	(0.31)	51.88

B Deferred tax liability

Deferred tax liabilities

a. Undistributed profits of associates and joint ventures	235.88	52.92	-	288.81
	235.88	52.92	-	288.81

Net deferred tax liabilities

	235.88	52.92	-	288.81

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

	Opening Balance	Transferred to Asset held for Sale	Recognised in statement of profit and loss	Recognised in other comprehensive income	Closing balance
	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
ii. Financial year 2021-22					
A. Deferred tax asset					
Deferred tax assets					
a. Tax losses (including unabsorbed depreciation) adjustable in future years	2,632.40	-	(187.96)	-	2,444.44
b. Provisions for doubtful debts / investments	29,986.04	-	(560.55)	-	29,425.49
c. Provision for employee benefits	3.87	-	0.14	(0.62)	3.39
d. MAT credit entitlement	436.48	-	-	-	436.48
e. Provision for decommissioning liability	(0.02)	-	-	-	(0.02)
f. Borrowings	390.13	-	(13.43)	-	376.70
g. Operation and maintenance cost equalisation reserve	2.28	-	-	-	2.28
h. Other financial liabilities	(160.07)	-	(0.09)	-	(160.16)
i. Provision for expenses	2.42	-	(2.35)	-	0.07
j. Property, plant and equipment	384.70	-	-	-	384.70
k. Others	(0.34)	-	-	-	(0.34)
	33,677.89	-	(764.24)	(0.62)	32,913.03
Adjustment on account of Deferred Tax assets restricted to Deferred tax liability	(33,662.31)	-	756.21	-	(32,906.10)
	15.58	-	(8.03)	(0.62)	6.93
Deferred tax liabilities					
a. Property, plant and equipment and intangible Assets	(16.15)	-	8.65	-	(7.50)
b. Financial assets at FVTPL - Investments	52.45	-	-	-	52.45
	36.30	-	8.65	-	44.95
Net deferred tax assets	51.88	-	0.62	(0.62)	51.88
B Deferred tax liability					
Deferred tax liabilities					
a. Property, plant and equipment and intangible assets	7.32	7.32	-	-	-
b. Undistributed profits of associates and joint ventures	224.30	-	11.59	-	235.88
	231.61	7.32	11.59	-	235.88
Deferred tax assets					
a. Provision for decommissioning liability	(4.74)	(4.74)	-	-	-
	(4.74)	(4.74)	-	-	-
Net deferred tax liabilities	226.87	2.58	11.59	-	235.88

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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	Year ended 31.03.2023 Rs. Million	Year ended 31.03.2022 Rs. Million
NOTE 26		
Revenue from operations		
(a) Income from sale of power	21,797.85	22,867.14
(b) Maintenance Charges	0.99	35.14
(c) Other operating income		
i. Generation based incentive	1.17	1.94
ii. Others	1,418.27	3,323.31
	23,218.28	26,227.53
NOTE 27		
Other income		
(a) Interest income on financial assets measured at amortised cost:		
Interest income on		
i. Interest income - from banks on deposits	1,812.94	981.69
ii. Interest income - on other assets	0.83	4.23
iii. Interest income - on Income Tax Refund	4.57	-
iv. Loan processing / guarantee fees	-	1.40
	1,818.34	987.32
(b) Other non-operating income:		
i. Gain/(loss) on sale of financial assets - investments	166.79	-
ii. Dividend income	5.07	5.06
iii. Gain on sale of property, plant and equipment	1.51	0.11
iv. Grant income	248.36	248.39
v. Net gain/(loss) arising on financial assets designated as at FVTPL	3.63	3.17
vi. Impairment gain/(loss) on other financial assets	-	55.91
vii. Provisions no longer required	-	0.93
viii. Gain on sale of investment	3.90	-
xi. Reimbursement of expenses from subsidiaries	0.36	0.33
x. Net gain on sale of Undertaking	6.29	-
xi. Reversal of impairment on receivable	2.21	-
xii. Reversal of impairment on Other financial assets Carried as at amor	0.56	-
xiii. Provision Written Back	3.40	-
xiv. Gain/(Loss) on loss of control in subsidiaries	3,061.32	-
xv. Lease liability written back	-	4.74
xvi. Provision for impairment of property, plant and equipment	-	462.56
xvii. Miscellaneous income	2.33	104.83
	3,505.73	886.03
	5,324.07	1,873.35

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	Year ended 31.03.2023 Rs. Million	Year ended 31.03.2022 Rs. Million
NOTE 28		
Cost of fuel consumed		
Consumption of coal and other raw material	15,408.13	12,500.51
	15,408.13	12,500.51

NOTE 29

OTHER DIRECT EXPENSES

(a) Operations and maintenance	465.96	479.88
(b) SRLDC charges	398.55	182.86
(c) Railway freight and detention charges	4.46	7.06
(d) General and miscellaneous expense	18.63	37.81
	887.60	707.61

NOTE 30

Employee benefits expense

(a) Salaries, wages and incentives	260.24	249.82
(b) Contribution to provident and other funds	21.26	21.83
(c) Staff welfare expenses	4.37	2.91
	285.87	274.56

NOTE 31

Finance costs

(a) Interest expenses on borrowings	16.98	0.72
(b) Unwinding cost of decommissioning liability	0.14	0.13
(c) Other borrowing costs*	134.22	238.22
(d) On lease liabilities	-	0.09
(e) Interest Expenses - Others	0.24	1.61
(f) On delayed payment of direct & indirect taxes	0.12	0.01
	151.70	240.78

*Other borrowing costs includes commitment charges, loan processing charges, guarantee charges, loan facilitation charges and other ancillary costs incurred in connection with borrowings.

Finance expenses of Rs. 16.79 Mn is recorded based on the difference between the books and claim finalised by claim management agency. Pursuant to the Moratorium order issued by NCLAT, VPPL has not booked the finance expenses of Rs. 543.94 Mn. during the year (Rs. 2,431.70 Mn from October 16, 2018 to March 31, 2023). This amount is based on the contractual agreed terms and excludes penal/other interest and charges.

NOTE 32

Impairment expense

(a) Impairment of Property, plant and equipment	-	13.07
(b) Impairment of financial asset designated at fair value through profit or loss	-	2.63
(c) Impairment of financial asset designated at cost / amortised cost	118.83	1.05
	118.83	16.75

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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	Year ended 31.03.2023 Rs. Million	Year ended 31.03.2022 Rs. Million
NOTE 33		
Other expenses		
(a) Power and fuel	1.60	1.24
(b) Rent	27.36	20.66
(c) Repairs and maintenance		
i. Building	25.81	23.19
ii. Plant and equipment	0.73	1.44
iii. Others	132.55	85.83
(d) Insurance	130.70	131.50
(e) Rates and taxes	1.29	3.17
(f) Communication	0.70	0.92
(g) Travelling and conveyance	16.76	16.41
(h) Printing and stationery	1.07	0.50
(i) Advertisement and business promotion	0.13	0.31
(j) Operation and maintenance	1.31	2.37
(k) Office maintenance expenses	0.43	0.48
(l) Legal and professional	109.54	106.28
(m) Payments to auditors (see note below)	15.05	8.76
(n) Director sitting fees	1.59	0.91
(o) Provision for bad and doubtful trade receivables	1,217.12	737.10
(p) Foreign Exchange Loss / Gain*	1.57	1.68
(q) Corporate social responsibility expenses	28.06	28.57
(r) Green belt and environmental expenses	11.08	13.52
(s) Miscellaneous expenses	13.72	6.34
(t) Security Charges	82.37	80.23
(u) Provision for doubtful recovery	-	7.22
(v) Reversal of input credit of GST	-	9.17
(w) Depository charges	0.09	0.41
(x) Annual Listing Fees	0.04	0.04
(y) Loss on sale of asset	-	0.02
(z) Provision for Impairment of Security Deposits (VAT)	-	0.30
(aa) Provision for Impairment of TDS Receivable	0.15	-
(ab) Lease rent	0.03	0.05
(ac) Interest on Income Tax	0.07	-
(ad) Provision for Expected Credit Loss	0.48	5.44
(ae) Net loss on sale of Investments	-	165.22
(af) Reversal of Impairment	1,340.78	-
	3,162.18	1,459.26
Note:		
Payments to the auditors comprises		
i. To Statutory Auditors		
(a) Audit Fees	14.34	8.42
(b) Out of pocket expenses	0.03	-
(c) Reimbursement of expenses	0.06	-
(d) Limited review	0.45	0.13
(e) Other services	0.17	-
(f) GST on audit fees	-	0.21
	15.05	8.76

*The ITPCL is under NCLAT Resolution and the process prescribed under the Insolvency and Bankruptcy code would be applicable to ITPCL. The outstanding liabilities as on 15th October 2018 including foreign currency liabilities are converted in to INR at the exchange rate of 15th Oct'2018. On Resolution, the crystalised foreign liabilities will be paid in foreign currency equivalent to the INR. Hence, the foreign liabilities are not restated on the balance sheet date.

However, the ITPCL restated the foreign currency liability till March, 2022 at the prevailing closing rate as on the reporting date as per the IND AS 21. During the current year based on the legal opinion obtained, the ITPCL has frozen its foreign currency liability as at 15th Oct 2018 which has resulted in reversal of foreign exchange loss amounting to Rs. 121.92, the effect of the same has been given in the respective previous years.

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NOTE 34

Current tax and deferred tax

Particulars	Year ended 31.03.2023 Rs. Million	Year ended 31.03.2022 Rs. Million
1. Income tax recognised in statement of profit and loss		
Current tax expense for the year	86.22	65.07
Tax adjustment for earlier years	(0.30)	3.02
Current tax	85.92	68.09
Deferred tax	52.61	10.97
MAT Credit Entitlement	-	-
Total	52.61	10.97
Total income tax expense recognised in the current year	138.53	79.06
2. The tax expense for the year can be reconciled to the accounting profits as follows		
Loss before tax	6,703.13	10,966.08
Income tax expense calculated at 34.61% (previous year 34.61%)	2,319.82	3,795.14
Effect of expenses that are not deductible in determining taxable profits	0.30	0.53
Current tax expense pertaining to previous years	(0.31)	3.02
Tax losses not recognised	0.61	1.65
Effect of different tax rates of certain subsidiaries	(438.23)	(1,019.47)
Provision for loss allowance	306.28	179.62
Disallowance of impairment of financial assets, PP&E, CWIP and CSR	7.06	(110.20)
Finance cost and employee benefit plans	-	0.88
Difference in depreciation in books vs income tax depreciation	(693.97)	(996.19)
Income exempt from tax (Revenue recognition of government grants)	(60.34)	(101.24)
Effect of unused tax losses and tax assets not recognised as deferred tax asset	(1,356.23)	(1,693.89)
Undistributed profits of JV companies	52.92	11.59
Others	0.62	7.62
Income tax expenses recognised in profit or loss	138.53	79.06
3 Income tax recognised in Other Comprehensive Income		
Deferred tax		
Remeasurement of Defined Benefit Plans	(0.31)	(0.62)
Effective portion of gains and loss designated portion of hedging instruments in cash flow hedge	-	-
Total income tax expense recognised in other comprehensive income	(0.31)	(0.62)
Bifurcation of the deferred tax expense recognised in other Comprehensive income into:		
Items that will be reclassified to profit and loss	-	-
Items that will not be reclassified to profit and loss	(0.31)	(0.62)
	(0.31)	(0.62)

35 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 holding 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 Holding Company were invited (via advertisement(s) dated May 22, 2019) to submit their claims as at October 15, 2018 with proof, on or before June 5, 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 report is subject to updation based on additional information/ clarification that may be received from the creditors in due course.

Management of the Group is in the process of reviewing the claims and reconciliation of such claims with the corresponding amounts as per the Group'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 obligations that would need to be recognised by the Group as liabilities. Accordingly, no adjustments have currently been made in this regard to this consolidated financial statements, and these claims have been disclosed as part of contingent liabilities.

36 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 IL&FS Limited 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 IL&FS Limited 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 year, one of creditor of the Holding Company has filed a complaint to EoW against the Holding Company, IL&FS Solar Power Limited (ISPL) (Subsidiary of the Holding 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 these 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.

37 (a) 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 consolidated financial statements, The Group is not in compliance with certain provisions/requirements of applicable laws and regulations. These include, but not limited to, certain requirement 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) Management of the Group is in the process of evaluating the financial impact and other consequences arising from such non-compliance 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 consolidated financial statements.

(c) As per Reserve Bank of India Press Release no. 1998-99/1269 dated April 8, 1999 ('Press Release'), the holding 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 consolidated financial statements. The Holding Company does not fulfil 50-50 test as on March 31, 2023 and March 31, 2022. Accordingly provisions pertaining to registration as Non Banking Finance Company are not applicable to the Holding Company.

(d) The reconstituted Board of IL&FS has initiated a forensic examination for the period from April 2013 to September 2018 for certain companies of the ITPCL including ITPCL, and appointed an external agency to perform the forensic audit and report to the Board of IL&FS. We had received the report during the year ended March 31, 2021. Based on the report, the ITPCL had issued show cause notices (SCN) to three employees (one current and two former), regarding potential irregularities in transactions with vendors and the role of those employees with respect to those transactions in line with IL&FS Group forensic audit protocol. The ITPCL has received responses from those individuals, and have terminated their services and withheld final settlement from these employees. ITPCL has further filed petition with Hon'ble NCLT under section 66 of the IBC Code for suitable remedy/recovery. Pending outcome of the matter, the financial statement consequences of the above are not currently determinable.

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(e) As a result of the forensic audit referred to in Note 37(d) above, non-compliances in the period up to October 15, 2018, of certain covenants in respect of loans taken by ITPCL, have been identified. Having regard to the ITPCL's ongoing discussions with lenders, no further adjustments have been considered necessary to the consolidated financial statement, in that regard.

38 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 of the consolidated 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, IL&FS group companies. All companies of IL&FS Group in India have been classified as "Red", "Amber" or "Green" categories based on the capacity of each company to meet its obligations.

Management of the Group 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. Management's approach in this regard does not consider the requirements of the relevant Ind-AS standards in entirety as the Group 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 8 subsidiary, 4 joint venture and 4 other investee companies for year ended March 31, 2023.

The management of the Group 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 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, 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 March 31, 2023.

39 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 of the group 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 Group.

The Holding Company has also not-recognised interest expenses amounting to Rs. 78.69 million and Rs. 58.61 million on account of non deposit of tax deducted at source and Goods and services tax respectively till March 31, 2023

While above accounting treatment is not as per the Ind AS applicable to the Holding Company, the management believes that the same is as per the NCLAT order dated October 15, 2018 and accordingly, the management believes that the Holding 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
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40 Going concern assumption used for the preparation of these financial statements

The Holding Company 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 Holding Company, details of which are discussed in Note 2. As a result of the foregoing, the Holding 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 IL&FS Limited Company 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 Holding Company is taking active steps to monetize its assets and is in discussions with multiple parties to sell its assets. The Holding 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 holding 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 consolidated 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 holding company to continue as the going concern is predicated upon its ability to monetize its assets, restructured its liability 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 Holding Company, the management is unable to determine the amounts at which the liability of the Holding 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 Holding Company to continue as going concern. Pending approval/guidance from IL&FS Board, these consolidated financial statements 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 Holding 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 this consolidated 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.

41 Commercial arrangements and claims received

(i) The ITPCL had raised funds by way of private placement of two Secured, Unlisted, Redeemable Non-Convertible Debentures ("NCD") having face value of Rs.10,00,000 each, aggregating Rs.5,000 Million, backed by corporate guarantee and/or undertakings by IL&FS and IEDCL. Pursuant to an arrangement with IL&FS, the Company was required to pay monitoring fees to IL&FS in respect of the above-mentioned private placement of NCDs. Subsequent to the downgrading of credit rating of IL&FS after October 2018, holders of NCDs of the ITPCL have increased interest rates on NCDs issued by ITPCL. As result of the foregoing, management concluded that the arrangement with IL&FS and IEDCL became infructuous from October 15, 2018 and April 1, 2019, respectively. Accordingly, no expenses in this regard have been accounted for by the ITPCL in the previous year.

(ii) The ITPCL entered into an agreement dated May 25, 2017 with IMICL, an IL&FS group company, for providing coal handling services to ITPCL. As per the said agreement, ITPCL is required to pay fixed charges on yearly basis to IMICL in addition to variable charges per tonne of coal handled. Such charges had been waived by IMICL from 2018-19. In addition, ITPCL was liable to pay interest on delayed payment of dues pertaining to the period from July 1, 2017 to March 31, 2018, aggregating Rs 386.30 million till March 31, 2019. This contract with IMICL was terminated by the ITPCL effective April 1, 2019. Against the above, an amount of Rs 278.86 million has been claimed by IMICL on the ITPCL, including as part of the claims process as at March 31, 2023 (March 31, 2022 - Rs. 278.86 million). The ITPCL has not admitted these claims, and hence has not accounted for such costs in these financial statements. No such claims have been made on ITPCL, or been recorded by ITPCL, in respect of the current financial year.

(iii) The ITPCL had entered into an agreement with Porto Novo Maritime Limited, in respect of which, interest expenses have not been accounted for by ITPCL. Against the above, an amount of Rs 274.30 million has been claimed by PNML through the claims process or otherwise.

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42 Classification of borrowings

Pursuant to the matter described in Note 2 above, the ITPCL had not recognised the interest payable on loans from banks and financial institutions, from October 16, 2018 to March 31, 2023, and had not paid such interest and related principal, till March 31, 2023. Under the terms of the loan agreements with lenders, such non-payment constituted an event of default pursuant to which the entire loan liability would have become due and payable on a current basis, as at March 31, 2019 and thereafter. As a result, borrowings as at March 31, 2023, March 31, 2022 and March 31, 2021 had been classified as current maturities considering default provisions as above though ITPCL is under the moratorium as per NCLAT.

43 Reconciliation of borrowings

As at March 31, 2023, the ITPCL's books of account reflect a balance of Rs 81,466.79 million (March 31, 2022 - Rs 81,466.79 million) payable to the consortium of banks (with whom the ITPCL has borrowing arrangements), without making any adjustments that may be required to give effect to the proposed restructuring of debt and other outstanding amounts to banks. Against this, the statements / other information provided by those banks indicate outstanding balances by the ITPCL aggregating Rs. 1.11,944.89 million (March 31, 2022 - Rs. 1,00,639.19 million). Management of ITPCL believes that the net difference of Rs. 30,478.10 million (March 31, 2022 - Rs. 19,172.40 million) may be on account of interest costs not accounted for by the Group after October 15, 2018 and/or incorrect / additional / penal interest charged by the banks. Accordingly, the ITPCL has not accounted for the above difference in the financial statement.

44 Accounting for amounts due / recoverable from IL&FS group companies

a. Porto Novo Maritime Limited ("PNML")

ITPCL entered into a License Agreement dated September 15, 2010 with Tamil Nadu Maritime Board ("TNMB") on September 15, 2010 for the development and operation of the Parangipettai Port in Tamil Nadu, India (the "Port"), for a period of 30 years from August 15, 2010. ITPCL has transferred the Licence for port development and operation to PNML, an IL&FS group Company, without any consideration. Thereafter, ITPCL signed a Memorandum of Agreement with PNML dated April 12, 2013 to develop, finance, implement and operate the Port as a captive port for the Group on a "Take or Pay" basis.

As per the Memorandum of Agreement with PNML, ITPCL was required to provide capital support of Rs 6,300 million to PNML towards construction of the Port, out of which ITPCL paid Rs.2,903.50 million to PNML between March 2013 and February 2014. The development of the port was deferred due to various reasons, including delay implementation of Phase II of the ITPCL's power plant. Subsequently, in July 2015, PNML refunded Rs. 1,900 million out of the 2,903.50 million received from the ITPCL.

The ITPCL and PNML entered into an amendment dated March 7, 2016 to the Memorandum of agreement dated April 12, 2013, in terms of which ITPCL was required to pay a deposit of Rs 2,200 million to PNML in lieu of capital cost already incurred by PNML, and PNML was required to refund the balance Rs 1,003.50 million capital support to ITPCL. ITPCL had not received the capital support amount of Rs 1,003.50 million from PNML, and based on the financial condition of PNML, the ITPCL provided for such amount of Rs 1,003.50 million as at March 31, 2019.

b. Interest on margin money deposits placed with IEDCL

ITPCL has placed margin money deposits of Rs 327.13 million with IEDCL, its holding Company. The ITPCL had recognised interest receivable on such margin money for the period April 1, 2018 to October 15, 2018, of Rs 9.76 million, which was adjusted against the balance of term loans payable as at March 31, 2019. ITPCL has not recognised interest on such margin money for any period thereafter, till March 31, 2023.

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45a Loan restructuring

Management of ITPCL has received approval from bankers/financial institutions to restructure the payables towards principal and interest in respect of the ITPCL's borrowings from those banks/financial institutions. This approval of restructuring is subject to the approval of The Hon'ble NCLAT. Application for such approval was made on January 08, 2021. Hon'ble NCLAT had heard the matter and passed the orders as under;

1) By its order dated 1.12.2021, Hon'ble NCLAT approved the prayers related to restructuring of debts towards financial creditors

2) By its order dated 04.07.2022, the Hon'ble NCLAT refused grant of prayers related to restructuring of dues towards operational and capex creditors. Hon'ble NCLAT asked ITPCL to make supplementary resolution plan and its subsequent approval from IL&FS Board and adjudicating authority

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Keeping the above in view, ITPCL had started the process of finalising supplementary resolution scheme dealing with claims of operational & capex creditors. ITPCL is also engaged with lenders for revalidation of their earlier sanction and early implementation of debt restructuring plan as approved by them.

As the matter is still in progress, no adjustments for the above have been made in the financial statements

45b Attachment of shares of the Company held by A.S. Coal

The ITPCL received a copy of an order of the Directorate of Enforcement, Government of India, dated January 05, 2021, attaching the 14,851,486 equity shares of the ITPCL held by its shareholder, A.S Coal Resources pte., Ltd, Singapore ("AS Coal"), towards alleged non-compliances by AS Coal and/or its shareholder(s), of the provisions of the Prevention of Money Laundering Act, 2002. The ITPCL, which is named as a defendant in these proceedings, has submitted a reply dated May 04, 2021, that other than being the target company of the alleged non-compliances as stated above, the ITPCL is not involved in any way in this matter. Accordingly, Management believes that this matter does not have any consequence on the ITPCL, and no adjustments are required to the financial statements in this regard.

46 Debentures from related parties

As at March 31, 2023, ITPCL had borrowings from IEDCL, represented by debentures and term loans, in respect of which interest expenses was recognised till October 15, 2018. Further, no interest has been recognised from October 16, 2018 on such borrowings which aggregates to Rs. 6,771.47 million as at March 31, 2023 (March 31, 2022 - Rs. 5,503.45 million).

Fully Compulsorily Convertible debentures(FCCD) issued to IL&FS Energy Development Company Limited outstanding as on March 31, 2015 were in the nature of equity as it carried an NIL interest rate and were convertible into fixed number of shares. Terms of issue of these debentures were changed subsequently in the year 2016-17 to carry an coupon rate of 16% per annum with retrospective effect since the date of issue and would be convertible at fair market value of shares on maturity date at a conversion price in the range of Rs. 100 to Rs. 400 for each equity share of face value of Rs. 10 fully paid.

47 Interest on finance cost

In respect of the previous financial year, management has determined at the time that no interest will be payable by the ITPCL, on loans from banks, debentures (for the period after October 15, 2018), and cash credit accounts (for the period after October 31, 2018). Accordingly, the ITPCL has not recognised finance costs aggregating to Rs. 39,250.04 approximately as at March 31, 2023 (March 31, 2022 - Rs. 28,818.12)

48 Forensic audit conducted by lenders

Lenders have also initiated a forensic audit for the period prior to September 2018 and appointed an external agency to perform forensic audit and report to lenders. Lenders have informed that consequent to receipt of auditor's report they have classified ITPCL account as fraud category basis RBI guidelines and this action has no bearing on debt restructuring.

49 With regard to one of the subsidiaries named as IL&FS Solar Power Limited ("ISPL") which is classified under 'Green' category, the Holding Company has an exposure of Rs. 0.50 million on account of investment made as at March 31, 2023. Based on the audited financial statements of ISPL as at and for the year ended March 31, 2023, net worth of ISPL is Rs. 39.71 million.

Considering the positive net worth of ISPL as at March 31, 2023, management is of the view that no further adjustments are required to be made in this consolidated financial statements in this regard. The Holding Company has filed the application to NCLT for closure of ISPL under Section 271 (a) of Companies Act.

50 The Group does not have any Benami property, where any proceeding has been initiated or pending against the Holding Company for holding any Benami property

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Note 51

Contingent liabilities and commitments

	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million
(i) Claims against the Group not acknowledged as debt		
(a) Bank Guarantees provided	4,302.30	4,302.30
(b) Other Bank Guarantee	1,453.80	1,385.00
(c) Guarantees given on behalf of the IEDCL's joint ventures to the lenders	-	249.99
(d) Demand raised by Tax authorities	1,090.15	1,019.28
(e) Customer claim (PTC claim)	6,982.08	6,956.19
(f) Other Claims	63,356.00	50,033.61

Out of the above: claims of Rs. Nil million (As at March 31, 2022: Rs. 0.05 mn) pertains to joint ventures.

(ii) Capital commitments

Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) includes Rs. 43.88 million (As at March 31, 2022 Rs 0.86 million) pertaining to joint ventures	979.62	936.60

(iii) Operating commitments

Estimated amount of operational commitments remaining to be executed	1.48	2.01

(iv) Other commitment

During the year ended March 31, 2016, the Holding 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 ('RWPPL'), Lalpur Wind Energy Private Limited ('LWEPL'), Khandke Wind Energy Private Limited ('KWEPL') wherein wind power projects are housed.

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

Further, during the previous year ended March 31, 2018, Holding 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 Holding 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 Holding 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 Holding 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 Holding 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 Holding Company would receive / pay compensation from / to Orix Corporation, Japan. Till date the Holding Company has not received any demand from Orix Corporation against shortfall in generation, based on actual generation till date and various discussion with Orix, the management of the holding company believes that no demand is expected from Orix Corporation and accordingly no provision is required in the financial statements.

(v) There are numerous interpretative issues relating to the Hon'ble Supreme Court judgement on Provident Fund dated February 28, 2019. As a matter of caution, ITPCL has made a provision on a prospective basis from the date of the Hon'ble Supreme Court order. ITPCL will update its provision, on receiving further clarity on the subject.

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- 52** Under the Resolution Framework (refer note 3) of the Holding 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 Holding 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 Holding Company and from the New Board of the holding company, Holding Company submitted an application seeking approval from the Hon'ble Justice D.K. Jain for the transfer of the said contracts, Company has received the approval from Hon'ble NCLAT during FY 2021-22.

During the year, the transaction has been consummated and has novated these revenue generating contracts on July 26, 2022

53 Other information

1. The Group has no transactions during the year with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956
2. The Group has not traded or invested in Crypto currency or virtual currency during the financial year.
3. As per the records available, No Bank or financial institution or other lender has declared the Corporation as willful defaulter
4. The Group has not advanced or given loan or invested funds during the year to any persons or entities, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
5. The Group has not received any fund from any persons or entities, including foreign entities (Funding Party) during the year with the understanding (whether recorded in writing or otherwise) that the Group shall:
 - i. directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
 - ii. provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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6. The Group does not have any transaction during the year which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

7. The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies (ROC) beyond statutory period except the following:

Charge Holder Name	Registrar Location	As at March 31, 2023	As at March 31, 2022	
Infrastructure Leasing & Financial Services Limited*	Registrar of Company, Delhi	4,250.00	4,250.00	Creation
Yes Bank Limited*	Registrar of Company, Delhi	2.30	2.30	Creation
Yes Bank Limited	Registrar of Company, Delhi	1,500	1,500	Satisfaction
Infrastructure Leasing & Financial Services Limited	Registrar of Company, Delhi	14,200	14,800	Satisfaction
IL&FS Financial Services Limited	Registrar of Company, Delhi	600	600	Satisfaction

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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Note 54

Employee benefits

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

a. Defined contribution plan

The Group 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 the superannuation fund. Under the schemes, the Group 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. 13.85 million (March 31, 2022 Rs. 15.70 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 Group has a defined benefit gratuity plan in India (funded) which is governed by Payment of Gratuity Act, 1972. The Group's defined benefit gratuity plan is a final salary plan for employees, which requires contributions to be made to a separately administered fund

(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.

d. Disclosures as required under Ind AS 19 on "Employee Benefits" for Gratuity are as under:

The Group has taken the group policy to meet its obligation towards gratuity.

These plans typically expose the Group to actuarial risks such as: investment risk, interest rate risk, longevity risk and 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, 2023 by registered 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.

	Year ended 31.03.2023 Rs. Million	Year ended 31.03.2022 Rs. Million
i Movement in the present value of defined benefit obligations:		
Benefit obligations at the beginning	47.71	47.68
Service Cost	6.34	5.79
Interest Cost	2.78	2.57
Benefits paid	(9.67)	(7.58)
Actuarial losses / (Gain)	0.32	(0.74)
Benefit obligations at the end	47.48	47.72
ii Movement in the fair value of plan assets:		
Fair value of plan assets at the beginning of the year	54.84	49.37
Interest Income	3.49	2.96
Remeasurement - Return on plan assets	(1.09)	0.17
Contributions	6.73	10.18
Benefits paid	(9.67)	(7.58)
Fair value of plan assets at the end	54.30	55.10

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iii	Amount recognised in Statement of profit and loss account under employee benefit expenses		
	Current service cost	6.34	5.79
	Interest cost	(0.71)	(0.39)
	Other adjustments	-	(1.28)
	Expenses charged to the statement of profit and loss	5.63	4.12
iv	Amount recognised in other comprehensive income		
	Remeasurement of the net defined benefit liability/(asset)		
	Actuarial (gains)/losses	0.55	(4.83)
	- Due to change in demographic assumption	0.11	(2.05)
	- Due to change in financial assumption	0.44	(2.79)
	Add:		
	(Return)/loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(0.93)	(0.17)
	Net (gains)/losses	(0.38)	(5.00)
v.	The amount included in the balance sheet arising from entity's		
	Obligations in respect of defined benefit plan is as follows:		
	Present value of funded defined benefit obligation	47.48	47.72
	Fair value of plan assets	54.30	55.10
	Unfunded status	(6.82)	(7.38)
	Net liability arising from defined benefit obligation	(6.82)	(7.38)
vi	The fair value of the plan assets at the end of the reporting period for each category, are as follows:		
	Fair value of plan assets of gratuity		
	Stable Managed Fund – Managed by Life Insurance Corporation of India	44.61	39.41
	Stable Managed Fund – Managed by HDFC Life	11.57	16.58
		56.18	55.99
vii	Assumptions		
	Discount Rate	7.29%	4.56%
	Rate of return on plan assets	7.29%	4.56%
	Salary escalation	3.0%-7.5%	3.0%-7.5%
	Mortality rate	Indian Assured Lives	Indian Assured Lives
		Mortality(2012-14)	Mortality(2012-14)

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase and employee turnover. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis on the defined benefit obligation is given below:

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	Rs. Million	Rs. Million
Effect of +1% change in rate of discounting	34.73	30.01
Effect of -1% change in rate of discounting	37.19	32.31
Effect of +1% change in rate of salary increase	37.27	32.39
Effect of -1% change in rate of salary increase	34.63	29.93
Effect of +1% change in rate of employee turnover	0.02	0.01
Effect of -1% change in rate of employee turnover	(0.02)	(0.01)

Notes:

- 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.
- 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.
- The estimate of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

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Note 55

Capital grants

(i) Government Grants

The ITPCL qualifies as a Mega Power Project, in terms of the applicable regulations in this regard, and has obtained a provisional Mega Power Project status certificate from the Ministry of Power, Government of India ("GoI"). In terms of the prevalent scheme at the relevant time, ITPCL had availed of exemption from customs and excise duty aggregating Rs 9,953.67 million on the purchase of equipment and spares for the ITPCL's power project, which were secured by bank guarantees and fixed deposits. The grant of final mega power status of the ITPCL is dependent on its achieving tie up for the supply of power for 85% of its installed capacity through the long-term PPAs by way of competitive bidding and the balance through regulated market within stipulated time (i.e., by January 2025). Under Ind AS, exemption of customs and excise duty has been treated as grant relating to income and accordingly, the amount of grant has been set-up as deferred income and has been recognised in statement of profit and loss over the useful life of the asset for which grant was received, with a corresponding balance recognised under Property, Plant & Equipment (Plant and Machinery).

In respect of Unit I of the ITPCL Power Plant Operations, the ITPCL has entered into a PPA for 15 years with TANGEDCO. The ITPCL has obtained a mega power certificate (provisional) to the extent of 56.17% based on the amended Mega Power Policy 2009 and, accordingly, bank guarantees provided by the ITPCL to the GOI for an amount of Rs 5,576.14 million (proportional to the total value of bank guarantees given) have been released. There are no further obligations or conditions attached to this portion of the grant.

In respect of Unit II, the ITPCL has represented to Ministry of Power that it has not been able to enter into a long-term PPA, as required by the terms of the duty waivers explained above, due to a lack of market (represented by requests for proposals) for such power supply terms. Ministry of power had given further period of 3 years till 2025 to comply with condition of long term PPA. Management also believes that there are no other material obligations or conditions attached to this remaining portion of the grant, and that ITPCL would continue to retain its Mega Power Project status in respect of Units I and II combined and, accordingly, no adjustments have been made to the financial statements in respect of the non current deferred government grants of Rs. 4,173.95 (March 31, 2022 - Rs. 4,173.95).

(ii) Deferred government grant is disclosed in the financial statements as follows:

Particulars	Year ended 31.03.2023	Year ended 31.03.2022
	Rs. Million	Rs. Million
Opening balance	8,488.42	8,736.81
Grant recognised during the year		
Less: Amount recognised in statement of profit and loss	248.36	248.39
Less: Grant transferred under slump sale		
Closing balance (see note 22)	8,240.06	8,488.42
Disclosed under other non current liability	7,991.70	8,240.04
Disclosed under other current liability	248.36	248.39

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Note 56

Loans and advances

Three subsidiaries of the Group namely Mahidad Wind Energy Private Limited (MWEPL), Jogihali Wind Energy Private Limited (JWEPL) and Sipla Wind Energy Limited (SWEL) (hereinafter referred as 3 subsidiaries companies) had awarded EPC contracts to Wind World India Limited (WWIL) to develop 84.40 MW, 77.60 MW and 66.40 MW wind power projects respectively. As at the March 31, 2018 Rs. 4,529.48 million is recoverable from WWIL:

In view of substantial delays in commissioning of the projects, the 3 subsidiaries companies executed settlement agreement with WWIL and its affiliates on October 1, 2016 whereby it was agreed:

- a. to cancel 24 MW out of 84.80 MW for MWEPL, 23.30 MW out of 66.40 MW for SWEL and cancel entire 77.60 MW for JWEPL.
- b. WWIL shall pay the excess amount along with interest as defined in the said agreement.
- c. Further, the 3 subsidiaries companies have received security in the form of right to receive proceeds from monetization of 1,000 MW development rights owned by WWIL affiliates and subservient charge on the economic interest and benefits with respect to 152.60 MW projects owned by the promoters of WWIL.

The Company has been admitted as Financial Creditor and is part of Committee of Creditors. However, one of the promoter/shareholder of WWIL has challenged inclusion of the Company as Financial Creditor in NCLT and NCLT Ahmedabad has accepted the position of the promoter/shareholder. The Company has received legal opinion that the claim of Company can be admitted as Financial Creditor. Based on that Company has filed a petition with NCLAT against the said order. The matter is presently pending at NCLAT.

In FY 2018-19, WWIL has been referred to National Company Law Tribunal, Ahmedabad Bench, under the Insolvency and Bankruptcy Code by its lenders and accordingly an Interim Resolution Professional (IRP) has been appointed. Claims of Rs. 1,975 million, 587 million and 2,260 million have been filed by MWEPL, JWEPL and SWEL respectively with the IRP and it is under verification. Further, the IRP had invited Expressions of Interests (EOI) from interested parties towards submission of resolution plan for WWIL. Further these subsidiary companies have also received unencumbered collateral securities in the form of development rights for Wind Power Generation Assets.

The resolution plan submitted by Suraksha Consortium has been approved by the Committee of Creditors of WWIL on meeting held on November 16, 2018 and has been submitted to Hon'ble National Company Law Tribunal, Ahmedabad bench for its approval. MWEPL, JWEPL and SWEL are expected to receive Rs. 108 million, Rs. 19.10 million and Rs. 122 million respectively as per approved resolution plan. Further with respect to IBC proceedings of WWIL, the resolution applicant has withdrawn their offer. The same has been approved by NCLT. However, the Committee of Creditors and Resolution Professional has appealed the tribunal Order at NCLAT. The NCLAT has admitted the petition and next hearing date is scheduled on September 20, 2021. Pending the NCLAT proceedings, it is now proposed to carry the recoverable amount from WWIL as per the offer under the last resolution plan.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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Note 57

Financial Instruments

57.1 Capital Management

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

The capital structure of the Group as on March 31, 2023 consists of net debt of Rs 82,560.64 million (borrowing as detailed in notes 22, 23 and 22 offset by cash and bank balances as detailed in note 11a and 11b) and total equity including non controlling interest of Rs. -8,199.16 million.

57.1.1 Gearing ratio

Gearing ratio at the end of the reporting period was as follows:

	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million
A. Debt (see note (i) below)	1,23,479.49	1,26,161.12
B. Cash and bank balance (see note (ii) below)	40,918.85	31,314.58
C. Net debt (A - B)	<u>82,560.64</u>	<u>94,846.54</u>
D. Equity (see note (iii) below)	<u>(8,199.16)</u>	<u>(14,693.18)</u>
E. Gearing ratio	<u>111%</u>	<u>118%</u>

Note:

- (i) Debt includes long term borrowings (including current maturity) and short term borrowings (excluding derivatives, financial guarantee contracts and contingent consideration)
- (ii) Cash and bank balance includes cash and cash equivalent and bank balance held as margin money
- (iii) Equity includes equity share capital, other equity including equity component of compound financial instrument, reserves and surplus and non-controlling interests.

57.2 Categories of Financial Instruments

Financial Assets	As at 31.03.2023 Rs. Million	As at 31.03.2022 Rs. Million
<u>Mandatorily measured at fair value through profit or loss (FVTPL)</u>		
(a) Investments	52.28	48.66
(b) Derivative contract	-	-
<u>Measured at Amortised cost</u>		
(a) Investments in debts instruments	57.19	57.19
(b) Trade receivables	27,381.66	30,694.16
(c) Cash and cash equivalents	2,541.17	2,650.62
(d) Bank balances other than (c) above	38,377.68	28,663.96
(e) Loans	890.51	945.39
(f) Others financial assets	3,088.08	5,719.83

Note - Equity investment in joint ventures and associates is not included above since these are accounted using the equity method

Financial Liabilities

Measured at Amortised cost (including trade payables)

(a) Borrowings	1,23,479.49	1,26,161.12
(b) Trade payables	5,825.92	5,020.67
(c) Other financial liabilities (including current maturity of long term borrowings)	11,561.81	11,608.42

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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57.3 Financial risk management objectives

Refer note 2 and 3 of these consolidated financial statements, which states that the normal business operations of the Group as they existed until previous year have ceased, and the new board has undertaken certain step as mentioned in that note, accordingly the Group 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.

57.4 Market Risk

The Group is exposed to the financial risk of changes in foreign currency exchange rates (refer 57.4.1 below) and interest rates (57.4.2 below)

57.4.1 Foreign Currency Risk Management

As the Group is under resolution process and the liabilities have been crystalized as on Oct 15, 2018 hence Group has no foreign currency exchange risk involved.

As mentioned above, the liabilities are crystalized as on Oct 15, 2018 hence foreign currency sensitivity analysis, currency swap contracts, interest rate risk are not applicable.

The Group is under NCLAT Resolution and the process prescribed under the Insolvency and Bankruptcy code would be applicable to the Group. The outstanding liabilities as on 15th October 2018 including Foreign currency liabilities are converted in to INR at the exchange rate of 15th Oct'2018. On Resolution, the crystalised foreign liabilities will be paid in foreign currency equivalent to the INR. Hence, the foreign liabilities are not restated on the balance sheet date.

However, the Group restated the foreign currency liability till March, 2022 at the prevailing closing rate as on the reporting date as per the IND AS 21. During the current year based on the legal opinion obtained, the Group has frozen its foreign currency liability as at 15th Oct 2018 which has resulted in reversal of foreign exchange loss amounting to Rs. 121.92, the effect of the same has been given in the respective previous years.

57.4.2 Other price risk

The Group is exposed to equity price risks arising from equity investments. 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 Group 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, 2023.

57.5 Credit risk

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Group. As a consequence of the matters described in note 2 the receivables of the Group have been substantially impaired. **Financial assets that potentially expose the Group to credit risks are listed below:**

	As at 31.03.2023 Million	As at 31.03.2022 Million
Trade receivables	27,381.66	30,694.16
Loans receivable	890.51	945.39
Other financial assets	3,088.08	5,719.83
	31,360.25	37,359.38

Refer note 10 for credit risk and other information in respect of trade receivables. Other receivables mainly include Unbilled revenue, deposits with banks maturity more than 12 months, interest accrued and advances which are due from parties under normal course of business and as such the Group believes exposure to credit risk is minimal.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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57.6 Liquidity risk

During the year ended March 31, 2019 , the Group has defaulted on its interest and principal obligations which are 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.

Liabilities

The following table details the Group'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 Group can be required to pay.

Rs. Million					
Particulars	within 1 year	1 year to 5 years	More than 5 years	Total	Carrying amount
As at 31.03.2023					
Borrowings (including current maturities of long term borrowings)	1,23,479.49	-	-	1,23,479.49	1,23,479.49
Trade payables	5,825.92	598.31	279.30	6,703.53	6,703.53
Other financial liabilities (excluding current maturities of long term borrowings)	11,560.33	1.48	-	11,561.81	11,561.81
Total	1,40,865.74	599.79	279.30	1,41,744.83	1,41,744.83

Rs. Million					
Particulars	within 1 year	1 year to 5 years	More than 5 years	Total	Carrying amount
As at 31.03.2022					
Borrowings (including current maturities of long term borrowings)	1,26,161.12	27,151.24	25,821.84	1,79,134.21	1,79,134.21
Trade payables	5,020.67	0.23	-	5,020.89	5,020.89
Other financial liabilities (excluding current maturities of long term borrowings)	11,607.06	1.36	-	11,608.42	11,608.42
Total	1,42,788.85	27,152.83	25,821.84	1,95,763.52	1,95,763.52

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

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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57.7 Fair value measurements

Investments of the Group in equity instruments other than in joint venture and associate companies are measured at fair value through profit or loss at the end of each reporting period.

The following table gives information about how the Group determines fair values of investments :

Sr. Investments equity instruments / units of other No. companies (unquoted)	Fair value as at	
	31.03.2023	31.03.2022
	Rs. Million	Rs. Million
1 Power Transmission Company Nepal Limited	52.28	48.66
	52.28	48.66

The reconciliation of Level 3 fair value investments is as follows:

	As at 31.03.2023	As at 31.03.2022
	Rs. Million	(Rs. Million)
Unlisted shares irrevocably designated as at FVTPL		
Opening balance	48.66	45.49
Gain/(loss) recognised in Statement of profit and loss account	3.62	3.17
Closing balance	52.28	48.66

Basis of valuation

Investments other than Urjankur Nidhi Trust have been valued based on 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.

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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Note 58

Segment reporting

The Group 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 consolidated financial statements, the normal business operations of the Group 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 Group 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".

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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Note 59

Related Party Transactions:

List of related parties (With whom the Group had transactions):

A. HOLDING COMPANY

Infrastructure Leasing & Financial Services Limited (IL&FS)

B. ENTITIES UNDER COMMON CONTROL

- i. Avash Logistic Park Private Limited
- ii. IL&FS Education & Technology Services Limited
- iii. IL&FS Environmental Infrastructure & Service Limited
- iv. IL&FS Financial Services Limited
- v. ITNL Road Infrastructure Development Company Limited
- vi. Rapid Metrorail Gurgaon Limited
- vii. IL&FS Investment Managers Limited
- viii. IL&FS Securities Services Limited
- ix. IL&FS Transportation Networks Limited
- x. A S Coal Resources Pte Limited
- xi. Porto Novo Maritime Limited
- xii. Mangalore SEZ Limited
- xiii. Sealand Ports Private Limited
- xiv. IL&FS Maritime Infrastructure Company Limited
- xv. Noida Toll Bridge Company Limited
- xvi. IL&FS Technologies Limited
- xvii. IL&FS Infra Asset Management Limited
- xviii. Livia India Limited
- xix. Maritime Offshore Pte Limited
- xx. Jorabat Shillong Expressway Limited
- xxi. Jharkhand Road Projects Implementation Company Limited
- xxii. Baleshwar Kharagpur Expressway Limited
- xxiii. IMICL Deghi Maritime Limited
- xxiv. IL&FS Cluster Development Initiative Limited
- xxv. ISSL Settlement & Transaction Services Limited
- xxvi. IL&FS Engineering & Construction Company Limited
- xxvii. Jharkhand Infrastructure Development Corporation Limited
- xxviii. IL&FS Airports Limited
- xxix. East Delhi Waste Processing Company Limited
- xxx. Chenani Nashri Tunnelway Limited
- xxxi. IL&FS Capital Advisors Private Limited

C. ASSOCIATES

- i. Urjankur Shree Tatyasaheb Kore Warana Power Company Limited

D. JOINT VENTURES

- i. Cross Border Power Transmission Company Limited
- ii. Assam Power Project Development Company Limited
- iii. Bihar Power Infrastructure Company Private Limited
- iv. Saurya Urja Company of Rajasthan Limited
- v. PDCOR Limited
- vi. Power Transmission Company Nepal Limited

E. KEY MANAGEMENT PERSONNEL

- i. Mr. Feby Koshy (Chief Executive Officer)
- ii. Mr. Ritendra Bhattacharjee, Chief Financial Officer
- iii. Ms. Dinesh Ladwa (Company Secretary) (with effect from October 26, 2021 till May 02, 2023)

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
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PARTICULARS	Holding Co (ILFS)	Entites under Common Control	Joint Venture/ Associate	KMP	Grand Total
	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
Transactions during the year ended Mar1 31, 2023					
Demat Charges					
ILFS Securities Services Limited	-	0.43	-	-	0.43
Dividend Income					
Cross Border Power Transmission Company Ltd.	-	-	46.08	-	46.08
Power Transmission Company Nepal Limited	-	-	5.06	-	5.06
Margin Money Repaid/Adjusted					
Saurya Urja Company of Rajasthan Limited	-	-	32.90	-	32.90
Rent Expense					
ILFS	10.03	-	-	-	10.03
Repayment Of Loan					
IFIN	-	949.71	-	-	949.71
Interest on Borrowing					
IFIN	-	16.79	-	-	16.79
Office Maintenance Expenses					
ILFS	0.02	-	-	-	0.02
Reimbursement of Expenses					
Bihar Power Infrastructure Company Private Limited	-	-	0.05	-	0.05
Saurya Urja Company of Rajasthan Limited	-	-	1.34	-	1.34
ILFS	0.02	-	-	-	0.02
Managerial Remuneration					
Salaries, Wages and Incentives	-	-	-	17.85	17.85
Sitting fee paid to non whole time directors	-	-	-	0.66	0.66
Remuneration To KMP	-	-	-	20.82	20.82
TOTAL	10.07	966.93	85.44	39.33	1,101.77

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PARTICULARS	Holding Co (ILFS)	Entites under Common Control	Joint Venture/ Associate	Grand Total
	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
Balance outstanding as at March 31, 2023				
Trade payable				
PNML	-	55.53	-	55.53
IFIN	-	122.61	-	122.61
IL&FS Environmental Infrastructure Services Limited	-	5.19	-	5.19
IL&FS Investment Managers Limited	-	0.02	-	0.02
IL&FS Maritime Infrastructure Company Limited	-	1,736.88	-	1,736.88
IL&FS Technologies Limited	-	0.10	-	0.10
IL&FS Transportation Networks Limited	-	2.67	-	2.67
IL&FS Financial Services Limited	-	255.09	-	255.09
ILFS	1,002.03	-	-	1,002.03
Livia India Limited	-	3.48	-	3.48
IL&FS Engineering & Construction Company Limited	-	0.02	-	0.02
Non Current Loan Including ICDs				
APPDCL	-	-	10.00	10.00
BPICL	-	-	125.00	125.00
Current Loan Including ICDs				
IECCL	-	620.00	-	620.00
ILFS	22.75	-	-	22.75
IMICL	-	93.71	-	93.71
JSEL	-	620.00	-	620.00
PNML	-	50.80	-	50.80
Sealand Ports Private Limited	-	400.00	-	400.00
Investment in equity of associates				
Cross Border Power Transmission Company Limited	-	-	482.96	482.96
Power Transmission Company Nepal Limited	-	-	52.28	52.28
Saurya Urja Company of Rajasthan Limited	-	-	708.84	708.84
Bihar Power Infrastructure Company Private Limited	-	-	62.69	62.69
Assam Power Projects Development Company Limited	-	-	2.04	2.04
Share Capital				
ILFS	11,976.64	-	-	11,976.64
A S Coal Resources Pte Limited	-	151.72	-	151.72
Long term borrowings including Current Maturities				
IFIN	-	8,965.04	-	8,965.04
ILFS	17,077.01	-	-	17,077.01
Inter-company borrowings received				
A S Coal Resources Pte Limited	-	168.43	-	168.43
IL&FS Transportation Networks Limited	-	239.85	-	239.85
Short Term Borrowings				
IL&FS Airport Limited	-	53.00	-	53.00
IL&FS Cluster Development Initiative Limited	-	200.00	-	200.00
IMICL Deghi Maritime Limited	-	1,045.50	-	1,045.50
Trade receivable				
BPICL	-	-	2.01	2.01
Cross Border Power Transmission Company Limited	-	-	0.17	0.17
IL&FS Environmental Infrastructure Services Limited	-	1.25	-	1.25
IL&FS Maritime Infrastructure Company Limited	-	8.15	-	8.15
Jharkhand Infrastructure Development Corporation Limited	-	-	3.46	3.46
PNML	-	1.34	-	1.34
Power Transmission Company Nepal Limited	-	-	0.32	0.32
Saurya Urja Company of Rajasthan Limited	-	-	28.06	28.06
Noida Toll Bridge Company Limited	-	0.23	-	0.23
Mangalore SEZ Limited	-	0.46	-	0.46

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

Other Receivable				
ILFS	0.25	-	-	0.25
BPIC			0.26	0.26
Other financial liabilities				
CNTL	-	0.08	-	0.08
Interest Accrued on loans and Advances - Other current assets				
IECCL	-	53.81	-	53.81
ILFS	190.64	-	-	190.64
IMICL	-	7.88	-	7.88
JSEL	-	48.78	-	48.78
PNML	-	17.28	-	17.28
Sealand Ports Private Limited	-	423.23	-	423.23
Interest Accrued on Borrowings - Other current Liabilities				
IFIN	-	797.62	-	797.62
IL&FS Airport Limited	-	4.08	-	4.08
IL&FS Cluster Development Initiative Limited	-	15.62	-	15.62
IL&FS Transportation Networks Limited	-	22.26	-	22.26
IMICL Deghi Maritime Limited	-	81.67	-	81.67
Saurya Urja Company of Rajasthan Limited	-	-	6.27	6.27
A S Coal Resources Pte Limited	-	93.70	-	93.70
Interest Accrued on Borrowings - Other non- current Liabilities				
ILFS	995.60	-	-	995.60
Investment in debentures				
ILFS	68.54	-	-	68.54
Security Premium on Conversion of Debentures				
A S Coal Resources Pte Limited	-	96.79	-	96.79
ILFS	5,146.90	-	-	5,146.90
Margin money payable				
Saurya Urja Company of Rajasthan Limited	-	-	217.10	217.10
Key Managerial person				
Nilmani Poddar	-	-	0.00	0.00
TOTAL	36,480.36	16,463.88	1,701.45	54,645.69

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

PARTICULARS	Holding Co (ILFS)	Entites under Common Control	Joint Venture/ Associate	KMP	Grand Total
	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
Transactions during the year ended Marc1 31, 2022					
Demat Charges					
ILFS Securities Services Limited	-	0.30	-	-	0.30
Dividend Income					
ONGC Tripura Power Company Limited	-	-	94.31	-	94.31
Cross Border Power Transmission Company Ltd.	-	-	20.28	-	20.28
Power Transmission Company Nepal Limited	-	-	5.06	-	5.06
Rental income					
IMICL	-	0.03	-	-	0.03
PNML	-	0.03	-	-	0.03
Rent Expense					
ILFS	12.39	-	-	-	12.39
Guarantee issued during the year					
Saurya Urja Company of Rajasthan Limited	-	-	250.00	-	250.00
Investment Sold during the period					
ONGC Tripura Power Company Limited	-	-	1,475.99	-	1,475.99
Office Maintenance Expenses					
ILFS	0.17	-	-	-	0.17
Reimbursement of Expenses					
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	-	-	2.97	-	2.97
Saurya Urja Company of Rajasthan Limited	-	-	3.59	-	3.59
ILFS	0.02	-	-	-	0.02
Managerial Remuneration					
Salaries, Wages and Incentives	-	-	-	18.43	18.43
Sitting fee paid to non whole time directors	-	-	-	0.27	0.27
Remuneration To KMP	-	-	-	24.06	24.06
TOTAL	12.58	0.36	1,852.20	42.76	1,907.89

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

PARTICULARS	Holding Co (ILFS)	Entites under Common Control	Joint Venture/ Associate	Grand Total
	Rs in Millions	Rs in Millions	Rs in Millions	Rs in Millions
Balance outstanding as at March 31, 2022				
Trade payable				
PNML	-	55.53	-	55.53
IFIN	-	122.61	-	122.61
IL&FS Environmental Infrastructure Services Limited	-	5.19	-	5.19
IL&FS Investment Managers Limited	-	0.02	-	0.02
IL&FS Maritime Infrastructure Company Limited	-	1,745.26	-	1,745.26
IL&FS Technologies Limited	-	0.10	-	0.10
IL&FS Transportation Networks Limited	-	231.39	-	231.39
IL&FS Financial Services Limited	-	255.09	-	255.09
ILFS	1,002.03	-	-	1,002.03
IL&FS Securities Services Limited	-	0.18	-	0.18
Livia India Limited	-	3.48	-	3.48
IL&FS Engineering & Construction Company Limited	-	0.02	-	0.02
Saurya Urja Company of Rajasthan Limited	-	-	0.41	0.41
Non Current Loan Including ICDs				
APPDCL	-	-	10.00	10.00
BPICL	-	-	125.00	125.00
Current Loan Including ICDs				
IECCL	-	620.00	-	620.00
ILFS	22.75	-	-	22.75
IMICL	-	93.71	-	93.71
JSEL	-	620.00	-	620.00
PNML	-	50.80	-	50.80
Sealand Ports Private Limited	-	400.00	-	400.00
USTKWPCl	-	-	259.08	259.08
Investment in equity of associates				
Cross Border Power Transmission Company Limited	-	-	466.98	466.98
Power Transmission Company Nepal Limited	-	-	48.66	48.66
Saurya Urja Company of Rajasthan Limited	-	-	663.55	663.55
USTKWPCl	-	-	280.35	280.35
Share Capital				
ILFS	11,976.64	-	-	11,976.64
A S Coal Resources Pte Limited	-	151.72	-	151.72
Payables on purchase of capital work in progress				
IMICL	-	5.72	-	5.72
Long term borrowings including Current Maturities				
IFIN	-	11,708.49	-	11,708.49
ILFS	17,077.01	-	-	17,077.01
Short Term Borrowings				
IL&FS Airport Limited	-	53.00	-	53.00
IL&FS Cluster Development Initiative Limited	-	200.00	-	200.00
IMICL Deghi Maritime Limited	-	1,045.50	-	1,045.50
Trade receivable				
BPICL	-	-	1.97	1.97
Cross Border Power Transmission Company Limited	-	-	0.17	0.17
IL&FS Environmental Infrastructure Services Limited	-	1.25	-	1.25
IL&FS Maritime Infrastructure Company Limited	-	8.15	-	8.15
Jharkhand Infrastructure Development Corporation Limited	-	-	3.46	3.46
Maritime Offshore Pte Limited	-	1.32	-	1.32
PDCOR Limited	-	-	4.10	4.10
PNML	-	1.34	-	1.34
Power Transmission Company Nepal Limited	-	-	0.32	0.32
Saurya Urja Company of Rajasthan Limited	-	-	26.61	26.61
USTKWPCl	-	-	4.13	4.13
Noida Toll Bridge Company Limited	-	0.23	-	0.23
Mangalore SEZ Limited	-	0.46	-	0.46

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

Payable Related to Sale of Investment				
IL&FS Investment Managers Limited	-	22.20	-	22.20
Other Receivable				
ILFS	0.25	-	-	0.25
Other financial liabilities				
CNTL	-	0.08	-	0.08
Interest Accrued on loans and Advances - Other current assets				
IECCL	-	53.81	-	53.81
ILFS	190.64	-	-	190.64
IMICL	-	7.88	-	7.88
JSEL	-	48.78	-	48.78
PNML	-	17.28	-	17.28
Sealand Ports Private Limited	-	423.23	-	423.23
USTKWPCCL	-	-	46.64	46.64
Interest Accrued on Borrowings - Other current Liabilities				
IFIN	-	910.17	-	910.17
IL&FS Airport Limited	-	4.08	-	4.08
IL&FS Cluster Development Initiative Limited	-	15.62	-	15.62
IL&FS Transportation Networks Limited	-	22.26	-	22.26
IMICL Deghi Maritime Limited	-	81.67	-	81.67
Saurya Urja Company of Rajasthan Limited	-	-	6.27	6.27
Interest Accrued on Borrowings - Other non- current Liabilities				
ILFS	995.60	-	-	995.60
Guarantee given				
Saurya Urja Company of Rajasthan Limited	-	-	250.00	250.00
Investment in debentures				
ILFS	68.54	-	-	68.54
Security Premium on Conversion of Debentures				
A S Coal Resources Pte Limited	-	96.79	-	96.79
ILFS	5,146.90	-	-	5,146.90
Margin money payable				
Saurya Urja Company of Rajasthan Limited	-	-	250.00	250.00
Key Managerial person				
Nilmani Poddar	-	-	0.00	0.00
TOTAL	36,480.36	19,084.42	2,447.69	58,012.47

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

Note 60

Earnings per share

Basic earnings per equity share have been computed by dividing net profit after tax by the weighted average number of equity shares outstanding for the year.

Particulars	Unit	Year ended 31.03.2023	Year ended 31.03.2022
a. Weighted average number of equity shares used in computing the basic and diluted earnings per share	Number of shares	1,28,35,64,664	1,28,35,64,664
b. Potential dilutive equity shares on optionally fully convertible debentures	Number of shares	7,58,76,614	7,58,76,614
c. Weighted average of number of equity shares used in computing diluted earnings per share	Number of shares	1,35,94,41,278	1,35,94,41,278
Continuing Operations:			
d.Profit/ (Loss) after tax attributable to owners of the company	Rupees	5,673.08	8,950.51
Basic earnings per share	Rupees	4.42	6.97
Diluted earnings per share (d/a)*	Rupees	4.42	6.97
Discontinued Operations:			
e.Profit/ (Loss) after tax attributable to owners of the company	Rupees	165.39	50.75
Basic earnings per share	Rupees	0.13	0.04
Diluted earnings per share (e/a)*	Rupees	0.13	0.04
Total Operations:			
f. Profit/(Loss) after tax attributable to owners of the company	Rupees	5,838.47	9,001.26
Basic earnings per share	Rupees	4.55	7.01
Diluted earnings per share (f/a)*	Rupees	4.55	7.01

Note The diluted earnings per share has been computed by dividing the Net profit after tax available for equity shareholders by the weighted average number of equity shares, after giving effect of the outstanding convertible debentures. The effect of the conversion of debentures was anti-dilutive.

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

Note 61

Disclosure of additional information as required by Schedule III of the Companies Act, 2013
As at and for the year ended March 31, 2023

Name of the entity	Net Assets, i.e., total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As % of consolidated net assets	Rs. Million	As % of consolidated profit or loss	Rs. Million	As % of consolidated Other comprehensive income	Rs. Million	As % of consolidated Total comprehensive income	Rs. Million
Parent								
IL&FS Energy Development Company Limited	99.27%	(38,940.36)	5.66%	271.04	5.57%	0.59	5.68%	271.63
Indian Subsidiaries								
Vejas Power Projects Limited (VPPL) (formerly known IL&FS Wind Projects Development Limited)	5.63%	(2,210.06)	0.10%	4.60	0.00%	-	0.10%	4.60
IL&FS Wind Energy Limited (Formerly Mandvi LNG Terminal Limited)	4.72%	(1,852.36)	4.65%	222.75	0.00%	-	4.66%	222.75
IL&FS Tamilnadu Power Company Limited	-49.47%	19,403.62	87.51%	4,191.37	-104.40%	(11.38)	87.47%	4,179.99
Sipla Wind Energy Limited	8.30%	(3,256.79)	-0.04%	(2.00)	0.00%	-	-0.04%	(2.00)
Rohtas Biomass Energy Limited	11.53%	(4,521.71)	0.05%	2.18	0.00%	-	0.05%	2.18
Patiala Bio Power Company Limited	7.40%	(2,900.93)	0.01%	0.43	0.00%	-	0.01%	0.43
Shendra Green Energy Limited	2.75%	(1,077.03)	-0.14%	(6.65)	0.00%	-	-0.14%	(6.65)
IL&FS Solar Power Limited	-0.10%	38.70	-0.02%	(1.01)	0.00%	-	-0.02%	(1.01)
Jogihali Wind Energy Private Limited	3.59%	(1,409.84)	-0.02%	(1.01)	0.00%	-	-0.02%	(1.01)
Mahidad Wind Energy Private Limited	9.44%	(3,702.68)	0.01%	0.55	0.00%	-	0.01%	0.55
Foreign Subsidiaries								
Maritime International Offshore Pte Limited	0.01%	(4.36)	0.00%	(0.02)	-3.08%	(0.34)	-0.01%	(0.35)
Indian Joint Ventures (accounted as per equity method)								
Cross Border Power Transmission Company Limited	-1.27%	498.18	1.30%	62.05	0.00%	-	1.30%	62.05
Bihar Power Infrastructure Company Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Assam Power Project Development Company Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Saurya Urja Company of Rajasthan Limited	-1.81%	708.84	0.95%	45.51	2.06%	0.23	0.96%	45.73
Total	100.00%	(39,226.78)	100.00%	4,789.79	-100.00%	(10.90)	100.00%	4,778.90
Add / (Less):								
a) Adjustments arising out of consolidation		31,027.62		237.69		(0.46)		237.23
b) Non-Controlling Interests (Indian subsidiaries)								
- IL&FS Tamilnadu Power Company Limited (ITPCL)		(16,646.72)		822.34		-		822.34
Consolidated Net Assets/Profit after tax attributable to owners		(24,845.88)		5,849.82		(11.36)		5,838.47

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

Note 62

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

		As at	As at
		31.03.2023	31.03.2022
		Rs. Million	Rs. Million
Particulars			
1	The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting period.	24.80	21.20
2	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.	Nil	Nil
3	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.	Nil	Nil
4	The amount of interest accrued and remaining unpaid at the end of each accounting period	Nil	Nil
5	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	Nil	Nil

Note: Dues to micro and small enterprises have been determined to the extent such parties have been identified on the basis of intimation received from the "suppliers" regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006.

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

Note 63 - Restatement of financial statement for the year ended March 31, 2022 and March 2021

In case of IEDCL (the holding company), the foreign currency loan availed from Syndicate bank was wrongly restated to year end closing rates. However pursuant to resolution plan approved by the Hon'ble NCLT, the liabilities are crystallized as on Oct 15, 2018. As a consequence, the profit and loss of earlier years was over/under stated. During the current year, said error has been rectified by charging it to the retained earnings.

Changes in accounting policy:

The ITPCL is under NCLAT resolution and the process prescribed under the Insolvency and Bankruptcy code would be applicable to us. The outstanding liabilities as on 15th October 2018 including foreign currency liabilities are converted into INR at the exchange rate of 15th October 2018. On Resolution, the crystallised foreign liabilities will be paid in foreign currency equivalent to the INR. Hence, the foreign liabilities are not restated on the balance sheet date, which is not in accordance with Ind AS – 21 The Effect of Changes in Foreign Exchange Rates.

However, the ITPCL restated the foreign currency liabilities till March 2022 at the prevailing closing rate as on the reporting date. During the current year based on the legal opinion obtained, the Group has frozen its foreign currency liabilities as at 15th October 2018 which has resulted in reversal of foreign exchange loss amounting to Rs. 121.92, the effect of the same has been given in the respective previous years.

Prior period errors:

The ITPCL had not recognised the interest payable on loans from banks and financial institutions, from October 16, 2018 to March 31, 2023, and had not paid such interest and related principal, till March 31, 2023. Under the terms of the loan agreements with lenders, such non-payment constituted an event of default pursuant to which the entire loan liability would have become due and payable on a current basis, as at March 31, 2019 and thereafter. As a result the borrowings as at March 31, 2023, March 31, 2022, March 31, 2021 have been classified as current maturities considering default provisions as above though the group is under moratorium as per the NCLAT.

Analysis of such Restatement on Financial Statement for the Year ended March 2022 and March 2021 has been tabulated below:

A. Profit & Loss

	(in Millions)		
	Reported Amount Year ended 31.03.2022	Restatement	Restated Amount Year ended 31.03.2022
I. Income			
Revenue from operations	26,227.53	-	26,227.53
Other income	1,873.35	-	1,873.35
Total Income (A)	28,100.88	-	28,100.88
II. Expenses			
Cost of fuel consumed	12,500.51	-	12,500.51
Other direct expenses	707.61	-	707.61
Employee benefits expense	274.65	(0.09)	274.56
Finance costs	240.78	-	240.78
Depreciation and amortisation expense	1,989.85	0.13	1,989.98
Impairment expense	16.75	-	16.75
Other expenses	1,727.71	(268.45)	1,459.26
Total expenses (B)	17,457.86	(268.40)	17,189.45
Loss before tax and share from Associates and Joint Ventures (A) - (B)	10,643.02	268.40	10,911.43
III. Share of profit of Joint Venture and Associates (C)			
Share of profit of Joint Ventures	157.59	-	157.59
IV. Loss before tax (D) = (A) - (B) + (C)	10,800.61	268.40	11,069.02
V. Tax expense: (E)			
(a) Current tax	68.09	-	68.09
(b) Deferred tax	10.97	-	10.97
	79.06	-	79.06
VI. Loss for the year (F) = (D) - (E)	10,721.55	268.40	10,989.96
Profit / (loss) for the Year from Continuing Operations	10,721.55	268.40	10,989.96
Discontinued Operation (Refer note on discontinuing operation)			
Profit / (Loss) from Discontinued Operations before tax (F)	54.65	-	54.65
Tax Expenses of Discontinued Operations	3.90	-	3.90
Profit / (Loss) from Discontinued Operation after tax	50.75	-	50.75
Profit / (loss) for the Year	10,772.30	268.40	11,040.71

VII. Other comprehensive income (OCI)

A) i) Items that will not be reclassified to profit or loss			
a. Remeasurement of defined benefit plans	5.00	-	5.00
b. Share of OCI in Joint Ventures and Associates	(0.04)	-	(0.04)
ii) Income tax related to item that will not be reclassified to profit and loss			
	(0.62)	-	(0.62)
	4.34	-	4.34
b. i) Items that will be reclassified to profit or loss			
a. Effective portion of gains and loss on	-	-	-
b. Exchange differences in translating	(169.69)	170.93	1.24
	(169.69)	170.93	1.24
Total other comprehensive income / (loss) (G)	(165.35)	170.93	5.58
VIII. Total comprehensive loss for the year (F) + (G)	10,606.95	439.33	11,046.30

Profit / (loss) for the year from continuing operations attributable to:

- Owners of the Company	8,676.12	268.81	8,944.93
- Non-controlling interests	2,045.44	(0.42)	2,045.02
	10,721.56	268.39	10,989.95

Profit / (loss) for the year from discontinuing operations attributable to:

- Owners of the Company	50.75	-	50.75
- Non-controlling interests	-	-	-
	50.75	-	50.75

Other comprehensive income / (loss) for the year from continuing operations

- Owners of the Company	(165.36)	170.93	5.58
- Non-controlling interests	-	-	-
	(165.36)	170.93	5.58

Other comprehensive income / (loss) for the year from discontinuing operations

- Owners of the Company	-	-	-
- Non-controlling interests	-	-	-
	-	-	-

Total comprehensive income / (loss) for the year

- Owners of the Company	8,561.51	439.74	9,001.26
- Non-controlling interests	2,045.44	(0.42)	2,045.02
	10,606.95	439.32	11,046.28

Earning per equity share

Earning per equity share (for continuing Operations)

(Face value of Rs. 10 per share)			
- Basic (in Rs.)	6.63		6.97
- Diluted (in Rs.)	6.63		6.97

Earning per equity share (for discontinuing Operations)

(Face value of Rs. 10 per share)			
- Basic (in Rs.)	0.04		0.04
- Diluted (in Rs.)	0.04		0.04

Earning per equity share (for continuing Operations & discontinuing Operations)

(Face value of Rs. 10 per share)			
- Basic (in Rs.)	6.67		7.01
- Diluted (in Rs.)	6.67		7.01

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

B. Balance Sheet

	(in Millions)			(in Millions)		
	Reported Amount Year ended 31.03.2022	Restatement	Restated Amount Year ended 31.03.2022	Reported Amount Year ended 31.03.2021	Restatement	Restated Amount Year ended 31.03.2021
ASSETS						
I. NON-CURRENT ASSETS						
(a) Property, plant and equipment	62,257.71	0.00	62,257.71	63,385.14	(0.01)	63,385.13
(b) Right-of-use assets	0.17	-	0.17	41.36	-	41.36
(c) Capital work-in-progress	1,232.53	-	1,232.53	1,370.18	-	1,370.18
(d) Goodwill	-	-	-	-	-	-
(e) Other intangible assets	0.78	-	0.78	0.64	-	0.64
(f) Financial assets	-	-	-	-	-	-
i) Investments	1,179.31	-	1,179.31	2,705.04	-	2,705.04
ii) Trade receivables	16,490.33	-	16,490.33	2,220.95	-	2,220.95
iii) Loans	697.82	-	697.82	785.34	-	785.34
iv) Other financial assets	588.38	-	588.38	2,016.75	-	2,016.75
(g) Deferred tax assets (net)	51.88	-	51.88	51.88	-	51.88
(h) Non-current tax assets (net)	1,356.09	-	1,356.09	1,210.32	-	1,210.32
(i) Other non current assets	2.67	-	2.67	495.23	-	495.23
Total non-current assets (A)	83,857.66	0.00	83,857.67	74,282.81	(0.01)	74,282.82
II. CURRENT ASSETS						
(a) Inventories	1,608.20	-	1,608.20	2,449.24	-	2,449.24
(b) Financial assets	-	-	-	-	-	-
i) Trade receivables	14,223.75	(19.92)	14,203.83	16,698.11	(21.30)	16,676.81
ii) Cash and cash equivalents	2,650.62	-	2,650.62	19,766.45	-	19,766.45
iii) Bank balances other than (ii) above	28,663.96	-	28,663.96	10,304.00	-	10,304.00
iv) Loans	247.57	-	247.57	261.04	-	261.04
v) Other financial assets	5,110.15	21.30	5,131.45	3,134.02	21.30	3,155.32
(c) Current tax assets (net)	-	-	-	-	-	-
(d) Other current assets	674.92	(2.65)	672.27	635.77	-	635.77
	53,179.17	(1.27)	53,177.90	53,248.62	(0.00)	53,248.63
Assets classified as held for sale	890.53	-	890.53	597.74	-	597.74
Total Current Assets (B)	54,069.70	(1.27)	54,068.43	53,846.36	(0.00)	53,846.37
TOTAL ASSETS (A) + (B)	1,37,927.37	(1.27)	1,37,926.10	1,28,129.17	(0.01)	1,28,129.19
EQUITY AND LIABILITIES						
III. EQUITY						
(a) Share capital	13,182.26	-	13,182.26	13,182.26	-	13,182.26
(b) Other equity	(43,428.30)	(271.52)	(43,699.82)	(52,645.38)	(55.67)	(52,701.05)
Equity attributable to owners of the Company	(30,246.04)	(271.52)	(30,517.56)	(39,463.12)	(55.67)	(39,518.79)
Non-controlling interests	15,824.38	-	15,824.38	13,778.94	-	13,778.94
Total equity (C)	(14,421.66)	(271.52)	(14,693.18)	(25,684.18)	(55.67)	(25,739.85)
LIABILITIES						
IV. NON-CURRENT LIABILITIES						
(a) Financial liabilities	-	-	-	-	-	-
i) Borrowings	44,372.58	(44,372.58)	-	48,898.13	(48,898.13)	-
ii) Other financial liabilities	1.36	-	1.36	1.32	-	1.32
iii) Lease liabilities	-	-	-	2.73	-	2.73
(b) Provisions	19.95	(12.29)	7.66	38.55	-	38.55
(c) Deferred tax liabilities (net)	235.88	-	235.88	226.87	-	226.87
(d) Other non-current liabilities	8,242.61	3.47	8,246.08	8,491.18	-	8,491.18
Total non-current liabilities (D)	52,872.38	(44,381.40)	8,490.98	57,658.78	(48,898.13)	8,760.65
V. CURRENT LIABILITIES						
(a) Financial liabilities	-	-	-	-	-	-
i) Borrowings	81,293.41	44,867.71	1,26,161.12	76,799.88	50,446.67	1,27,246.55
ii) Trade payables	-	-	-	-	-	-
Total outstanding dues of micro enterprises and small enterprises	1.37	19.83	21.20	0.92	7.50	8.42
Total outstanding dues of creditors other than micro enterprises and small enterprises	5,036.74	(37.27)	4,999.47	5,596.54	(2.96)	5,593.58
iii) Lease liabilities	0.20	-	0.20	6.93	-	6.93
iv) Other financial liabilities	11,817.97	(210.91)	11,607.06	12,428.43	(1,497.39)	10,931.04
(b) Provisions	8.14	12.29	20.43	7.85	-	7.85
(c) Current tax liabilities (net)	11.29	-	11.29	49.52	-	49.52
(d) Other current liabilities	654.94	-	654.94	664.50	-	664.50
	98,824.06	44,651.65	1,43,475.71	95,554.57	48,953.82	1,44,508.39
Liabilities associated with assets classified as held for sale	652.59	-	652.59	600.00	-	600.00
Total current liabilities (E)	99,476.65	44,651.65	1,44,128.30	96,154.57	48,953.82	1,45,108.39
TOTAL LIABILITIES (F) = (D) + (E)	1,52,349.03	270.25	1,52,619.28	1,53,813.35	55.69	1,53,869.04
TOTAL EQUITY AND LIABILITIES (C) + (F)	1,37,927.37	(1.27)	1,37,926.10	1,28,129.17	0.02	1,28,129.19

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

Note 64

Previous year's figures have been regrouped wherever necessary to correspond with the current year's classification/disclosure.

Note 65

These consolidated financial statements were approved by Board of Directors at its meeting held on August 14, 2023.

For C N K & Associates LLP

Chartered Accountants

ICAI FRN 101961W/W-100036

VIJAY HARSUKHLAL MEHTA
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Date: 2023.09.06 18:05:01 +05'30'

Vijay Mehta

Partner

Membership No. 106533

For and on behalf of the Board of Directors

PRIYA PREMPAL SHETTY
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Date: 2023.09.06 14:23:51 +05'30'

Priya Prempal Shetty

Director

DIN: 08858814

KAUSHIK MODAK
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Kaushik Modak

Director

DIN: 01266560

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Chief Executive Officer

CHANDRA SHEKHAR RAJAN
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C S Rajan

Director

DIN: 0126063

RITENDRA BHATTACHARJEE
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Ritendra Bhattacharjee

Chief Financial Officer

Nishant Upadhyay
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Nishant Upadhyay

Company Secretary

Membership Number: A23414

Place: Mumbai

Date: September 06, 2023

Place: Mumbai

Date: September 06, 2023

