

Directors' Report

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

Your Directors have pleasure in presenting the Annual Report along with the Audited Accounts for the year ended March 31, 2013

FINANCIAL RESULTS:

(Rs. in millions)

For the year ended	March 31, 2013	March 31, 2012
(A) <u>Continuing operations</u>		
Total Income	1,325.77	774.65
Expenses	432.75	283.74
Profit/ (Loss) before Interest, Depreciation and Tax	893.02	490.91
Interest & Finance Charges	660.82	168.60
Profit Before Depreciation and Taxes	232.20	322.31
Depreciation and amortization expenses	3.55	2.30
Profit/ (Loss) Before Taxes	228.65	320.01
Provision for taxes	96.30	80.71
Profit/ (Loss) after tax from continuing operations	132.35	239.30
(B) <u>Discontinuing Operations</u>		
Profit / (Loss) from discontinuing operations before tax	(57.57)	(119.69)
Gain on disposal of assets / settlement of liabilities attributable to discontinuing operations	213.90	--
Tax expense	--	--
Profit / (Loss) after tax from discontinuing operations	156.33	(119.69)
(C) <u>Total operations</u>		
Profit for the year (after tax)	288.68	119.61
Balance Profit/ (Loss) brought forward from Previous Year	173.47	53.86
Appropriations:		
Dividend (including dividend tax)	--	--
General Reserves	--	--
Balance Profit/ (Loss) carried forward to Balance Sheet	462.15	173.47

During the period under review, your Company has earned a total income of Rs 1,325.77 mn from continuing operations and profits (after tax) from discontinuing operations amounted to Rs 156.33 mn. The total PAT for the year amounted to Rs 288.68 mn. As a part of internal restructuring, the 50.4 MW wind farm assets along with its liabilities were transferred to Wind Urja Limited, presently a 100% subsidiary of your company.

The Company is nearing completion of development and implementation of various power projects and as such the Company's performance and profitability are likely to improve significantly in the coming years

OPERATIONS:

Operating Environment

During the financial year 2012-13 Indian Economy witnessed effects of global economic slowdown. As per the quick estimates of index of industrial production released on April 12, 2013 by Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation (MOSPI), the cumulative growth in the Mining, Manufacturing and Electricity sectors during April-February 2012-13 over the corresponding period of 2011-12 has been (-) 2.5%, 1.0% and 4.0% respectively.

As per RBI's recent release on the Macroeconomic and Monetary Developments dated July 29, 2013, India's growth during FY 2013 slipped to 5% – the lowest since 2002-03. The baseline GDP growth for 2013-14 is projected at 5.7%

During the year 2012-13, Indian Power sector continued to face challenges in the form of fuel supply issues, irrational and un-remunerative tariff structure of the distribution utilities, and the growing problem of receivables.

However, on the positive side, there has been recognition of these issues and most States have responded with retail tariff hikes. Government of India, has also initiated reforms by working out schemes for financial restructuring for state owned discoms

With continued demand supply gap, opportunities in the Power sector are immense. However, there are constraints on capacity addition such as unreliable fuel supply, un-remunerative generation tariffs, evacuation infrastructure, etc. which are being progressively addressed

Renewable energy sector has been receiving special attention of the government. Wind and Solar have been the key focus areas. The Union Budget 2013-14 has reintroduced Generation

Based Incentives for wind energy projects and has earmarked Rs. 800 Cr for the purpose. Also, the sunset date for benefit under Section 80 IA of the IT Act has been extended by a year.

Your Company has been active in developing renewable energy projects with specific focus on wind, biomass, cogen, and solar projects

Project Initiatives

Your Company continues to be committed towards catalyzing reliable and environment friendly power at an affordable cost and make investments in various energy assets with a suitable mix of projects based on fossil fuels and renewable sources

Present status of some of the key projects being implemented/developed by your Company is highlighted hereunder:

(1) 3840 MW Cuddalore Power Project, Tamil Nadu

IL&FS Tamil Nadu Power Company Limited (ITPCL), the special purpose vehicle in which your Company holds 26% equity stake, is implementing a 3840 MW imported coal based power plant (Project) at District Cuddalore in the State of Tamil Nadu, along with a captive port and a desalination plant. The Project is being implemented in two phases, Phase-1 of 1200 MW and Phase-2 of 2640 MW

Brief Highlights of the project are as under:

- (a) Fuel source for Phase-1 has been tied up with the acquisition of a coal mine in Indonesia
- (b) Land for entire project has been acquired. All necessary clearances/ approvals for the power project and captive port have been received
- (c) Financial Closure for Phase-1 of 1200 MW has been achieved
- (d) Construction underway for the Phase-1 of 1,200 MW
- (e) The Project cost for Phase-1, originally estimated at Rs. 63,710 Million is under revision
- (f) Phase-1 of 1200 MW is expected to be commissioned by February 2015
- (g) Financial Closure for Phase-2 of 2640 MW is in progress

(2) 1090 MW Tripura Gas Power Project

Your Company, pursuant to a Shareholders' Agreement with ONGC and Government of Tripura is implementing a 1,090 MW gas based Combined Cycle Power Project (CCPP) in the State of Tripura, through a Special Purpose Company named ONGC Tripura Power Limited (OTPC). Phase - I of the project comprises of two units of 363 MW each. The natural gas for the project would be supplied by ONGC from their gas fields in Tripura

Brief Highlights of the project are as under:

- BHEL is the turn-key EPC contractor for Phase – I (i.e. Unit I & II of 363 MW each)
- The Unit#1 of 363 MW was synchronised in January 2013 and after initial trial runs, some rectification work of HRSG is being carried out by BHEL. The unit is expected to begin commercial operations by August 2013
- Works are underway for the Unit#2 of 363 MW, which is expected to be operational by October 2013

Presently, your company holds 49.52% equity stake in OTPC, which was to be diluted to 26% as per the understanding with the Shareholders to bring in strategic investors. OTPC is now proposing to raise further funds by making an initial offer to public which may result in your Company's equity stake getting diluted to 24.5% to accommodate the minimum offer size

(3) 4000 MW Coal based Thermal Power Project in Nana Layja, Gujarat

Your Company is in the process of developing a 4,000 MW coal based thermal power project along with a 60 MLD Desalination Plant and a 15 MTPA captive port at Nana Layja in Gujarat. The Thermal Power Project and Desalination plant shall be developed as units of the Multi product SEZ/FTWZ facility being developed by associate companies of Infrastructure Leasing & Financial Services Limited at Village Mota Layja in District Kutch of Gujarat.

Significant project development activities have been completed such as earmarking of land and signing of MoU with SEZ developers, Terms of Reference approval by MoEF for Environment Impact Assessment studies, water linkage from Gujarat Maritime Board (GMB), NoC from Airport Authority of India and Ministry of Defence for stack height, NoC from Gujarat State Forest Department, NoC for sea water intake-outfall structure from GMB etc.

The environment clearance and thereafter financial closure of the Project is expected by March 2014 and project execution is expected to commence soon thereafter

The Project is housed in an SPV incorporated under the name of Nana Layja Power Company Ltd., which presently is a 100% subsidiary of your Company

(4) 2000 MW natural gas based Combined Cycle Power Project (CCPP) at Nana Layja, Gujarat

During the last year, your Company had initiated the process for development of a 2000 MW natural gas based Combined Cycle Power Project (CCPP) at site adjacent to that of 4000 MW coal based Thermal Power Project (TPP) site within SEZ/FTWZ. Natural gas is proposed to be imported in the form of Liquefied Natural Gas (LNG) in special vessels and unloaded, regassified and stored at a dedicated LNG Regasification Terminal of 5.0 MTPA capacity planned to be set up at Captive Jetty.

Significant project development activities have been completed such as earmarking of land and signing of MoU with SEZ developers, ToR approval by MoEF for EIA studies, water linkage from Gujarat Maritime Board (GMB), NoC from Airport Authority of India and Ministry of Defence for stack height, NoC from Gujarat State Forest Department, NoC for sea water intake-outfall structure from GMB etc.

The environment clearance and thereafter financial closure of the Project is expected by March 2014 and project execution will commence soon thereafter

The Project is presently housed in Nana Layja Power Company Ltd., which presently is a 100% subsidiary of your Company. Going forward, this project is proposed to be housed under a separate SPV to be incorporated for the purpose

(5) 400 KV D/C Muzaffarpur-Dhalkebar Indo-Nepal Cross Border Transmission Line Project

Your Company, in association with Power Grid Corporation of India Limited, SJVN Limited and Nepal Electricity Authority, is in the process of developing and implementing a 400 KV D/C Muzaffarpur-Dhalkebar Indo-Nepal Cross Border Transmission Line Project

The Project is a part of the larger Nepal India Electricity Transmission and Trade Project comprising of 400 kV transmission line from Hetauda to Duhabi via Dhalkebar covered under World Bank funding to Govt. of Nepal.

The Project has been conceived into two portions as follows:

- India Portion – 86 Km , Muzaffarpur to Sursand being housed under a SPV incorporated in India and named as ‘Cross Border Power Transmission Company Limited’ (CPTC). Your Company has 38% stake in CPTC
- Nepal Portion – 39 Km, Bathanaha (Nepal Border) to Dhalkebar being housed under a SPV incorporated in Nepal and named as ‘Power Transmission Company Nepal Limited’ (PTCN). Your Company presently holds 50% stake in PTCN. However, in terms of the SHA your Company’s stake shall be 10% in PTCN

The estimated cost for India & Nepal portion is Rs 2100 Mn & 939 Mn respectively. All requisite clearances for the Project are in place. The CoD is targeted by December 2014.

This transmission line project will provide opportunities to Nepal for tapping its huge hydro power potential, thus providing opportunities for much needed economic growth by selling power to India, where demand is ever increasing. This project will serve to initiate a sustainable commercial power trade between Nepal and India by maximizing benefits from existing and planned small and medium power projects.

(6) Renewable Energy Projects:

Your Company has undertaken various projects in the renewable energy segment along with its subsidiary company, viz., IL&FS Renewable Energy Limited (IREL). Brief highlights are as under:

(a) Wind Power

Your Company along with IREL has been engaged in establishing wind power projects across various states over the last two years. Currently, 389 MW of wind power are in operational mode. These wind power projects have been implemented through various Special Purpose Vehicles (SPVs) which are IL&FS Wind Power Limited, Tadas Wind Energy Limited, Lalpur Wind Energy Limited, Khandke Wind Energy Private Limited and IL&FS Wind Farms Limited. The operational wind farms are spread across states comprising of Rajasthan (65 MW), Tamil Nadu (24 MW), Gujarat (117 MW),

Andhra Pradesh (59 MW), Madhya Pradesh (24 MW) and Karnataka (100 MW)

Out of the above mentioned 389 MW operational projects, 50.4 MW previously domiciled directly under IEDCL were transferred to Wind Urja Limited, a 100% subsidiary of IEDCL, during the year.

Presently, wind power farms aggregating to 237 MW in the states of Maharashtra, Gujarat, Karnataka, Andhra Pradesh and Rajasthan are under implementation, which will enhance the operational wind farm capacity to 626 MW. Further, it is proposed to implement additional wind power farms aggregating to 378.4 MW during FY 14

(b) Waste-to-Energy

The company is also implementing its first Waste-to-Energy (WtE) Project located adjacent to the Ghazipur landfill site in East Delhi. The project is being implemented through East Delhi Waste Processing Company Limited (EDWPCL) on BOOT basis. The first major component of the project which is Refuse Derived Fuel (RDF) Plant commenced operations in July 2013. The power plant is expected to be commissioned by June 2014

This WtE plant will be first of its kind in the Country and fully Euro compliant on environmental front

(c) Biomass Power

IREL has been developing biomass power projects potential across India and currently has an operational biomass portfolio aggregating to 105 MW. The operational biomass power portfolio comprises of 80 MW of bagasse based cogeneration power projects and 25 MW of biomass based power projects. Out of the 80 MW bagasse based cogeneration power projects, 44 MW project was successfully commissioned during FY 13

The operational Biomass & Cogeneration power projects have been implemented through various Special Purpose Vehicles comprising of Urjankur Shree Datta Power Company Limited, Urjankur Shree Tatyasaheb Kore Warana Power Company Limited, Shendra Green Energy Limited (Formerly GAPS Power and Infrastructure Private Limited) and Punjab Biomass Power Limited

IREL also has an equity stake of 13.35% in Shalivahana Green Energy Limited (SGEL). SGEL has operational as well as under construction/development projects based on biomass, wind and hydro energy aggregating to 197.7 MW, of which 68.2 MW is operational

IREL is also undertaking development of greenfield biomass power projects that includes a 10 MW biomass power project based on Julifora in state of Gujarat and paddy straw based biomass power plant in states of Punjab and Bihar

(d) Hydro Power

IREL is developing the 45 MW Tirap Hydro Electric Project in Changlang district, Arunachal Pradesh (near the Assam - Arunachal Border). The Company has obtained significant approvals including Techno Economic Clearance from the Government of Arunachal Pradesh (GoAP). The public hearing has already been carried out in respect of environment clearance and land. The Land acquisition for the project is underway by GoAP.

IREL is also exploring opportunities for taking up additional medium to large size hydro energy projects in other parts of India and also in Africa and Nepal

(e) Solar Power

IREL is keen to harness the substantial potential of solar energy in India. It has been pursuing development of Solar Power Projects through various initiatives including participation in the State Solar Bids and on a bilateral basis with Private Sector Power Purchasers

IREL is also in discussions with various solar panel manufacturers, for selecting suitable manufacturer(s) with ability to supply solar panels at attractive prices to provide solar power at affordable tariffs

(7) New Initiatives

200 MW Gas based Power Project in Tanzania:

Your Company, in collaboration with Kamal Steels Limited (Tanzania) and Al-Rawi International (Dubai) is in the process of developing a 200 MW gas based power project at Tanzania. A special purpose vehicle named 'Kamal Bagamoyo Energy Limited' has been incorporated in Tanzania. Your Company's stake in the project will be 50%

(8) Portfolio Investments:

Presently, your Company's Portfolio of investments comprises of equity stakes in SV Power Private Limited, KVK Nilachal Power Private Limited and Himachal Sorang Power Ltd.

A brief on the above mentioned portfolio is as follows:

(a) 63 MW Coal washery rejects based SV Power Project

The 63 MW Power Project based on washery rejects and raw coal at Chhattisgarh, which is housed under SV Power Private Limited (SPPL) in which your Company has 36.75% equity stake

(b) 1050 MW Coal Based KVK Nilachal Thermal Power Project, Orissa (Phase I – 350 MW; Phase II – 700 MW)

Your Company has 5% equity stake in KVK Nilachal Power Private Limited, the SPV under which the project is housed. The project is based on domestic coal linkage from Mahanadi Coal Fields Limited.

(c) 100 MW Sorang Hydro Power Project:

Your Company had a 33% stake in Himachal Sorang Power Ltd. (HSPL), the SPV implementing a 100 MW Hydro Power Project in Himachal Pradesh. The project is a Run-of-River scheme on the Sorang Khad, a right tributary of Sutlej River at Kinnaur District, Himachal Pradesh.

In December 2012, your Company has divested its stake to TAQA Jyoti Energy Ventures Private Limited

(9) Advisory Services :

Apart from the development and implementation of its own power projects, your Company also provides comprehensive advisory services to various public and private entities in the areas of generation, transmission, distribution as well on fuel management.

RISK MITIGATION FRAMEWORK :

Your Company believes in an inclusive development of the projects taking full cognizance of the interest of all the stakeholders, most importantly the community around and the society at large.

In this regard, your Company had adopted an Environment & Social Policy Framework (ESPF) to address various environment & social issues associated with the activities of the Company. The ESPF framework has been applied to all the on-going projects and suitable measures for addressing the risks have been identified and are being implemented

Under the ESPF framework, training and capacity building of project teams have been carried out during the year under review. There have been two internal reviews by ESPF Corporate cell and also an independent audit by Deloitte Touche Tohmatsu India Pvt. Ltd. on ESPF implementation in IEDCL

Apart from the above the Company has an Enterprise Risk Management process led by a focused group that identifies risks and their mitigation measures, assigns responsibilities for mitigation and tracks progress with respect to mitigation

DIVIDEND :

Your Directors do not recommend dividend for the financial year under review

SHARE CAPITAL :

During the year there was no change in the share capital of the Company

CORPORATE GOVERNANCE :

Four Board Meetings were held during the period under review. The attendance status at these Board Meetings is as under :

Name of the Director	No of Board Meetings attended
Mr Ravi Parthasarathy	4
Mr Hari Sankaran	4
Mr K. Ramchand	3
Mr S.C. Tripathi	4
Mr K.G. Ramachandran	4
Mr K. C. Lahiry	4
Mr R.C. Bawa	4
Mr MS Srinivasan	4
Mr Arun K Saha	4
*Mr Siddharth Mehta	2
**Dr (Ms) Archana Hingorani	4
***Mr C P Jain	2

*Appointed as Additional Director(s) w.e.f 8th November 2011 and regularized at the last AGM held on August 7, 2012

** Appointed as Additional Director w.e.f 26th March 2012 and regularized at the last AGM held on August 7, 2012

*** Appointed as Additional Director(s) w.e.f November 23, 2012

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

- Audit Committee
- Compensation Committee

The Audit Committee was reconstituted on November 23, 2012 whereby Mr CP Jain was appointed as its member. The reconstituted Audit Committee comprises of Mr KG Ramachandran, Mr SC Tripathi, Mr Hari Sankaran and Mr CP Jain as its members. The responsibilities of Audit Committee of the Members of Board inter-alia, include review of Internal Audit, Accounting Policies, Financial Statements, and the Regulatory Framework affecting operations of the Company. Accounting Policies and Financial Statements are

placed before the Board for consideration after review of the Audit Committee. Auditors of the Company are invited to attend all Audit Committee Meetings

The attendance status at Audit Committee Meetings is as under:

Name of the Director	No of Audit Committee Meetings attended
Mr K.G. Ramachandran	4
Mr S.C. Tripathi	4
Mr Hari Sankaran	4
*Mr C P Jain	1

*Appointed as member of Audit Committee wef November 23, 2012. Since, then 1 meeting of Audit Committee was held during the year under review

The Compensation Committee comprises of Mr Ravi Parthasarathy, Mr KG Ramachandran, Mr Hari Sankaran and Mr K Ramchand as its members.

The Compensation Committee has been authorized to determine the managerial remuneration, review and approve Human Resources, personnel related policies/matters of the Company as well as other matters as may be requested by the Board of Directors of the Company from time to time

During the year under year, the Compensation Committee met once on November 8, 2012, which was attended by all the members of the Committee

Committee of Directors (COD)

In addition to above mentioned committees, your Company had constituted Committee of Directors (CoD) comprising of Mr Ravi Parthasarathy and Mr Hari Sankaran as its members

This Committee supervises the operations of the Company in the ordinary course of business and is authorized to exercise all such powers required for the same and to do all such acts and deeds, subject to relevant statutory provisions, limits specified and direction provided by the Board of Directors of the Company from time to time. The CoD is also authorized to deal with matters related to credits/investments, exercising borrowing powers, matters related to or connected with allotment, transfer, dematerialization, rematerialization of securities, issue of share certificates and other matter provided in the Companies (Issue of Share Certificates) Rules 1960

DIRECTORS :

Mr Siddharth Mehta was appointed as Additional Director on November 8, 2011 and Dr Archana Hingorani was appointed on March 26, 2012 as Additional Director(s) by the Board of Directors and their appointment was regularized in the AGM held on August 7, 2012

Mr CP Jain was appointed as Additional Director by the Board of Directors on November 23, 2012

Pursuant to the provisions of the Companies Act, 1956 (the Act), Mr CP Jain would hold office till the date of the ensuing Annual General Meeting (AGM). The Company has received notice in writing with requisite deposit from a Member proposing the candidature of Mr CP Jain, who is eligible for appointment, for the office of Director at the ensuing AGM

Further, in terms of provisions of the Act, Mr RC Bawa, Mr Arun K Saha and Mr K Ramchand, Director(s) of the Company, retire by rotation at the forthcoming Annual General Meeting of the Company and being eligible offer themselves for re-appointment as Director(s) of the Company

HOLDING COMPANY :

Your Company is a subsidiary of Infrastructure Leasing & Financial Services Limited as at March 31, 2013

FIXED DEPOSITS :

During the year, the Company has not accepted any deposit from the public within the meaning of section 58A of the Companies Act, 1956

AUDITORS :

Messrs Deloitte Haskins & Sells, Chartered Accountants (DHS), Gurgaon, Statutory Auditors of the Company, hold office till the date of ensuing Annual General Meeting of the Company. They have expressed their willingness to continue as Auditors and have provided their consent for reappointment as Auditors of the Company for FY 2013-14

The Board of Directors recommend appointment of M/s Deloitte Haskins & Sells, Chartered Accountants, Gurgaon, as Statutory Auditors of the Company, who have conveyed their willingness to accept the assignment, if appointed. Further, the Company has received notice from them stating that if appointed, they are within the limits laid down under (1-B) of Section 224 of the Companies Act, 1956

PARTICULARS OF EMPLOYEES :

Information in accordance with the provisions of Section 217 (2A) of the Companies Act, 1956 (the Act), read with the Companies (Particulars of Employees) Rules, 1975, as amended, regarding employees is given in Annexure-1 to the Directors' Report

DIRECTORS' RESPONSIBILITY STATEMENT :

Section 217(2AA) of the Companies Act, 1956 as amended in December 2000 requires the Board of Directors to provide a statement to the Members of the Company in connection with maintenance of books, records, preparation of Annual Accounts in conformity with the accepted accounting standards and past practices followed by the Company. Pursuant to the foregoing, and on the basis of representations received from the Operating Management, and after due enquiry, it is confirmed that :

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures
- (b) The Directors have selected such accounting policies and applied them consistently and made judgements 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
- (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
- (d) The Directors have prepared the annual accounts on a going concern basis

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

The particulars regarding foreign exchange earnings and expenditure appear as Item 29 of the Notes Forming part of the Financial Statements

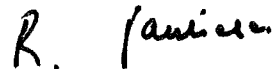
The Provisions of Section 217(1)(e) of the Act relating to conservation of energy does not apply to the Company. However, the Company has used information technology extensively in its operations. The requisite information with respect to technology absorption as per prescribed Form B is annexed as Annexure-2 to the Directors' Report

The other particulars in the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable

ACKNOWLEDGEMENT :

Your Directors wish to thank the Government and the Company's Bankers for all the support and encouragement they extended to the Company. The Directors also wish to place on record their deep appreciation for the services rendered by the employees of the company at all levels and for their dedication and loyalty

**FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS**



**Ravi Parthasarathy
Chairman**

Date: August 9, 2013
Place: Mumbai

Statement pursuant to Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of Employees) Rules, 1975

I. Employees on the rolls of the Company

Name	Gross Remuneration (In Rupees)	Designation	Qualification	Age (in Completed Yrs)	Total Experience (in Completed Yrs)	Date of Joining IEDCL	Period of service with IEDCL in 2012-13	Last Employment & Designation
Avinash Bapat	24,988,264	Group Chief Financial Officer – Energy Vertical	B.Com, LLB, FCA	55	29	01-Oct-2008	12 Months	Wind World India (Previously known as Enercon India Limited); President
Haziq Beg	14,358,882	Chief Operating Officer	B.Tech, M.Tech, PGDM (Finance)	48	24	01-Oct-2008	12 Months	IL&FS Infrastructure Development Corporation Ltd.; Senior Vice President
Rajsekhar Budhavarapu	5,509,209	Chief Technology Officer – Renewable Investments	B.Tech (Aerospace Engineering)	44	20	22-Aug-2012	7 months and 10 days	Garrad Hassan India Pvt. Ltd.; Country Manager
Hemant Thanvi	9,516,058	Senior Vice President (CFO – IEDCL)	B.Com, FCA, ACS	42	20	01-Apr-2011	12 Months	IL&FS Infrastructure Development

Name	Gross Remuneration (In Rupees)	Designation	Qualification	Age (in Completed Yrs)	Total Experience (in Completed Yrs)	Date of Joining IEDCL	Period of service with IEDCL in 2012-13	Last Employment & Designation
								Corporation Ltd.; Senior Vice President
Sanjay Joshi	7,198,945	Vice President	BE (Production); PGDM; Advanced certificate in Power Distribution Management	43	20	01-Oct-2008	12 Months	IL&FS Infrastructure Development Corporation Ltd.; Senior Manager
Anand B Nair	8,464,239	Vice President (CFO – Renewable)	B.Com; CA; MBA	42	14	05-Nov-2009	12 Months	DaVita Inc (US); Director Finance
Feby Koshy	6,886,897	Vice President	BE (Mech); MBA	44	22	20-Jun-2011	12 Months	GMR Energy Ltd.; General Manager
S Baskaran	6,093,905	Associate Vice President	BE(Civil); ME (Environment)	38	14	01-Oct-2008	12 Months	IL&FS Infrastructure Development Corporation Ltd.; Senior Manager

Notes:

- The above mentioned employees were drawing more than Rs.6,000,000/- per annum / Rs.500,000/- per month
- The terms and conditions of employment are as per Company's rules.

- iii) Remuneration includes basic salary; allowances, value of food coupons, the Company's contribution to Provident Fund, Superannuation, Performance Related Pay, amount of gratuity based on present basic salary, premium paid on life insurances and taxable value of other perquisites
- iv) Above employees are not related to any Director of the Company.
- v) None of the above employees, either individually or together with his spouse or dependent children, has held more than 2% of the equity shares of the Company

II. Employees on deputation from Infrastructure Leasing & Financial Services Limited (IL&FS), the Holding Company

Name	Deputation Cost (In Rupees)	Designation	Qualification	Age (in Completed Yrs)	Total Experience (in Completed Yrs)	Date of Joining IEDCL	Period of service with IEDCL in 2012-13	Last Employment & Designation
Sunil Wadhwa	25,013,629	Chief Executive Officer	B.Com; FCA	53	28	01-Apr- 2012	12 Months	Tata Power Delhi Distribution Limited; Managing Director

Notes:

- The abovementioned appointee has been deputed to the Company by IL&FS, the Holding Company and the cost of deputation (excluding service tax) is more than Rs 6,000,000/- per annum / Rs.500,000/- per month.
- The Cost of deputation is based on the appointee's remuneration from its employer company, i.e., IL&FS
- The above appointee is not related to any Director of the Company.
- The above appointee, either individually or together with his spouse or dependent children, has not held more than 2% of the equity shares of the Company

FORM B
Form for disclosure of particulars with respect to technology absorption

Research and development (R&D)

The Company has implemented 50.4 MW wind power generation projects in Tamil Nadu and Rajasthan. The Projects have been implemented through a turnkey EPC contract with Enercon India Limited (EIL), the leading wind mill manufacturer in India. The Company has also entered into an O&M contract with EIL for a period of 10 yrs. These 50.4 MW wind projects (alongwith its liabilities) were transferred to Wind Urja Limited, a 100% subsidiary of IEDCL, during the year

The Company does not undertake any separate R&D activities

Expenditure on R&D :

(a) Capital	-	-	-	-	-	- Nil
(b) Recurring	-	-	-	-	-	- Nil
(c) Total	-	-	-	-	-	- Nil
(d) Total R&D expenditure as a percentage of total turnover						- Nil

Technology absorption, adaptation and innovation

As a part of the IL&FS Group initiative, the Company is focusing on development of environment friendly, cleaner and cheaper ways of generating power. In this regard, the Company is focusing on development of various renewable energy projects, which includes biomass based energy projects, solar energy projects, hydro energy projects besides wind energy projects

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
A-268, First Floor, Bhishm Pitamah Marg, Defence Colony, New Delhi

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

	Name of Subsidiaries	IL&FS Hydro Energy Limited	Nana Layja Power Company Limited	IL&FS Renewable Energy Limited	Wind Urja India Pvt Ltd	Lalpur Wind Energy Limited	Khandke Wind Pvt. Energy Limited
1	Financial year of the subsidiary ended on	31-Mar-13	31-Mar-13	31-Mar-13	31-Mar-13	31-Mar-13	31-Mar-13
2	Date from which they become subsidiary	30-Nov-07	26-Oct-11	26-Oct-11	21-Aug-12	31-Mar-12	21-Aug-12
3	Share of the subsidiary held by the Company as on March 31, 2013						
	a) Number and Face Value	50,000 equity shares of Rs. 10 each fully paid up	2,00,50,000 equity shares of Rs. 10 each fully paid up	15,71,81,000 equity shares of Rs. 10 each fully paid up	50,000 equity shares of Rs. 10 each fully paid up	1,42,300 equity shares of Rs. 10 each fully paid up	1,42,300 equity shares of Rs. 10 each fully paid up
	b) Extent of holding	100.00%	100.00%	100.00%	Refer Note (a) at the end	Refer Note(b) at the end	Refer Note(c) at the end
4	The net aggregate amount (in rupees) of the subsidiary companies profit/(loss) so far as it concerns members of the Company						
	a) Not dealt in the holding company's accounts						
	i) For the financial year ended March 31, 2013	(57,422)	(4,223,298)	12,962,008	(11,346,692)	(98,982,775)	(58,939,906)
	ii) For all the previous financial years of the subsidiary	(327,215)	(4,823,388)	8,090,352	-	(29,766)	-
	b) Dealt within the holding company's accounts						
	i) For the financial year ended March 31, 2013	-	-	-	-	-	-
	ii) For all the previous financial years of the subsidiary	-	-	-	-	-	-

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
A-268, First Floor, BhishmPitamah Marg, Defence Colony, New Delhi

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

	Name of Subsidiaries	East Delhi Waste Processing Company Private Limited	IL&FS Wind Farms Ltd	IL&FS Solar Power Limited	Bhojpur Biomass Power Company Limited
1	Financial year of the subsidiary ended on	31-Mar-13	31-Mar-13	31-Mar-13	31-Mar-13
2	Date from which they become subsidiary	October 26, 2011	October 26, 2011	October 26, 2011	October 26, 2011
3	Share of the subsidiary held by the Company as on March 31, 2013				
	a) Number and Face Value	7839 Equity shares of Rs.10 each fully paid up	17,297,000 Equity Shares of Rs 10 each fully paid up	50,000 Equity Shares of Rs 10 each fully paid up	50,000 Equity Shares of Rs 10 each fully paid up
	b) Extent of holding	Refer Note (d) at the end	Refer Note (e) at the end	Refer Note (e) at the end	Refer Note (e) at the end
4	The net aggregate amount (in rupees) of the subsidiary companies profit/(loss) so far as it concerns members of the Company				
	a) Not dealt in the holding company's accounts				
	i) For the financial year ended March 31, 2013	(64,10,944)	(130,76,431)	(6,139,579)	(73,335)
	ii) For all the previous financial years of the subsidiary	(11,255,243)	105,42,446	(112,588)	(96,298)
	b) Dealt within the holding company's accounts				
	i) For the financial year ended March 31, 2013	-	-	-	-
	ii) For all the previous financial years of the subsidiary	-	-	-	-

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
A-268, First Floor, Bhishm Pitamah Marg, Defence Colony, New Delhi

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

	Name of Subsidiaries	IL&FS Wind Power Limited	Patiala Bio Power Company Private Limited	Nakhatrana Biomass Energy Limited	Shendra Green Energy Ltd (Formerly known as GAPS Power and Infrastructure Private Limited)
1	Financial year of the subsidiary ended on	31-Mar-13	31-Mar-13	31-Mar-13	31-Mar-13
2	Date from which they become subsidiary	November 2, 2011	October 26, 2011	October 26, 2011	October 26, 2011
3	Share of the subsidiary held by the Company as on March 31, 2013				
	a) Number and Face Value	111,180,000 Equity Shares of Rs 10 each fully paid up	50,000 Equity Shares of Rs 10 each fully paid up	80,000 Equity Shares of Rs 10 each fully paid up	3,665,894 Equity Shares of Rs 10 each fully paid up
	b) Extent of holding	Refer Note (e) at the end	Refer Note (e) at the end	Refer Note (e) at the end	Refer Note(e) at the end
4	The net aggregate amount (in rupees) of the subsidiary companies profit/(loss) so far as it concerns members of the Company				
	a) Not dealt in the holding company's accounts				
	i) For the financial year ended March 31, 2013	299,16,483	(120,910)	(71,151)	(175,429,350)
	ii) For all the previous financial years of the subsidiary	(103,548,918)	(97,782)	(148,029)	(377,815,100)
	b) Dealt within the holding company's accounts				
	i) For the financial year ended March 31, 2013	-	-	-	-
	ii) For all the previous financial years of the subsidiary	-	-	-	-

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES

	Name of Subsidiaries	Rohtas Bio Energy Private Limited	Tadas Wind Energy Limited	Vaspeth Wind Energy Pvt Ltd
1	Financial year of the subsidiary ended on	31-Mar-13	31-Mar-13	31-Mar-13
2	Date from which they become subsidiary	October 26, 2011	October 26, 2011	March 25, 2013
3	Share of the subsidiary held by the Company as on March 31, 2013 a) Number and Face Value b) Extent of holding	50,000 Equity Shares of Rs 10 each fully paid up Refer Note (e) at the end	67,508 Equity Shares of Rs 10 each fully paid up Refer Note (e) at the end	50,000 Equity Shares of Rs 10 each fully paid up Refer Note (e) at the end
4	The net aggregate amount (in rupees) of the subsidiary companies profit/(loss) so far as it concerns members of the Company a) Not dealt in the holding company's accounts i) For the financial year ended March 31, 2013 ii) For all the previous financial years of the subsidiary	 (92,477) (89,156)	 (429,767,338) (13,87,994)	 (47,938) -
	b) Dealt within the holding company's accounts i) For the financial year ended March 31, 2013 ii) For all the previous financial years of the subsidiary	 - -	 - -	 - -

Notes:

- (a) Wind Urja India Pvt. Ltd. (WUIPL) was incorporated on August 21, 2012. 100% equity shares were held by IREL from August 21, 2012 till March 27, 2013. 100% equity of WUIPL was acquired by IEDCL from IREL and consequently WUIPL became a subsidiary of IEDCL w.e.f. March 28, 2013
- (b) IREL held 100 % equity shares of Lalpur Wind Energy Limited (LWEL) till August 30, 2012 and as such LWEL was an indirect subsidiary of IEDCL. LWEL became a Direct Subsidiary of IEDCL w.e.f August 31, 2012 following IEDCL's acquisition of 74% equity shares from IREL, remaining 26% equity is held by IREL. Effective shareholding of IEDCL in LWEL is 100% as IEDCL holds 100% equity of IREL
- (c) Khandke Wind Energy Pvt. Limited (KWEPL) was incorporated on August 21, 2012. It was an indirect subsidiary of IEDCL till September 2, 2012 since 100% equity shares were held by IREL. KWEPL became a direct subsidiary of IEDCL w.e.f September 3, 2012 following IEDCL's acquisition of 74% equity shares from IREL, remaining 26% equity is held by IREL. Effective shareholding of IEDCL in LWEL is 100% as IEDCL holds 100% equity of IREL
- (d) East Delhi Waste Processing Company Private Limited (EDWPC): IREL holds 49% equity of EDWPC in its own name and it has effective control over the balance 51% equity (8,161 equity shares) by virtue of a Power of Attorney executed in its favour. Effective holding of IREL in EDWPC is 100%. IEDCL's effective holding in EDWPC is 100% as IEDCL hold 100% equity of IREL
- (e) IEDCL holds 100% equity holding of IL&FS Renewable Energy Ltd (IREL). The effective holding of IEDCL through IREL in the following Companies is:

IL&FS Wind Farms Ltd	100%
IL&FS Solar Power Limited	100%
Bhojpur Biomass Power Company Limited	100%
Vaspeth Wind Energy(P) Ltd	100%
IL&FS Wind Power Limited	100%
Patiala Bio Power Company Private Limited	100%
Nakhatrana Biomass Energy Limited	100%
*Shendra Green Energy Limited	100%
Tadas Wind Energy Limited	100%
Rohtas Bio Energy Private Limited	100%

*earlier known as GAPS Power and Infrastructure Private Limited

- (f) Additional disclosure:

During the year 2012-13 Cross Border Power Transmission Company Limited (CPTC) ceased to be a subsidiary of the Company. IEDCL entered into a shareholders' agreement dated July 9, 2012 (SHA) with Powergrid Corporation of India Ltd., SJVN Limited and Nepal Electricity authority regarding CPTC. Pursuant to the SHA, on August 11, 2012, 13000 shares (26%) of CPTC were transferred to PGCIL and 13000 shares (26%) were transferred to SJVN Limited and as such the shareholding of IEDCL in CPTC came down to 48%. Further 5000 Shares (10%) were transferred to Nepal Electricity Authority on January 2, 2013. As on date IEDCL holds 19000 (38%) equity shares in CPTC

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **IL&FS ENERGY DEVELOPMENT COMPANY LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March, 2013, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



Opinion

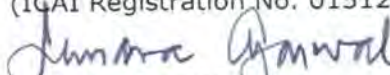
In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31 March, 2013;
- b. in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date and
- c. in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003("the Order") issued by the Central Government in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
 - a. We have obtained all the Information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Act.
 - e. On the basis of the written representations received from the directors as on 31 March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2013 from being appointed as a director in terms of Section 274(1)(g) of the Act.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(ICAI Registration No. 015125N)


JITENDRA AGARWAL

Partner
(Membership No. 87104)

BENGALURU, 7 May, 2013

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

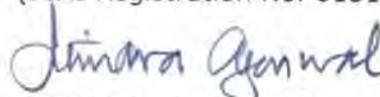
(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. Having regard to the nature of the Company's business/activities/results during the year, clauses (ii), (vi), (x), (xii), (xiii), (xiv), (xv), (xviii), (xix) and (xx) of paragraph 4 of the Order are not applicable to the Company.
- ii. In respect of its fixed assets:
 - a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b. The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - c. Pursuant to transfer of 'Generation and sale of power' business together with related assets and liabilities to Wind Urja India Limited ('Wholly owned subsidiary'), a substantial part of the fixed assets have been disposed off during the year. However, in our opinion and according to the information and explanations given to us, this does not affect the Company's ability to continue as a going concern.
- iii. The Company has neither granted nor taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
- iv. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to the purchase of fixed assets and for sale of services. The Company's operations did not give rise to purchase of inventory and sale of goods during the current year. During the course of our audit, we have not observed any major weaknesses in such internal control system.
- v. Based on the examination of the books of account and related records and according to the information and explanations provided to us, there are no contracts or arrangements with companies, firms or other parties which need to be listed in the register maintained under Section 301 of the Companies Act, 1956.
- vi. In our opinion, the internal audit functions carried out during the year by firm of Chartered Accountants appointed by the Management have been commensurate with the size of the Company and the nature of its business.
- vii. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that, *prima facie*, the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.



- viii. According to the information and explanations given to us in respect of statutory dues:
- a. the Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Income-tax, Sales tax, Service Tax, Cess and other material statutory dues applicable to it with the appropriate authorities. There are no undisputed amounts payable in respect of these statutory dues which have remained outstanding as at 31 March, 2013 for a period of more than six months from the date they become payable. We are informed that the provisions of Employees' State Insurance Act, 1948 are not applicable to the Company and the operations of the Company during the year did not give rise to any liability for Investor Education and Protection Fund, Wealth Tax, Custom Duty and Excise Duty.
 - b. there are no dues in respect of Income-tax, Sales tax, Service Tax and Cess which had not been deposited on account of any dispute.
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
- x. In our opinion and according to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained.
- xi. In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have, prima facie, not been used during the year for long term investment.
- xii. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no fraud on the Company has been noticed or reported during the year.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(ICAI Registration No. 015125N)



JITENDRA AGARWAL

Partner

(Membership No. 87104)

BENGALURU, 7 May, 2013

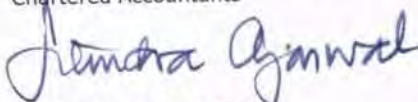
IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
BALANCE SHEET AS AT 31 MARCH, 2013

	Note Ref.	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
A EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
(a) Share capital	3	9,187,989,670	9,187,989,670
(b) Reserves and surplus	4	3,071,024,398	2,782,342,995
		12,259,014,068	11,970,332,665
2. NON-CURRENT LIABILITIES			
(a) Long-term borrowings	5	5,940,438,562	4,839,638,562
(b) Deferred tax liabilities (net)	6	-	45,805,743
(c) Long-term provisions	7	10,770,608	6,334,459
		5,951,209,170	4,891,778,764
3. CURRENT LIABILITIES			
(a) Current maturities of long-term debt	8	-	160,400,000
(b) Short-term borrowings	9	4,150,000,000	1,110,000,000
(c) Trade payables	10	87,165,267	60,604,695
(d) Other current liabilities	11	332,517,474	80,010,887
(e) Short-term provisions	12	12,148,881	7,473,322
		4,581,831,622	1,418,488,904
TOTAL		22,792,054,860	18,280,600,333
B ASSETS			
1. NON CURRENT ASSETS			
(a) Fixed assets			
i. Tangible assets	13	5,677,027	2,483,162,655
ii. Intangible assets	13	646,703	88,454,248
		6,323,730	2,571,616,903
(b) Non-current investments	14	12,414,027,689	10,236,410,389
(c) Deferred tax asset (net)	6	1,752,364	-
(d) Long-term loans and advances	15	2,471,627,811	1,851,656,727
(e) Other non current assets	16	99,314,100	-
		14,993,045,694	14,659,684,019
2. CURRENT ASSETS			
(a) Current portion of long term investments	17	4,067,265,200	-
(b) Current investments	18	1,759,960,000	2,770,410,000
(c) Trade receivables	19	561,073,494	427,977,451
(d) Cash and cash equivalents	20	243,599,742	71,898,556
(e) Short-term loans and advances	21	640,184,901	273,029,220
(f) Other current assets	22	526,925,829	77,601,087
		7,799,009,166	3,620,916,314
TOTAL		22,792,054,860	18,280,600,333

See accompanying notes forming part of the financial statements 1-38

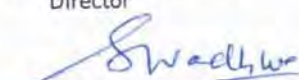
In terms of our report attached

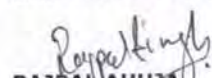
FOR DELOITTE HASKINS & SELLS
Chartered Accountants


JITENDRA AGARWAL
Partner

For and on behalf of the board


HARI SANKARAN
Director


SUNIL WADHWA
Chief Executive Officer


RAJPAL AHUJA
Company Secretary


K RAMCHAND
Director


AVINASH BAPAT
Chief Financial Officer

Place: Bengaluru
Date: 7 May, 2013

Place: Bengaluru
Date: 7 May, 2013



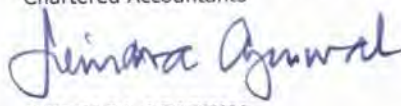
IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2013

	Note Ref.	Year ended 31.03.2013 (Rupees)	Year ended 31.03.2012 (Rupees)
A Continuing operations			
1 Income			
(a) Revenue from operations	23	791,005,432	660,011,309
(b) Other income	24	534,762,706	114,639,644
Total Revenue		1,325,768,138	774,650,953
2 Expenses			
(a) Employee benefits expense	25	231,942,439	162,884,545
(b) Finance costs	26	660,820,612	168,599,882
(c) Depreciation and amortisation expenses	13	3,551,970	2,304,302
(d) Other expenses	27	200,803,609	120,851,119
Total expenses		1,097,118,630	454,639,848
3 Profit before tax		228,649,508	320,011,105
4 Tax expense:			
(a) Current tax expense		143,858,684	78,387,592
(b) Deferred tax		(47,558,107)	2,320,771
		96,300,577	80,708,363
5 Profit from continuing operations		132,348,931	239,302,742
B Discontinuing operations	37		
6 Profit / (Loss) from discontinuing operations (before tax)		(57,568,502)	(119,689,446)
7 Gain on disposal of assets / settlement of liabilities attributable to the discontinuing operations		213,900,974	-
8 Tax expense		-	-
9 Profit / (Loss) from discontinuing operations		156,332,472	(119,689,446)
C Total operations			
10 Profit for the year		288,681,403	119,613,296
11 Earning per share	36		
(Face value of Rs. 10 per share)			
(i) Basic (in Rupees)			
(a) Continuing operations		0.15	0.35
(b) Total operations		0.33	0.18
(ii) Diluted (in Rupees)			
(a) Continuing operations		0.14	0.35
(b) Total operations		0.30	0.17


See accompanying notes forming part of the financial statements 1-38

In terms of our report attached

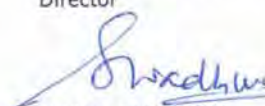
FOR DELOITTE HASKINS & SELLS
Chartered Accountants


JITENDRA AGARWAL
Partner

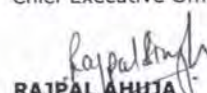
For and on behalf of the board


HARI SANKARAN
Director


K RAMCHAND
Director


SUNIL WADHWA
Chief Executive Officer


AVINASH BAPAT
Chief Financial Officer

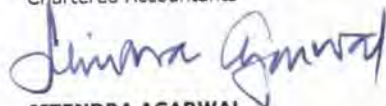

RAJPAL AHUJA
Company Secretary

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2013

	Note Ref.	Year ended 31.03.2013	Year ended 31.03.2012
		(Rupees)	(Rupees)
CASH FLOW FROM OPERATING ACTIVITIES			
Net profit before tax		384,981,980	200,321,659
Adjustment for:			
Depreciation and amortisation		150,170,644	149,585,258
Provision for employee benefits		9,111,708	3,193,215
Interest expense		919,873,939	451,421,326
Profit on slump sale of undertaking		(213,900,974)	-
Loss on sale of investment		450,000	-
(Profit)/Loss on sale of asset		(33,835)	(41,015)
Interest income		(530,817,187)	(114,486,510)
Operating profit before working capital changes		719,836,275	689,993,933
Adjustments for changes in:			
(Increase)/Decrease in trade receivables		(228,675,164)	(127,008,438)
(Increase)/Decrease in short-term loans and advances		88,889,316	146,295,681
(Increase)/Decrease in other current assets		(10,656,320)	(31,095,938)
(Increase)/Decrease in other non current assets		(11,167,203)	(7,025,050)
Increase/(Decrease) in trade payables		36,132,159	6,124,322
Increase/(Decrease) in other current liabilities		38,805,426	(3,471,034)
Cash generated from/ (used in) operations		633,164,489	673,813,476
Taxes paid (including Tax deducted at source)		(121,358,121)	(111,627,090)
Net Cash from operating activities		511,806,368	562,186,386
CASH FLOW FROM INVESTING ACTIVITIES			
Interest received		73,805,770	121,874,455
Net investments in subsidiaries and associates		(5,144,439,234)	(6,180,300,080)
Proceeds from sale of investment		890,000,000	-
Purchase of fixed assets		(6,450,883)	(605,117)
Proceeds from sale of fixed assets		59,749	79,339
(Increase)/decrease in inter corporate deposits		150,626,543	(150,626,543)
(Increase)/decrease in long term loans and advances		(845,085,113)	(1,170,400,000)
(Increase)/decrease in short term loans and advances		(600,831,035)	(106,000,000)
(Increase)/decrease in fixed deposit under lien		(13,079,400)	(220,600)
Net Cash used in Investing Activities		(5,495,393,603)	(7,486,198,546)
CASH FLOW FROM FINANCING ACTIVITIES			
Long term loans received		2,950,000,000	-
Long term loans repaid		(161,232,330)	(128,400,000)
Issue of fully convertible debentures		-	2,470,000,000
Short term loans received		7,037,000,000	1,110,000,000
Short term loans repaid		(3,997,000,000)	(2,200,000,000)
Interest paid		(673,479,249)	(452,232,710)
Issue of equity share capital including security premium		-	4,242,255,968
Issue of preference share capital including security premium		-	1,880,000,002
Net Cash from financing activities		5,155,288,421	6,921,623,260
Net Increase in cash and cash equivalents		171,701,186	(2,388,900)
Cash and cash equivalents at the beginning of the period	20	71,898,556	74,287,456
Cash and cash equivalents at the end of the period	20	243,599,742	71,898,556
Net Increase in cash and cash equivalents		171,701,186	(2,388,900)

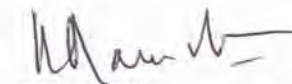
In terms of our report attached

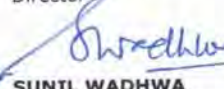
For DELOITTE HASKINS & SELLS
Chartered Accountants


JITENDRA AGARWAL
Partner

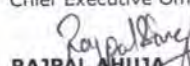
For and on behalf of the Board


HARI SANKARAN
Director


K RAMCHAND
Director


SUNIL WADHWA
Chief Executive Officer


AVINASH BAPAT
Chief Financial Officer


RAJPAL AHUJA
Company Secretary

Place: Bengaluru
Date: 7 May, 2013

Place: Bengaluru
Date: 7 May, 2013



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

1. Background

The Company was incorporated on 21 May, 2007 as a subsidiary of Infrastructure Leasing and Financial Services Limited. The Company is engaged in development and operations of Power Projects and providing advisory services.

2. Significant Accounting Policies

a. Basis for preparation of Financial Statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

b. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP 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.

c. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

d. Cash flow statement

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

e. Depreciation and amortisation

- i. The Company has adopted the Straight Line Method of depreciation so as to write off 100% of the cost of the following type of assets at rates higher than those prescribed in Schedule XIV to the Companies Act, 1956, based on the Management's estimate of useful life of such assets as follows:

Asset Type	Useful Life
Computers	4 years
Office equipment	3 years
Furniture and fixtures	3 Years
Software	License period or 4 years whichever is less.

- ii. Intangible asset comprising development rights for wind energy plants are being amortised over its useful period of 20 years.
- iii. In respect of Wind energy converters, depreciation is computed on the Straight Line Method at the rates provided under Schedule XIV to the Companies Act, 1956

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

- iv. All categories of assets costing less than Rs. 5,000 each and mobile phones are written off in the year of capitalisation.
- v. All assets provided to employees are amortised over a period of 3 years.
- vi. Depreciation on fixed assets, other than on assets specified in Note 2 (e) (ii) to (v) above, is provided for on the Written Down Value Method at the rates provided under Schedule XIV of the Companies Act, 1956.

f. Revenue Recognition

- i. Income is recognised on the accrual basis.
- ii. Consultancy fee income including management fees on infrastructure projects is recognised when specified project progress milestones are achieved as defined in the Project Contract Mandates.
- iii. Revenue from sale of power produced on generation of electricity is accounted when energy is delivered at the metering point in terms of the Power Purchase Agreements.

g. Other income

Interest income is accounted on time proportionate basis. Dividend income is accounted when the right to receive it is established.

h. Tangible fixed assets

- i. Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any.
- ii. The cost of fixed assets 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 and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.
- iii. The Company has adopted the provisions of para 46 / 46A of AS 11 *The Effects of Changes in Foreign Exchange Rates*, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.
- iv. 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.
- v. 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.
- vi. Capital work-in-progress: Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

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

i. Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

j. Transactions in foreign currency

Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction..

Measurement at the balance sheet date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences – when para 46 / 46A of AS 11 is adopted

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to "Foreign currency translation reserve" until disposal / recovery of the net investment. The unamortised exchange difference is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

k. Investments

- i. Investments are capitalised at actual cost including cost incidental to acquisition.
- ii. Long-term investments are stated at cost, less provision for other than temporary diminution in the carrying value of each investment. Cost of investments includes acquisition charges such as brokerage, fees and fair value.
- iii. Current investments are carried at lower of cost or fair value.

l. Employee Benefits

Employee benefits include provident fund, superannuation fund, gratuity fund and compensated absences. The Company has both defined-contribution and defined-benefit plans.

i. Defined-contribution plans

The Company's contributions to the Employees' Provident Fund, Family Pension Fund and Superannuation Fund are considered as defined contribution plans and are charged as an expense based on the amount of the contribution required to be made.



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

ii. Defined-benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

iii. 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 such 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.

iv. 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 defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets, if any out of which the obligations are expected to be settled.

v. Accounting policy for recognising actuarial gains and losses

Actuarial gains and losses arising from experience adjustment and effects of changes in actuarial assumptions are immediately recognised in the Statement of Profit and Loss account as income or expense

m. Borrowing Costs

Borrowing costs include interest; amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset up to the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

n. Segment Reporting

The accounting policies adopted for segment reporting are in line with the Accounting Standard-17. Revenue, expenses and assets have been identified to segments on the basis of their relationship to the operating activities to the segment. Revenue, expenses and assets which relate to the enterprise as a whole and are not allocable to segments on a reasonable basis have been included under "unallocable income/expenses".

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

o. Leases

Assets leased by the Company in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Company are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Statement of Profit and Loss on a straight-line basis.

p. Earnings Per Share

The Company reports basic and diluted earnings per equity share in accordance with Accounting Standard 20 'Earnings per share'. Basic earnings per equity share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the net profit for the year by the weighted average number of equity shares during the year as adjusted to the effects of all dilutive potential equity shares, except where results are anti dilutive.

q. Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company.

Income tax comprises current tax and deferred tax. Current tax is recognised in each interim period based on the effective tax rate computed on the expected income for the full financial year in accordance with the provisions of the Income Tax Act, 1961.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

r. Impairment of Assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased such reversal of impairment loss is recognised in the Statement of Profit and Loss.

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

s. 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 financial statements. Contingent assets are not recognised in the financial statements.

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

NOTE 3

SHARE CAPITAL

AUTHORISED

Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights
Preference shares of Rs. 10 each

ISSUED, SUBSCRIBED AND FULLY PAID UP

Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights

0.0001% Compulsorily Convertible Preference Shares (CCPS) of Rs. 10 each

	As at 31.03.2013		As at 31.03.2012	
	Number of shares	(Rupees)	Number of shares	(Rupees)
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	1,900,000,000	19,000,000,000	1,900,000,000	19,000,000,000
Preference shares of Rs. 10 each	100,000,000	1,000,000,000	100,000,000	1,000,000,000
ISSUED, SUBSCRIBED AND FULLY PAID UP				
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	884,138,200	8,841,382,000	884,138,200	8,841,382,000
0.0001% Compulsorily Convertible Preference Shares (CCPS) of Rs. 10 each	34,660,767	346,607,670	34,660,767	346,607,670
	918,798,967	9,187,989,670	918,798,967	9,187,989,670

See notes (i) to (v) below

Notes:

(i) The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held.

(ii) Details of shares held by each shareholder holding more than 5% shares:

	As at 31.03.2013		As at 31.03.2012	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Infrastructure Leasing & Financial Services Limited, India, the holding company	774,000,000	87.54%	774,000,000	87.54%
Mr. Vibhav Ramprakash Kapoor, Mr. Karunakaran Ramchand and Mr. Ramesh Chander Bawa, trustees of IL&FS Employee Welfare Trust	86,000,000	9.73%	86,000,000	9.73%
Preference Shares (CCPS)				
0.0001% Compulsorily convertible preference shares are held by Standard Chartered IL&FS Asia Infrastructure Growth Fund Company PTE Limited	24,787,863	71.52%	24,787,863	71.52%
0.0001% Compulsorily convertible preference shares are held by IL&FS Trust Company Limited, trustees of IL&FS Infrastructure Equity Fund I	9,872,904	28.48%	9,872,904	28.48%

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

Particulars	Opening Balance	Fresh issue	Closing Balance
(a) Equity shares with voting rights			
As at 31.03.2013	884,138,200	-	884,138,200
- Number of shares	8,841,382,000	-	8,841,382,000
- Amount (Rupees)			
As at 31.03.2012	522,000,000	362,138,200	884,138,200
- Number of shares	5,220,000,000	3,621,382,000	8,841,382,000
- Amount (Rupees)			
(b) 0.0001% Compulsorily convertible preference shares			
As at 31.03.2013	34,660,767	-	34,660,767
- Number of shares	346,607,670	-	346,607,670
- Amount (Rupees)			
As at 31.03.2012	-	34,660,767	34,660,767
- Number of shares	-	346,607,670	346,607,670
- Amount (Rupees)			

(iv) Details of shares held by the holding company

Particulars	Aggregate number of shares	
	As at 31.03.2013	As at 31.03.2012
Fully paid up equity shares with voting rights		
Infrastructure Leasing & Financial Services Limited, India, the holding company	774,000,000	774,000,000

(v) Subject to 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 together with 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. It 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 laws, (ii) the date falling on the 10th anniversary, (iii) receipt of notice in writing by the holder to convert any or all the CCPS into equity shares.

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

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 4		
RESERVES AND SURPLUS		
(a) Securities premium account		
Opening balance	2,601,266,300	-
Add: Premium on shares issued during the year	<u>-</u>	<u>2,601,266,300</u>
	<u>2,601,266,300</u>	<u>2,601,266,300</u>
 (b) General reserve	 <u>7,600,000</u>	 <u>7,600,000</u>
 (c) Surplus in Statement of Profit and Loss		
Opening Balance	173,476,695	53,863,399
Add: Profit for the year	<u>288,681,403</u>	<u>119,613,296</u>
	<u>462,158,098</u>	<u>173,476,695</u>
	<u>3,071,024,398</u>	<u>2,782,342,995</u>

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

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 5		
LONG - TERM BORROWINGS		
(a) Debentures issued to related party - Unsecured 1% Fully Compulsorily Convertible debentures (see note (i) below)	2,470,000,000	2,470,000,000
(b) Term loans from banks - Secured (see note (ii) below)	-	1,849,200,000
(c) From related parties - Secured (see note (iii) below) Infrastructure Leasing & Financial Services Limited	520,438,562	520,438,562
(d) Term loan from financial institutions - unsecured (see note (iv) below)	<u>2,950,000,000</u> <u>5,940,438,562</u>	<u>-</u> <u>4,839,638,562</u>

Note

(i) Debentures issued to related party - Unsecured

a. Rate of interest - 1.00% (Previous year 1.00%)

b. Terms and conditions

During the previous year, the Company had issued 247,000, 1% Fully Compulsorily Convertible Debentures (FCCDs) of Rs. 10,000 each at face value to Infrastructure Leasing & Financial Services Limited. Unless previously converted, the entire FCCDs, on maturity date shall be compulsorily converted into fully paid-up equity shares of the Company, at a pre-agreed price of Rs. 54.24 per share increased by an Internal Rate of Return (IRR) of 20.00% per annum, such IRR being computed from 4 November, 2011 till deemed allotment date on fully diluted basis. Net Present Value of the interest paid (including default interest, if any) by the Company discounted at the rate of 20% per annum will be deducted from the FCCDs amount in computing the number of shares to be issued to the subscriber.

c. Maturity date - 28 March, 2021

(ii) Term loans from banks - Secured (see note 37)

a. The Company has availed term loan from banks for its 50.40 MW wind power project in the State of Rajasthan and Tamil Nadu. The said project has been transferred to a 100% subsidiary during the year along with its liabilities.

b. Rate of interest - (Interest rate previous year end - Indian bank base rate + 2.75%) [effective rate 13.50%]

c. Security

Term loans from the consortium of seven banks, Indian Bank being the lead banker 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:

- (i) A mortgage on the rights of the sub-leased land in the state of Rajasthan for the project.
- (ii) A mortgage on the land acquired for the project in the state of Tamil Nadu.
- (iii) A first charge by way of hypothecation on all moveable assets including but not limited to plant and machinery, machine spares and accessories for the project.
- (iv) A first ranking hypothecation/assignment of all the contracts, including Power Purchase Agreement/off take contract documents, insurance policies, policies relating to the wind farm, rights, titles, permits/approvals clearances and interest the project.
- (v) A first charge on the project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising (present and future), intangibles, goodwill, uncalled capital (present and future).
- (vi) A first charge on the entire project's bank accounts including but not limited to escrow account opened in a designated bank, where all the cash inflows from the project shall be deposited and all proceeds shall be utilised in a manner and priority to be decided by the lenders.
- (vii) Assignment of all rights and interests of the Company relating to the project under letter of credit, guarantee performance bond provided by any party for any contract related to the project in favour of the Company.

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

d. Repayment terms

Age-wise analysis of Long-term Borrowings is as follows

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
More than 1 year and less than 3 years	-	342,000,000
3 to 5 years	-	320,800,000
5 years and above	-	1,186,400,000
	-	1,849,200,000

(iii) From related parties - Secured

a. Rate of interest - 12.50% (Previous year 12.50%)

b. Security

Term loan together with interest, additional interest, default interest, upfront fees, costs, charges, expenses secured by an exclusive first hypothecation and charge on specific receivables of the Company, present and future, arising out of advisory services and loans made to IL&FS Employee Welfare Trust

c. Repayment terms

The loan is repayable within 60 months from the date of disbursement (i.e. 15 December, 2010)

(iv) From financial institutions - unsecured

	Amount of term loan (Rupees)	Repayment terms	Rate of interest
a.	1,250,000,000	Bullet repayment after 15 months from the date of disbursement (i.e. 28 February, 2013)	Lender CPLR - 5.25% (Effective rate 12.25%)
b.	1,700,000,000	Bullet repayment after 15 months from the date of disbursement (i.e. 14 March, 2013)	ICICI bank base rate plus 2.46% (Effective rate 12.21%)

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

NOTE 6

DEFERRED TAX ASSETS/ (LIABILITIES)

a. Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws.

b. The break up of deferred tax assets/(liabilities) is as follows

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
i. Deferred tax assets		
Tax impact of expenses charged in the financial statements but allowable as deductions in future years under income tax:		
Provision for employee benefits	1,820,066	4,479,935
	<u>1,820,066</u>	<u>4,479,935</u>
ii. Deferred tax liabilities		
Tax impact of difference between carrying amount of fixed assets in the financial statements and the income tax return	(67,702)	(50,285,678)
	<u>(67,702)</u>	<u>(50,285,678)</u>
Net Deferred asset/(liability)	<u>1,752,364</u>	<u>(45,805,743)</u>

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

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 7		
LONG-TERM PROVISIONS		
Provision for employee benefits	1,988,218	1,503,023
(a) Provision for gratuity (net) (also see note 33)	8,782,390	4,831,436
(b) Provision for compensated absences	<u>10,770,608</u>	<u>6,334,459</u>
NOTE 8		
CURRENT MATURITIES OF LONG-TERM DEBT		
Current maturities of long-term debt (for security clause and other terms see note 5)	<u>-</u>	<u>160,400,000</u>
NOTE 9		
SHORT-TERM BORROWINGS		
(a) Loans short term - Unsecured		
- from related party (Rate of interest: 15% (Previous year: nil))	3,150,000,000	-
- from other parties (Rate of interest: 12.50% (Previous year: 13.50%))	1,000,000,000	1,000,000,000
(b) Loan from holding company - Secured (see note below)	-	110,000,000
	<u>4,150,000,000</u>	<u>1,110,000,000</u>

Note

Loan from holding company - Secured (Infrastructure Leasing & Financial Services Limited)

a. Rate of interest - Nil (Previous year 15.00%)

b. Security

Term loan together with interest, additional interest, default interest, upfront fees, costs, charges, expenses secured by an exclusive first hypothecation and charge on specific receivables of the Company, present and future, arising out of advisory services.

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

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 10		
TRADE PAYABLES		
Other than acceptances (see note below)	<u>87,165,267</u>	<u>60,604,695</u>
Note: Based on the information available with the Company, the balance due to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest during the period has been paid or is payable under the terms of the MSMED Act, 2006. The information provided by the Company has been relied upon by the auditors.		
NOTE 11		
OTHER CURRENT LIABILITIES		
(a) Interest accrued but not due on borrowings	285,706,687	39,311,997
(b) Other payables	46,810,787	8,005,361
i. Statutory dues	-	<u>32,693,529</u>
ii. For purchase of investments	<u>332,517,474</u>	<u>80,010,887</u>
NOTE 12		
SHORT-TERM PROVISIONS		
Provision for employee benefits	7,992,869	5,150,835
(a) Provision for compensated absences	4,156,012	<u>2,322,487</u>
(b) Provision for gratuity (net) (see note 33)	<u>12,148,881</u>	<u>7,473,322</u>





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

NOTE 13

FIXED ASSETS (OWNED)

Particulars	GROSS BLOCK					DEPRECIATION					(All amounts in Rupees)	
	As at 01.04.2012	Additions	Transfer pursuant to sale of 'generation and sale of power' business*	Disposals	As at 31.03.2013	As at 01.04.2012	Expenses for the period	Transfer pursuant to sale of 'generation and sale of power' business*	Disposals	As at 31.03.2013	As at 31.03.2013	As at 31.03.2012
A-Tangible Assets												
Land	4,050,000 (4,050,000)	- (-)	4,050,000 (-)	- (-)	(4,050,000)	- (-)	- (-)	- (-)	- (-)	- (-)	(4,050,000)	4,050,000 (-)
Plant and Equipment: -Wind Energy Converters (WECs) (see note 37)	2,692,878,264 (2,692,878,264)	- (-)	2,692,878,264 (-)	- (-)	(2,692,878,264)	216,049,149 (71,618,946)	141,794,437 (142,430,203)	357,843,576 (-)	- (-)	(216,049,149) (2,476,829,115)	- (2,476,829,115)	2,476,829,115
-Computers	3,899,605 (2,727,604)	2,365,089 (1,321,789)	- (-)	669,347 (149,786)	5,595,347 (3,899,605)	2,207,611 (1,484,342)	1,020,010 (834,733)	- (-)	643,433 (111,464)	2,584,188 (2,207,611)	3,011,159 (1,691,994)	1,691,994
Furniture and Fixtures	829,741 (696,518)	1,054,644 (133,223)	- (-)	- (-)	1,884,365 (829,741)	444,051 (180,194)	404,227 (263,857)	- (-)	848,278 (444,051)	1,036,107 (385,690)	1,036,107 (385,690)	385,690
Office Equipment	1,762,626 (1,400,453)	1,737,440 (425,913)	- (-)	69,047 (63,740)	3,431,019 (1,762,626)	1,556,770 (1,080,281)	1,557,621 (540,249)	- (-)	69,045 (63,740)	3,045,346 (1,556,770)	385,673 (205,856)	205,856
Lease Improvement	- (-)	1,293,710 (-)	- (-)	- (-)	1,293,710 (-)	- (-)	49,622 (-)	- (-)	- (-)	49,622 (-)	1,244,088 (-)	-
Sub total- Tangible (A)	2,703,420,236 (2,703,420,236)	6,450,883 (3,889,925)	2,696,928,264 (-)	738,394 (213,528)	12,204,461 (2,703,420,236)	220,257,581 (76,363,743)	144,835,907 (144,069,042)	357,843,576 (-)	712,478 (175,204)	6,527,434 (220,257,581)	5,672,027 (2,483,162,655)	2,483,162,655
B-Intangible Assets:												
-Software	2,523,645 (2,420,703)	- (102,942)	- (-)	- (-)	2,523,645 (2,523,645)	1,356,452 (690,989)	520,400 (665,463)	- (-)	- (-)	1,876,942 (1,356,452)	646,703 (1,167,193)	1,167,193
-Development Rights for WECs	96,750,000 (96,750,000)	- (-)	96,750,000 (-)	- (-)	- (96,750,000)	9,462,945 (4,611,192)	4,824,247 (4,830,753)	14,287,192 (-)	- (-)	(9,462,945) (87,287,055)	- (87,287,055)	87,287,055
Sub total- Intangible (B)	99,273,645 (99,170,703)	- (102,942)	96,750,000 (-)	- (-)	2,523,645 (99,273,645)	10,819,397 (5,303,181)	5,344,737 (5,316,216)	14,287,192 (-)	- (-)	1,876,942 (10,819,397)	646,703 (88,454,248)	88,454,248
Total (A+B)	2,802,693,881 (2,800,923,542)	6,450,883 (3,983,867)	2,793,678,264 (-)	738,394 (213,528)	14,728,106 (2,802,693,881)	231,076,978 (81,666,924)	150,170,644 (149,585,258)	372,130,768 (-)	712,478 (175,204)	8,404,376 (231,076,978)	6,333,730 (2,571,616,903)	6,333,730

Less: Depreciation for discontinuing operations

(147,280,956)

Net depreciation for continuing operations

3,551,970

(2,304,302)

Amounts in bracket represents previous year figures
* See note 37

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

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 14		
NON CURRENT INVESTMENTS		
TRADE (at cost)		
(a) Investment in equity instruments		
(i) of subsidiaries		
A. IL&FS Hydro Energy Limited (50,000 (Previous year 50,000) fully paid Equity Shares of Rs. 10 each)	500,000	500,000
B. Cross Border Power Transmission Company Limited (Nil (Previous year 50,000) fully paid Equity Shares of Rs. 10 each)	-	500,000
C. IL&FS Renewable Energy Limited (157,181,000 (Previous year 157,181,000) fully paid Equity Shares of Rs. 10 each)	5,639,000,000	5,639,000,000
D. Nana Layja Power Company Limited (20,050,000 (Previous year 20,050,000) fully paid Equity Shares of Rs. 10 each)	200,500,000	200,500,000
E. Wind Urja India Limited (25,846,080 (Previous year Nil) fully paid Equity Shares of Rs. 10 each)	258,460,800	-
(ii) of associates		
A. IL&FS Tamilnadu Power Development Company Limited (22,985,400 (Previous year 10,440,000) Equity Shares of Rs. 10 each)	229,854,000	104,400,000
B. ONGC Tripura Power Company Limited [(267,490,002 (Previous year 100,002) Equity Shares of Rs. 10 each fully paid up) (Nil (Previous year 267,390,000) Equity Shares of Rs. 10 each, paid up of Rs. 5 each)]	5,360,168,000	4,023,218,000
(iii) of Joint venture companies		
A. Bihar Power Infrastructure Company Private Ltd (25,000 (Previous year 25,000) Equity Shares of Rs 10 each) (see note below)	62,693,529	62,693,529
B. Power Transmission Company Nepal Limited (Nil (Previous year 25,000) Equity Shares of Rs 10 each)	-	1,562,500
C. Assam Power Project Development Company Limited (25,000 (Previous year 25,000) Equity Shares of Rs 10 each) (see note below)	2,036,360	2,036,360
D. Cross Border Power Transmission Company Limited (19,000 (Previous year Nil) fully paid Equity Shares of Rs. 10 each)	190,000	-
(iv) of other entities		
Power Transmission Company Nepal Limited (50,000 (Previous year Nil) Equity Shares of Rs 6.25 each)	3,125,000	-
(b) Investment in preference shares of subsidiaries		
IL&FS Renewable Energy Limited (20,200,000 (Previous year 20,200,000) Preference Shares of Rs. 10 each)	202,000,000	202,000,000
(c) Investment in debentures or bonds of subsidiaries		
Nana Layja Power Company Limited (4,555 (Previous year Nil) Fully Convertible Debentures of Rs. 100,000 each)	455,500,000	-
	12,414,027,689	10,236,410,389
Aggregate amount of unquoted investments	12,414,027,689	10,236,410,389
Notes:	Numbers	Numbers
The Company is in the process of transferring the equity shares in its name for the following investments made:		
Bihar Power Infrastructure Company Private Ltd	-	25,000
Assam Power Project Development Company Limited	-	25,000

A

B

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

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 15		
LONG-TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
(a) Capital advances	200,000,000	400,000,000
(b) Security deposit	5,542,800	428,544
(c) Loans and advances to related parties (see note 35)	1,328,751,780	523,000,000
(d) Advance towards investments -to related parties (see note 35)	72,010,000	261,000,000
(e) Prepaid expenses	2,193,861	25,508,004
(f) Advance income tax (net of provision Rs. 280,927,635)	89,392,060	111,892,623
(g) Other loans and advances	773,737,310	529,827,556
	2,471,627,811	1,851,656,727

NOTE 16

OTHER NON CURRENT ASSETS		
(Unsecured, considered good)		
(a) Interest accrued on advances to related parties (see note 35)	99,314,100	-

NOTE 17

CURRENT PORTION OF LONG TERM INVESTMENTS

(a) Investment in equity instruments		
(i) of subsidiaries		
A. Lalpur Wind Energy Limited (142,300 (Previous year Nil) fully paid Equity Shares of Rs. 10 each)	1,423,000	-
B. Khandke Wind Energy Private Limited (142,300 (Previous year Nil) fully paid Equity Shares of Rs. 10 each)	1,423,000	-
C. Wind Urja India Limited (73,561,920 (Previous year Nil) fully paid Equity Shares of Rs. 10 each)	735,619,200	-
(b) Investment in debentures or bonds of subsidiaries		
A. Lalpur Wind Energy Limited (19,703 (Previous year Nil) Fully convertible Debentures of Rs. 100,000 each)	1,970,300,000	-
B. Khandke Wind Energy Private Limited (13,585 (Previous year Nil) Fully Convertible Debentures of Rs. 100,000 each)	1,358,500,000	-
	4,067,265,200	-

NOTE 18

CURRENT INVESTMENTS

AT LOWER OF COST OR FAIR VALUE

(a) Investment in equity instruments		
(i) of associates		
A. SV Power Private Limited (3,861,775 (Previous year 3,861,775) Equity Shares of Rs. 10 each) (see note below)	789,960,000	789,960,000
B. KVK Nilanchal Power Private Limited (5,180,000 (Previous year 518,000) Equity Shares of Rs. 10 each) (see note below)	970,000,000	970,000,000
(ii) of other entities		
Himachal Sorang Power Limited (Nil (Previous year 218,300) Equity Shares of Rs 10 each)	-	62,739,279
(b) Investment in debentures or bonds of other entities		
Himachal Sorang Power Limited (nil (Previous year 5,784,100) Fully convertible Debentures of Rs. 10 each)	-	947,710,721
	1,759,960,000	2,770,410,000
Aggregate amount of unquoted investments	1,759,960,000	2,770,410,000

Notes:
The Company is in the process of transferring the equity shares in its name for the following investments made:

	No of equity shares	No of equity shares
i. SV Power Private Limited	3,195,509	3,195,509
ii. KVK Nilanchal Power Private Limited	5,180,000	5,180,000
iii. Himanchal Sorang Power Limited	-	218,300

The Company has issued an undertaking to repledge the shares in favour of the lenders of the respective companies on transfer of shares in its name.




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

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 19		
TRADE RECEIVABLES		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
(i) Unsecured, considered good	38,967,785	76,370,880
(ii) Doubtful	-	1,868,721
	38,967,785	78,239,601
Less: Provision for doubtful trade receivables	-	1,868,721
	38,967,785	76,370,880
(b) Other trade receivables (Unsecured, considered good)	522,105,709	351,606,571
	561,073,494	427,977,451
NOTE 20		
CASH AND CASH EQUIVALENTS		
(a) Cheques on hand	-	59,905
(b) Balance with banks		
(i) in current accounts	23,192,155	71,813,747
(ii) in fixed deposits	220,407,587	24,904
	243,599,742	71,898,556
NOTE 21		
SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
(a) Loans and advances to related parties (see note 35)	600,839,865	8,830
(b) Loans and advances to employees	530,586	797,439
(c) Prepaid expenses	15,199,304	9,794,310
(d) Balances with government authorities - Service tax credit receivable	6,688,137	3,513,530
(e) Inter-corporate deposits to related parties (see note 35)	-	150,626,543
(f) Deposits held as margin money with banks	13,300,000	220,600
(g) Others	3,627,009	108,067,968
	640,184,901	273,029,220
NOTE 22		
OTHER CURRENT ASSETS		
(a) Unbilled revenue		
(i) Sale of power	-	21,160,105
(ii) Generation based incentive	-	35,172,602
(b) Receivable on sale of investment	120,000,000	-
(c) Interest accrued on advances to related parties (see note 35)	326,265,779	14,694,245
(d) Interest accrued on advances to others	79,384,134	6,574,135
(e) Retention money	1,275,916	-
	526,925,829	77,601,087

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

	Year ended 31.03.2013 (Rupees)	Year ended 31.03.2012 (Rupees)
NOTE 23		
REVENUE FROM OPERATIONS		
Consultancy income	<u>791,005,432</u>	<u>660,011,309</u>
NOTE 24		
OTHER INCOME		
A Interest income comprises:		
(a) Interest income on		
i. Fixed deposits	595,095	710,500
ii. Others	80,900,000	80,071,078
(b) Interest income from related parties	443,919,781	33,704,932
(c) Interest on income tax refund	<u>5,402,311</u>	<u>-</u>
	530,817,187	114,486,510
B Other non-operating income comprises:		
(a) Profit on sale of assets	33,835	41,015
(b) Net gain on foreign currency transactions and translation	3,909,844	-
(c) Miscellaneous income	<u>1,840</u>	<u>112,119</u>
	3,945,519	153,134
	<u>534,762,706</u>	<u>114,639,644</u>
NOTE 25		
EMPLOYEE BENEFITS EXPENSE		
(a) Salaries, wages and incentives	207,559,625	147,759,570
(b) Contribution to provident and other funds	15,473,873	10,621,821
(c) Staff welfare expenses	<u>8,908,941</u>	<u>4,503,154</u>
	231,942,439	162,884,545
NOTE 26		
FINANCE COSTS		
(a) Interest expenses on borrowings	650,453,443	168,599,882
(b) Other borrowing costs	<u>10,367,169</u>	<u>-</u>
	660,820,612	168,599,882

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

	Year ended 31.03.2013 (Rupees)	Year ended 31.03.2012 (Rupees)
NOTE 27		
OTHER EXPENSES		
(a) Power and fuel	793,073	709,861
(b) Rent	30,530,901	20,864,078
(c) Repairs and maintenance		
i. Plant and machinery	31,407	82,014
ii. Others	11,345,645	7,474,065
(d) Insurance	2,760,375	1,721,562
(e) Rates and taxes	10,422,136	8,058,582
(f) Communication	2,836,072	2,689,228
(g) Travelling and conveyance	24,141,205	19,679,335
(h) Printing and stationery	1,851,105	1,446,840
(i) Advertisement and business promotion	2,615,767	4,471,252
(j) Business development expenses	9,350,561	-
(k) Brand subscription fees	10,016,084	2,632,284
(l) Office maintenance expenses	1,765,867	1,213,373
(m) Director sitting fees	1,174,160	960,000
(n) Legal and professional	77,679,835	38,258,024
(o) Payments to auditors (see note below)	1,646,780	2,075,394
(p) Bad debts written off	4,004,554	1,816,957
(q) Loss on sale of investment	450,000	-
(r) Miscellaneous expenses	7,388,082	6,698,270
	200,803,609	120,851,119

Note

Payments to the auditors comprises (net of service tax input credit)

(a) Audit Fees	1,500,000	1,400,000
(b) Other services	-	650,000
(c) Reimbursement of expenses	146,780	84,520
	1,646,780	2,134,520




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

28. Contingent liabilities

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Bank guarantee provided	13,300,000	220,600
Corporate guarantee given to IL&FS Financial Services Limited on behalf of East Delhi Waste Management Company Private Limited	700,000,000	700,000,000
Claims against the Company not acknowledged as debt towards demand raised by Income Tax authorities	92,419	92,419

Commitments

Uncalled liability on shares partly paid

Rs. 5 per share uncalled money on 267,390,000 partly paid shares of ONGC Tripura Power Company Limited	-	1,336,950,000
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29. Earning and Expenses in foreign currency

	Year ended 31.03.2013 Rupees	Year ended 31.03.2012 Rupees
Earning in foreign currency		
Consultancy Income	-	98,687,798
Expenses in foreign currency		
Travelling Expenses	2,836,997	1,124,092

30. Foreign currency exposure

Receivable in foreign currency	As at 31.03.2013	As at 31.03.2012
US Dollar	-	1,940,000
Rupees	-	98,687,798





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

31. Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term. The Company has taken property on non-cancellable operating lease and has recognised rent of Rs. 13,294,496 during the current period (Previous year Rs. 6,285,252). The future minimum lease payments under these operating leases as of 31 March, 2013 are as follows

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
i. Not later than one year	18,349,272	16,112,808
ii. Later than one year but not later than five years	65,235,189	69,908,796
iii. Later than five years	-	3,436,966

32. The Company has entered into operating lease arrangements for vehicles. The minimum future lease payments during non-cancellable periods under the foregoing arrangements in the aggregate for each of the following periods is as follows:

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
i. Not later than one year	7,350,897	3,815,198
ii. Later than one year but not later than five years	13,625,956	5,532,363
iii. Later than five years	Nil	Nil

Lease expenses incurred during the year Rs. 6,316,081 (Previous year Rs. 2,965,555)

33. Employee benefits

In accordance with the revised Accounting Standard 15 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. 10,167,662 (Previous year Rs 7,098,918) has been charged to Statement of Profit and Loss.





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

b. Defined Benefit Plan

(i) Gratuity Plan

The Company has created a Trust namely IL&FS Energy Development Company Limited- Group Gratuity Trust. The gratuity liability arises on retirement, withdrawal, resignation and death of an employee.

(ii) Compensated Absences Plan

As per stipulation of AS-15 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 Accounting Standard -15 (Revised) on "Employee Benefits" for Gratuity are as under:

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
i. Assumptions		
Discount rate	8.25%	8.50%
Rate of return on plan assets	8.70%	8.60%
Salary escalation	6.50%	6.50%
ii. Change in benefit obligation		
Liability at the beginning of the period	7,693,727	6,023,825
Interest cost	653,967	496,966
Current service cost	2,114,974	1,514,320
Benefits paid	(597,399)	(2,603,023)
Actuarial (gain) / loss on obligations	3,955,413	2,261,639
Liability at the end of the period / year	13,820,682	7,693,727
iii. Fair value of plan assets		
Fair value of plan assets at the beginning of the period	3,868,217	3,234,511
Expected return on plan assets	332,667	258,761
Contributions	3,825,510	3,163,219
(Benefit Paid)	(597,399)	(2,603,023)
Actuarial gain/ (loss) on plan assets	247,457	(185,251)
Fair value of plan assets at the period end	7,676,452	3,868,217

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

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
iv. Actual return on plan assets		
Expected return on plan assets	332,667	258,761
Actuarial gain/ (loss) on plan assets	247,457	(185,251)
Actual return on plan assets	580,124	73,510

v. Amount Recognised in the Balance Sheet

Liability at the end of the period	13,820,682	7,693,727
Fair Value of plan assets at the end of the period	(7,676,452)	(3,868,217)
Amount recognised in the Balance Sheet	6,144,230	3,825,510

vi. Expenses recognised in the Statement of Profit and Loss

Current service cost	2,114,974	1,514,320
Interest cost	653,967	496,966
Expected return on plan assets	(332,667)	(258,761)
Actuarial (gain) / loss	3,707,956	2,446,890
Expenses charged to the Statement of Profit and Loss	6,144,230	4,199,415

vii. Balance Sheet reconciliation

Opening net liability	3,825,510	2,789,314
Expense as above	6,144,230	4,199,415
Employer contribution	(3,825,510)	(3,163,219)
Amount recognised in the Balance Sheet	6,144,230	3,825,510

viii. Category of assets

Insurer managed funds	7,676,452	3,868,217
Amount recognised in the Balance Sheet	7,676,452	3,868,217

ix. Experience adjustment

(All amounts in Rupees)

Particulars	Year ended 31.03.2013	Year ended 31.03.2012	Year ended 31.03.2011	Year ended 31.03.2010	Year ended 31.03.2009
On plan liability (gains)/losses	3,091,682	2,051,727	914,319	201,380	(1,611,109)
On Plan assets losses/ (gains)	(247,457)	(185,251)	(89,663)	(185,270)	-

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

x. Additional information

Particulars	(All amounts in Rupees)				
	As at 31.03.2013	As at 31.03.2012	As at 31.03.2011	As at 31.03.2010	As at 31.03.2009
Present value of benefit obligation	13,820,682	7,693,727	6,023,825	3,021,888	1,611,109
Fair value of plan assets	7,676,452	3,868,217	3,234,511	2,870,275	2,814,481
Obligation in excess of plan assets	6,144,230	3,825,510	2,789,314	151,613	(1,203,372)

Note:

- 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. The details of experience adjustments for the year ended 31.03.2008 arising on account of plan assets and liabilities as required by Accounting Standard (AS) – 15 (Revised) "Employee Benefits" were not applicable.
- iv. The estimate of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

d. Actuarial assumptions for long-term compensated absences

Particulars	Year ended 31.03.2013	Year ended 31.03.2012
Discount rate	8.25%	8.50%
Salary escalation	6.50%	6.50%
Attrition	2.00%	2.00%





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

34. Segment Reporting

a. Segment information for primary segment reporting (by business segment)

The Company has two business segments:

- i. Generation and sale of power
- ii. Advisory services

Particulars	(All amounts in Rupees)		
	Generation and sale of power	Advisory services	Total
	(Discontinuing operations)	(Continuing operations)	
A. Segment Revenue			
Turnover (Gross)	371,687,223 (326,497,824)	791,005,432 (660,011,309)	1,162,692,655 (986,509,133)
B. Segment Profit	(57,568,502) (-119,689,446)	393,767,966 (412,664,908)	336,199,464 (292,975,462)
C. Unallocable Expenses			699,881,164 (207,293,447)
D. Operating Profit/ (-Loss)			(363,681,700) (85,682,015)
E. Unallocable Income			748,663,680 (114,639,644)
F. Income Taxes			96,300,577 (80,708,363)
G. Net profit after tax			288,681,403 (119,613,296)
H. Segment assets	- (2,763,661,880)	575,506,190 (324,293,163)	575,506,190 (3,087,955,043)
I. Unallocable Assets			22,216,548,670 (15,192,645,290)
J. Total Assets			22,792,054,860 (18,280,600,333)
K. Segment liabilities	- (9,996,535)	108,656,872 (30,238,728)	108,656,872 (40,235,263)
L. Unallocable Liabilities			10,424,383,920 (6,224,226,662)
M. Total Liabilities			10,533,040,792 (6,264,461,925)

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

Particulars	(All amounts in Rupees)		
	Generation and sale of power	Advisory services	Total
	(Discontinuing operations)	(Continuing operations)	
N. Capital Expenditure	- (-)	4,713,443 (1,424,731)	4,713,443 (1,424,731)
O. Unallocable Capital Expenditure			1,737,440 (559,136)
P. Total Capital Expenditure			6,450,883 (1,983,867)
Q. Depreciation	146,618,674 (147,280,956)	1,994,349 (1,500,197)	148,613,023 (148,781,153)
R. Unallocable Depreciation			1,557,621 (804,106)
S. Depreciation			150,170,644 (149,585,259)

Note: Amount in brackets represents previous year figures.

b. Geographic segments

The geographical segment individually contributing 10% or more of the Company's revenue and segment assets are shown separately.

Geographical segment	(All amounts in Rupees)	
	Revenues	Segment Assets
	A	B
Outside India		
-Continuing operations	43,125,000 (98,687,798)	43,125,000 (98,687,798)
-Discontinuing operations	- (-)	- (-)
India		
-Continuing operations	1,496,544,132 (675,963,155)	22,748,929,860 (15,499,207,709)
-Discontinuing operations	371,687,223 (326,497,824)	- (2,781,392,624)
Total	1,911,356,335 (1,101,148,777)	22,792,054,860 (18,280,600,333)

Note: Amount in brackets represents previous year figures.

1. Unallocated assets include balance fixed assets, investments, cash and cash equivalents, advance tax and interest accrued but not due and advance recoverable.
2. Unallocated liabilities include secured/unsecured borrowings and other liabilities.
3. Unallocated income and expenses includes income/expenses which are not directly related to business segments shown as unallocated income/expenses.

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

35. Related Party Transactions:

a) List of related parties:

A HOLDING COMPANY

Infrastructure Leasing & Financial Services Limited (IL&FS)

B SUBSIDIARIES – DIRECT/INDIRECT

- i. IL&FS Hydro Energy Limited
- ii. Lalpur Wind Energy Limited
- iii. Nana Layja Power Company Limited (w.e.f 25 October, 2011)
- iv. IL&FS Renewable Energy Limited
- v. Khandke Wind Energy Private Limited (from 22 August, 2012)
- vi. Cross Border Power Transmission Company Limited (up to 10 August, 2012)
- vii. IL&FS Wind Power Limited
- viii. Nakhatrana Biomass Energy Limited
- ix. Shendra Green Energy Limited (Formerly GAPS Power and Infrastructure Limited) (w.e.f. 25 October, 2011)
- x. TADAS Wind Energy Limited (w.e.f. 25 October, 2011)
- xi. IL&FS Wind Farms Limited
- xii. Wind Urja India Limited
- xiii. IL&FS Solar Power Limited

C FELLOW SUBSIDIARIES

- i. IL&FS Education & Technology Services Limited
- ii. IL&FS Environmental Infrastructure & Service Limited
- iii. IL&FS Financial Services Limited
- iv. IL&FS Infrastructure Development Corporation Limited
- v. IL&FS Investment Advisors LLC
- vi. IL&FS Investment Managers Limited
- vii. IL&FS Nepal Infrastructure Development Co Private Ltd
- viii. IL&FS Securities Services Limited
- ix. IL&FS Transportation Networks Limited
- x. IL&FS Trust Company Limited
- xi. Tamil Nadu Water Investment Company Limited
- xii. TADAS Wind Energy Limited (up to 24 October, 2011)
- xiii. Nana Layja Power Company Limited (up to 24 October, 2011)
- xiv. Shendra Green Energy Limited (Formerly GAPS Power and Infrastructure Limited) (up to 24 October, 2011)
- xv. Porto Novo Maritime Ltd.
- xvi. IL&FS Infrastructure Equity Fund - 1

D AFFILIATES/ASSOCIATES

- i. SV Power Private Limited
- ii. KVK Nilachal Power Private Limited (up to 9 July, 2012)
- iii. IL&FS Tamil Nadu Power Company Limited
- iv. IL&FS Technologies Limited
- v. Indraprastha Energy & Waste Management Company Limited
- vi. Jharkhand Infrastructure Development Corporation Limited
- vii. Bihar Power Infrastructure Company Private Limited (up to 29 March, 2012)
- viii. Assam Power Project Development Company Limited (up to 29 March, 2012)
- ix. ORIX Auto Infrastructure Services Limited (up to 15 December, 2011)
- x. ONGC Tripura Power Company Limited





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

E JOINT VENTURES

- i. Power Transmission Company Limited Nepal (w.e.f. 20 March, 2012 and upto 10 July, 2012)
- ii. Bihar Power Infrastructure Company Private Limited (w.e.f. 30 March, 2012)
- iii. Buxar Bijlee Company Private Limited (w.e.f. 30 March, 2012)
- iv. Assam Power Project Development Company Limited (w.e.f. 30 March, 2012)
- v. Cross Border Power Transmission Company Limited (w.e.f. 11 August, 2012)

F OTHER ENTERPRISES OVER WHICH IL&FS HAS CONTROL OR SIGNIFICANT INFLUENCE

IL&FS IIDC Fund

G KEY MANAGEMENT PERSONNEL

- i. Mr. Hari Sankaran
- ii. Mr. Sunil Wadhwa

b) The nature and volume of transactions during the year with the above related parties are as follows:

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees	
					Joint Ventures	Significant Influence
Transactions during the year						
Consultancy Fee Income:						
Nana Layja Power Company Limited	- (-)	60,000,000 (80,000,000)	- (20,000,000)	- (-)	- (-)	- (-)
Bihar Power Infrastructure Company Private Limited	- (-)	- (-)	- (-)	33,814,393 (33,814,393)	79,267,793 (-)	- (-)
IL&FS Infrastructure Development Corporation Limited	- (-)	- (-)	5,536,678 (26,560,000)	- (-)	- (-)	- (-)
IL&FS Tamilnadu Power Company Limited	- (-)	- (-)	- (-)	366,437,500 (206,000,000)	- (-)	- (-)
Tadas Wind Energy Limited	- (-)	- (25,000,000)	- (25,200,000)	- (-)	- (-)	- (-)
IL&FS Renewable Energy Limited	- (-)	- (7,500,000)	- (-)	- (-)	- (-)	- (-)
Cross Border Power Transmission Company Private Limited	- (-)	1,000,000 (31,000,000)	- (-)	- (-)	24,070,200 (-)	- (-)
Lalpur Wind Energy Limited.	- (-)	80,800,000 (55,440,000)	- (-)	- (-)	- (-)	- (-)

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

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees Joint Ventures Significant Influence	
Jharkhand Infrastructure Development Corporation Limited	- (-)	- (-)	- (-)	- (-)	900,000 (-)	- (-)
Assam Power Project Development Company Limited	- (-)	- (-)	- (-)	- (1,100,000)	200,000 (-)	- (-)
Buxar Bijlee Company Private Limited	- (-)	- (-)	- (-)	- (-)	118,875,001 (-)	- (-)
IL&FS IIDC Fund	- (-)	- (-)	- (-)	- (-)	- (-)	- (7,117,970)
Total Consultancy Fee	- (-)	141,800,000 (198,940,000)	5,536,678 (71,760,000)	366,437,500 (240,914,393)	223,312,994 (-)	- (7,117,970)
Interest Income						
Infrastructure Leasing & Financial Services Limited	22,313,553 (17,845,122)	- (-)	- (-)	- (-)	- (-)	- (-)
Shendra Green Energy Limited	- (-)	17,015,123 (10,263,561)	- (2,517,482)	- (-)	- (-)	- (-)
Khandke Wind Energy Private Limited	- (-)	105,625,066 (-)	- (-)	- (-)	- (-)	- (-)
Lalpur Wind Energy Limited.	- (-)	183,413,689 (-)	- (-)	- (-)	- (-)	- (-)
S V Power Private Limited	- (-)	- (-)	- (-)	15,173,013 (3,078,768)	- (-)	- (-)
IL&FS Renewable Energy Limited	- (-)	43,282,349 (-)	- (-)	- (-)	- (-)	- (-)
Porto Novo Maritime Limited	- (-)		1,273,972 (-)	- (-)	- (-)	- (-)
Nana Layja Power Company Limited	- (-)	55,823,016 (-)	- (-)	- (-)	- (-)	- (-)
Total Interest Income	22,313,553 (17,845,122)	405,159,243 (10,263,561)	1,273,972 (2,517,482)	15,173,013 (3,078,768)	- (-)	- (-)
Rent						
Infrastructure Leasing & Financial Services Limited	37,615,007 (36,457,836)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Transportation Network Limited	- (-)	- (-)	1,069,528 (-)	- (-)	- (-)	- (-)
Total	37,615,007 (36,457,836)	- (-)	1,069,528 (-)	- (-)	- (-)	- (-)

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

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees Joint Ventures Significant Influence	
Finance Cost						
Infrastructure Leasing & Financial Services Limited	188,022,597 (65,571,808)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Securities Services Limited	- (-)	- (-)	298,458,908 (-)	- (-)	- (-)	- (-)
IL&FS Financial Services Limited	- (-)	- (-)	8,215,068 (102,288,347)	- (-)	- (-)	- (-)
Total	188,022,597 (65,571,808)	- (-)	306,673,976 (102,288,347)	- (-)	- (-)	- (-)
Business Promotion						
Infrastructure Leasing & Financial Services Limited	10,016,084 (2,632,284)	- (-)	- (-)	- (-)	- (-)	- (-)
Other Expenses						
Infrastructure Leasing & Financial Services Limited	5,097,508 (1,872,951)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Infrastructure Development Corporation Limited	- (-)	- (-)	124,155 (582,443)	- (-)	- (-)	- (-)
IL&FS Technologies Limited	- (-)	- (-)	- (-)	2,693,896 (1,839,219)	- (-)	- (-)
IL&FS Financial Services Limited	- (-)	- (-)	20,000,000 (-)	- (-)	- (-)	- (-)
IL&FS Renewable Energy Limited	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Environment Infrastructure & Services Limited	- (-)	- (-)	56,180 (300,000)	- (-)	- (-)	- (-)
Orix Auto Infrastructure Services Limited	- (-)	- (-)	- (-)	(392,102)	- (-)	- (-)
IL&FS Trust Company Limited	- (-)	- (-)	362,355 (330,900)	- (-)	- (-)	- (-)
Tadas Wind Energy Private Limited	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Securities Services Limited	- (-)	- (-)	40,751 (39,283)	- (-)	- (-)	- (-)
IL&FS Transportation Networks Limited	- (-)	- (-)	39,704 (47,272)	- (-)	- (-)	- (-)
Total	5,097,508 (1,872,951)	- (-)	20,623,145 (1,299,898)	2,693,896 (2,231,321)	- (-)	- (-)

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

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees Joint Ventures Significant Influence	
Reimbursement of expenses :						
IL&FS Financial Services Limited	- (-)	- (-)	206,066 (-)	- (-)	- (-)	- (-)
IL&FS Tamilnadu Power Company Limited	- (-)	- (-)	- (-)	14,796,306 (2,386,154)	- (-)	- (-)
IL&FS Renewable Energy Limited	- (-)	98,357 (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Wind Power Limited	- (-)	1,228,126 (374,963)	- (5,663,545)	- (-)	- (-)	- (-)
IL&FS Infrastructure Development Corporation Limited	- (-)	- (-)	- (459,792)	- (-)	- (-)	- (-)
Shendra Green Energy Limited	- (-)	2,197,925 (1,169,065)	- (-)	- (-)	- (-)	- (-)
Tadas Wind Energy Private Limited	- (-)	1,606,191 (359,446)	- (-)	- (-)	- (-)	- (-)
Nana Layja Power Company Limited	- (-)	4,410,787 (-)	- (-)	- (-)	- (-)	- (-)
Nakhatrana Biomass Energy Limited	- (-)	90,521 (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Wind Farms Limited	- (-)	1,128,166 (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Education & Technology Services Limited	- (-)	- (-)	22,575 (-)	- (-)	- (-)	- (-)
IL&FS Solar Power Limited	- (-)	3,032,707 (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Technologies Limited	- (-)	- (-)	- (-)	603,474 (-)	- (-)	- (-)
Tamil Nadu Water Investment Company Limited	- (-)	- (-)	1,505,269 (-)	- (-)	- (-)	- (-)
IL&FS Investment Managers Limited	- (-)	- (-)	146,918 (-)	- (-)	- (-)	- (-)
IL&FS Investment Advisors LLC	- (-)	- (-)	602,974 (85,250)	- (-)	- (-)	- (-)
Total	- (-)	13,792,780 (1,903,474)	2,483,802 (6,208,587)	15,399,780 (2,386,154)	- (-)	- (-)

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

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees Joint Ventures Significant Influence	
Purchase of fixed assets:						
IL&FS Infrastructure Development Corporation Limited	- (-)	- (-)	- (45,724)	- (-)	- (-)	- (-)
IL&FS Technologies Limited	- (-)	- (-)	- (-)	- (88,189)	- (-)	- (-)
Total	- (-)	- (-)	- (45,724)	- (88,189)	- (-)	- (-)
Advance Paid towards Investments						
Cross Border Power Transmission Co. Limited	- (-)	- (1,000,000)	- (-)	- (-)	71,010,000 (-)	- (-)
IL&FS Renewable Energy Limited	- (-)	- (4,519,100,000)	- (-)	- (-)	- (-)	- (-)
IL&FS Wind Power Limited	- (-)	- (37,700,000)	- (-)	- (-)	- (-)	- (-)
Nana Layja Power Company Limited	- (-)	195,500,000 (260,000,000)	- (-)	- (-)	- (-)	- (-)
Bihar Power Infrastructure Company Private Limited	- (-)	- (-)	- (-)	- (100,000,000)	- (-)	- (-)
ONGC Tripura Power Company Limited	- (-)	- (-)	- (-)	1,336,950,000 (-)	- (-)	- (-)
Khandke Wind Energy Private Limited	- (-)	1,359,923,000 (-)	- (-)	- (-)	- (-)	- (-)
Lalpur Wind Energy Limited	- (-)	1,971,723,000 (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Tamil Nadu Power Company Limited	- (-)	- (-)	- (-)	125,454,000 (-)	- (-)	- (-)
Total	- (-)	3,527,146,000 (4,817,800,000)	- (-)	1,462,404,000 (100,000,000)	71,010,000 (-)	- (-)
Investment made - Equity (including premium)						
IL&FS Renewable Energy Limited	- (-)	- (4,519,100,000)	- (-)	- (-)	- (-)	- (-)
IL&FS Wind Power Limited	- (-)	- (51,300,000)	- (-)	- (-)	- (-)	- (-)

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

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees Joint Ventures Significant Influence	
IL&FS Tamil Nadu Power Company Limited	- (-)	- (-)	- (-)	125,454,000 (-)	- (-)	- (-)
Khandke Wind Energy Private Limited	- (-)	1,423,000 (-)	- (-)	- (-)	- (-)	- (-)
Lalpur Wind Energy Limited	- (-)	1,423,000 (-)	- (-)	- (-)	- (-)	- (-)
Wind Urja India Limited	- (-)	994,080,000 (-)	- (-)	- (-)	- (-)	- (-)
ONGC Tripura Power Company Limited	- (-)	- (-)	- (-)	1,336,950,000 (-)	- (-)	- (-)
Total	- (-)	996,926,000 (4,570,400,000)	- (-)	1,462,404,000 (-)	- (-)	- (-)
Investment made - Debentures						
Khandke Wind Energy Private Limited	- (-)	1,358,500,000	- (-)	- (-)	- (-)	- (-)
Lalpur Wind Energy Limited	- (-)	1,970,300,000	- (-)	- (-)	- (-)	- (-)
Nana Layja Power Company Limited	- (-)	455,500,000	- (-)	- (-)	- (-)	- (-)
Total	- (-)	3,784,300,000 (-)	- (-)	- (-)	- (-)	- (-)
Purchase of investment Equity instruments						
Infrastructure Leasing & Financial Services Limited	(1,319,400,600)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS IIDC Fund	- (-)	- (-)	- (-)	- (-)	- (-)	(64,729,889)
IL&FS Infrastructure Development Corporation Limited	- (-)	- (-)	(1,562,500)	- (-)	- (-)	- (-)
IL&FS Renewable Energy Limited	- (-)	500,000 (-)	- (-)	- (-)	- (-)	- (-)
Total	(1,319,400,600)	500,000 (-)	(1,562,500)	- (-)	- (-)	(64,729,889)
Purchase of investment Preference shares						
Infrastructure Leasing & Financial Services Limited	(20,200,000)	- (-)	- (-)	- (-)	- (-)	- (-)

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

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees Joint Ventures Significant Influence	
Sale of Wind Business						
Wind Urja India Limited	-	993,580,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Sale of investments Equity instruments						
IL&FS Renewable Energy Limited	-	-	-	-	-	-
	(-)	(68,509,400)	(-)	(-)	(-)	(-)
Loans and advances paid						
IL&FS Renewable Energy Limited	-	1,009,000,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	-
Khandke Wind Energy Private Limited	-	150,000,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Shendra Green Energy Limited	-	-	-	-	-	-
	(-)	(233,000,000)	(-)	(-)	(-)	(-)
S V Power Private Limited	-	-	-	-	-	-
	(-)	(-)	(-)	(190,000,000)	(-)	(-)
Lalpur Wind Energy Limited	-	364,500,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Total	-	1,523,500,000	-	-	-	-
	(-)	(233,000,000)	(-)	(190,000,000)	(-)	(-)
Loans received back						
IL&FS Renewable Energy Limited	-	151,000,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	-
Khandke Wind Energy Private Limited	-	150,000,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Lalpur Wind Energy Limited	-	364,500,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Total	-	665,500,000	-	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Loans/ ICD received						
Infrastructure Leasing & Financial Services Limited	2,587,000,000	-	-	-	-	-
	(110,000,000)	(-)	(-)	(-)	(-)	(-)
IL&FS Securities Services Limited	-	-	3,300,000,000	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
IL&FS Financial Services Limited	-	-	150,000,000	-	-	-
	(-)	(-)	(-)	(-)	(-)	(-)
Total	2,587,000,000	-	3,450,000,000	-	-	-
	(110,000,000)	(-)	(-)	(-)	(-)	(-)

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

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees Joint Ventures Significant Influence	
Loans/ICD repaid						
Infrastructure Leasing & Financial Services Limited	2,697,000,000 (-)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Securities Services Limited	- (-)	- (-)	150,000,000 (-)	- (-)	- (-)	- (-)
IL&FS Financial Services Limited	- (-)	- (-)	150,000,000 (2,200,000,000)	- (-)	- (-)	- (-)
Total	2,697,000,000 (-)	- (-)	300,000,000 (2,200,000,000)	- (-)	- (-)	- (-)
Share application money received						
Infrastructure Leasing & Financial Services Limited	- (2,593,000,000)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Infrastructure Equity Fund - 1	- (-)	- (-)	- (-)	- (-)	- (-)	- (669,382,891)
Total	- (2,593,000,000)	- (-)	- (-)	- (-)	- (-)	- (669,382,891)
Issue of shares						
Infrastructure Leasing & Financial Services Limited	- (3,040,000,000)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Infrastructure Equity Fund - 1	- (-)	- (-)	- (-)	- (-)	- (-)	- (669,382,891)
Total	- (3,040,000,000)	- (-)	- (-)	- (-)	- (-)	- (669,382,891)

Balance outstanding as on 31 March, 2013

Trade Payables

IL&FS Financial Services Limited	- (-)	- (-)	20,224,800 (-)	- (-)	- (-)	- (-)
Infrastructure Leasing & Financial Services Limited	2,157,985 (1,801,068)	- (-)	- (-)	- (-)	- (-)	- (-)
ILFS Trust Company Limited	- (-)	- (-)	3,304 (-)	- (-)	- (-)	- (-)
IL&FS Technologies Limited	- (-)	- (-)	- (-)	(46,666)	- (-)	- (-)
IL&FS Investment Advisors LLC	- (-)	- (-)	- (85,250)	- (-)	- (-)	- (-)

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

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees Joint Ventures Significant Influence	
IL&FS Securities Services Limited	- (-)	- (-)	195 (35,355)	- (-)	- (-)	- (-)
IL&FS Investment Managers Limited	- (-)	- (-)	84,805 (-)	- (-)	- (-)	- (-)
IL&FS Transportation Network Limited	- (-)	- (-)	118,997 (-)	- (-)	- (-)	- (-)
IL&FS IIDC Fund	- (-)	- (-)	- (-)	- (-)	- (-)	- (32,693,529)
Total	2,157,985 (1,801,068)	- (-)	20,432,101 (120,605)	(46,666)	- (-)	- (32,693,529)

Long term loan and advances

IL&FS Renewable Energy Limited	- (-)	257,500,000 (-)	- (-)	- (-)	- (-)	- (-)
Porto Novo Maritime Limited	- (-)	- (-)	500,000,000 (-)	- (-)	- (-)	- (-)
Shendra Green Energy Limited	- (-)	233,000,000 (233,000,000)	- (-)	- (-)	- (-)	- (-)
Bihar Power Infrastructure Company Private Limited	- (-)	- (-)	- (-)	- (-)	100,000,000 (100,000,000)	- (-)
S V Power Private Limited	- (-)	- (-)	- (-)	238,251,780 (190,000,000)	- (-)	- (-)
Total	- (-)	490,500,000 (233,000,000)	500,000,000 (-)	238,251,780 (190,000,000)	100,000,000 (100,000,000)	- (-)

Short term loans and advances

Infrastructure Leasing & Financial Services Limited	339,865 (-)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Renewable Energy Limited	- (-)	600,500,000 (-)	- (-)	- (-)	- (-)	- (-)
Total	339,865 (-)	600,500,000 (-)	- (-)	- (-)	- (-)	- (-)

Advance towards investment

Cross Border Power Transmission Company Limited	- (-)	- (1,000,000)	- (-)	- (-)	72,010,000 (-)	- (-)
Nana Layja Power Company Limited	- (-)	- (260,000,000)	- (-)	- (-)	- (-)	- (-)
Total	- (-)	- (261,000,000)	- (-)	- (-)	72,010,000 (-)	- (-)

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

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees Joint Ventures Significant Influence	
Inter Corporate Deposits Receivable						
Infrastructure Leasing & Financial Services Limited	(150,626,543)	(-)	(-)	(-)	(-)	(-)
Long term loans payable						
Infrastructure Leasing & Financial Services Limited	520,438,564 (520,438,564)	- (-)	- (-)	- (-)	- (-)	- (-)
1% Fully Compulsorily Convertible Debentures						
Infrastructure Leasing & Financial Services Limited	2,470,000,000 (2,470,000,000)	- (-)	- (-)	- (-)	- (-)	- (-)
Short term borrowings						
IL&FS Securities Services Limited	- (-)	- (-)	3,150,000,000 (-)	- (-)	- (-)	- (-)
Infrastructure Leasing & Financial Services Limited	- (110,000,000)	- (-)	- (-)	- (-)	- (-)	- (-)
Total	- (110,000,000)	- (-)	3,150,000,000 (-)	- (-)	- (-)	- (-)
Fully Convertible Debentures- Assets						
Lalpur Wind Energy Limited	- (-)	1,970,300,000 (-)	- (-)	- (-)	- (-)	- (-)
Nana Layja Power Company Limited	- (-)	455,500,000 (-)	- (-)	- (-)	- (-)	- (-)
Khandke Wind Energy Private Limited	- (-)	1,358,500,000 (-)	- (-)	- (-)	- (-)	- (-)
Total	- (-)	3,784,300,000 (-)	- (-)	- (-)	- (-)	- (-)
Receivables:						
IL&FS Wind Power Limited	- (-)	288,046 (372,226)	- (-)	- (-)	- (-)	- (-)
IL&FS Trust Company Limited	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Tamilnadu Power Company Limited	- (-)	- (-)	- 272,003,399 (36,038,426)	- (-)	- (-)	- (-)

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

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees	
					Joint Ventures	Significant Influence
IL&FS Technologies Limited	- (-)	- (-)	- (-)	252,638 (108,389)	- (-)	- (-)
Bihar Power Infrastructure Company Private Limited	- (-)	- (-)	- (-)	- (-)	78,734,607 (17,358,585)	- (-)
ONGC Tripura Power Company Limited	- (-)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Renewable Energy Limited	- (-)	104,202 (12,279)	- (-)	- (-)	- (-)	- (-)
Indraprastha Energy & Waste Management Company Limited	- (-)	- (-)	- (-)	- (144,539)	- (-)	- (-)
IL&FS Infrastructure Development Corporation Limited	-	- (-)	14,478,042 (16,110,729)	- (-)	- (-)	- (-)
Shendra Green Energy Limited	- (-)	- (987,232)	- (-)	- (-)	- (-)	- (-)
Cross Border Power Transmission Company Limited	- (-)	- (30,773,700)	- (-)	- (-)	- (-)	- (-)
IL&FS Education & Technology Services Limited	- (-)	- (-)	- (96,406)	- (-)	- (-)	- (-)
Nana Layja Power Company Limited	- (-)	3,454,820 (39,708,000)	- (-)	- (-)	- (-)	- (-)
Nakhatrana Biomass Energy Limited	- (-)	- (167,872)	- (-)	- (-)	- (-)	- (-)
Lalpur Wind Energy Limited	- (-)	12,458,477 (55,035,288)	- (-)	- (-)	- (-)	- (-)
Tadas Wind Energy Limited	- (-)	902,929 (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Wind Farms Limited	- (-)	1,201,365 (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Solar Power Limited	- (-)	3,066,795 (-)	- (-)	- (-)	- (-)	- (-)
Buxar Bijlee Company Private Limited	- (-)	- (-)	- (-)	- (-)	120,211,153 (-)	- (-)
Others	- (-)	- (-)	1,000 (1,000)	- (156,649)	- (-)	- (-)
Total	- (-)	21,476,634 (127,056,597)	14,479,042 (16,208,135)	272,256,037 (36,448,003)	198,945,760 (17,358,585)	- (-)





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

Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	All amounts in Rupees Joint Ventures Significant Influence	
Prepaid Expenses						
IL&FS Technologies Limited	- (-)	- (-)	- (-)	43,290 (70,176)	- (-)	- (-)
Interest Accrued on Loans and Advances - Other current assets						
Infrastructure Leasing & Financial Services Limited	- (112,539)	- (-)	- (-)	- (-)	- (-)	- (-)
Shendra Green Energy Limited	- (-)	- (11,502,939)	- (-)	- (-)	- (-)	- (-)
S V Power Private Limited	- (-)	- (-)	- (-)	- (3,078,767)	- (-)	- (-)
IL&FS Renewable Energy Limited	- (-)	16,882,521 (-)	- (-)	- (-)	- (-)	- (-)
Lalpur Wind Energy Limited	- (-)	203,981,754 (-)	- (-)	- (-)	- (-)	- (-)
Khandke Wind Energy Private Limited	- (-)	105,401,504 (-)	- (-)	- (-)	- (-)	- (-)
Total	- (112,539)	326,265,779 (11,502,939)	- (-)	- (3,078,767)	- (-)	- (-)
Interest Accrued on Loans and Advances - Other non current assets						
Porto Novo Maritime Limited	- (-)	- (-)	1,146,575 (-)	- (-)	- (-)	- (-)
Shendra Green Energy Limited	- (-)	26,816,549 (-)	- (-)	- (-)	- (-)	- (-)
Nana Layja Power Company Limited	- (-)	55,823,016 (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Renewable Energy Limited	- (-)	15,527,960 (-)	- (-)	- (-)	- (-)	- (-)
Total	- (-)	98,167,525 (-)	1,146,575 (-)	- (-)	- (-)	- (-)
Interest accrued on Loan						
Infrastructure Leasing & Financial Services Limited	14,436,824 (14,902,113)	- (-)	- (-)	- (-)	- (-)	- (-)
IL&FS Securities Services Limited	- (-)	- (-)	263,564,387 (-)	- (-)	- (-)	- (-)
Total	14,436,824 (14,902,113)	- (-)	263,564,387 (-)	- (-)	- (-)	- (-)

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

NOTES FORMING PART OF THE FINANCIAL STATEMENTS					All amounts in Rupees	
Particulars	Holding Company	Subsidiary Companies	Fellow Subsidiaries	Affiliates	Joint Ventures	Significant Influence
Investment in Subsidiaries & Associates						
Equity Shares						
S V Power Private Limited	- (-)	- (-)	- (-)	789,960,000 (789,960,000)	- (-)	- (-)
Nana Layja Power Company Limited	- (-)	200,500,000 (200,500,000)	- (-)	- (-)	- (-)	- (-)
IL&FS Tamil Nadu Power Company Limited	- (-)	- (-)	- (-)	229,854,000 (104,400,000)	- (-)	- (-)
IL&FS Renewable Energy Limited	- (-)	5,639,000,000 (5,639,000,000)	- (-)	- (-)	- (-)	- (-)
IL&FS Hydro Energy Limited	- (-)	500,000 (500,000)	- (-)	- (-)	- (-)	- (-)
Cross Border Power Transmission Company Limited	- (-)	- (500,000)	- (-)	- (-)	190,000 (-)	- (-)
KVK Nilachal Power Private Limited	- (-)	- (-)	- (-)	- (970,000,000)	- (-)	- (-)
ONGC Tripura Power Company Limited	- (-)	- (-)	- (-)	5,360,168,000 (4,023,218,000)	- (-)	- (-)
Bihar Power Infrastructure Company Private Limited	- (-)	- (-)	- (-)	- (-)	62,693,529 (62,693,529)	- (-)
Assam Power Project Development Company Limited	- (-)	- (-)	- (-)	- (-)	2,036,360 (2,036,360)	- (-)
Power Transmission Company Nepal Limited	- (-)	- (-)	- (-)	- (-)	- (1,562,500)	- (-)
Wind Urja India Limited	- (-)	994,080,000 (-)	- (-)	- (-)	- (-)	- (-)
Lalpur Wind Energy Limited	- (-)	1,423,000 (-)	- (-)	- (-)	- (-)	- (-)
Khandke Wind Energy Private Limited	- (-)	1,423,000 (-)	- (-)	- (-)	- (-)	- (-)
Preference shares						
IL&FS Renewable Energy Limited	- (-)	202,000,000 (202,000,000)	- (-)	- (-)	- (-)	- (-)
Total	- (-)	7,038,926,000 (6,042,500,000)	- (-)	6,379,982,000 (5,887,578,000)	64,919,889 (66,292,389)	- (-)

Note: Amounts in brackets relates to previous year.





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

36. 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.

S.no	Particulars	Unit	Year ended 31.03.2013	Year ended 31.03.2012
1. Continuing operations				
a.	Net Profit after tax from continuing operations	Rupees	132,348,931	239,302,742
b.	Weighted Average of Number of Equity Shares	Number of Shares	884,138,200	676,277,234
c.	Basic Earnings per share (a/b)	Rupees	0.15	0.35
d.	Potential dilutive equity shares on compulsorily convertible debentures and compulsorily convertible Preference shares	Number of Shares	75,074,574	16,124,702
e.	Weighted average of number of equity shares used in computing diluted earnings per share.	Number of Shares	959,212,774	692,401,936
f.	Diluted earnings per share (a/e)	Rupees	0.14	0.35
2. Total operations				
a.	Net Profit after tax from continuing operations	Rupees	288,681,403	119,613,296
b.	Weighted Average of Number of Equity Shares	Number of Shares	884,138,200	676,277,234
c.	Basic Earnings per share (a/b)	Rupees	0.33	0.18
d.	Potential dilutive equity shares on compulsorily convertible debentures and compulsorily convertible Preference shares	Number of Shares	75,074,574	16,124,702
e.	Weighted average of number of equity shares used in computing diluted earnings per share.	Number of Shares	959,212,774	692,401,936
f.	Diluted earnings per share (a/e)	Rupees	0.30	0.17





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

37. Discontinuing operations

During the year, pursuant to the approval of the Shareholders and Committee of Directors as required, the Company has transferred the entire business of "Generation and sale of power" together with related assets and liabilities to Wind Urja India Limited ("Wholly owned subsidiary") on a slump sale basis with effect from the close of business on 30 March, 2013 for a consideration of 99,358,000 fully paid up equity shares of Rs. 10 each of Wholly owned subsidiary amounting to Rs. 993,580,000. The Generation and sale of power business was reported as a separate segment of the Company. The results of the discontinued business during the year until discontinuation were as under:

	Year ended 31.03.2013 Rupees	Year ended 31.03.2012 Rupees
<u>Profit / (Loss) from ordinary activities</u>		
Income from sale of power	330,493,170	291,325,222
Income from generation based incentive	41,194,053	35,172,602
Total revenue (A)	371,687,223	326,497,824
Employee benefits expense	7,370,849	4,640,442
Finance costs	259,053,326	282,821,444
Depreciation and amortisation expense	146,618,674	147,280,956
Other expenses	16,212,876	11,444,428
Total expenses (B)	429,255,725	446,187,270
(Loss) before tax from ordinary activities (A-B)	(57,568,502)	(119,689,446)
Add: Gain on disposal of assets / settlement of liabilities attributable to the discontinuing operations	213,900,974	-
	156,332,472	(119,689,446)
Tax expense	-	-
- on ordinary activities attributable to the discontinuing operations	-	-
- on gain on disposal of assets / settlement of liabilities	-	-
Profit / (Loss) after tax of discontinuing operations	156,332,472	(119,689,446)
Net Cash flows from		
Operating activities	349,852,466	188,341,520
Investing activities	-	-
Financing activities	(344,834,221)	(210,110,854)





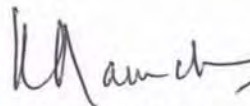
IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF THE FINANCIAL STATEMENTS

38. Previous period figures have been regrouped / reclassified wherever necessary, to confirm to the current period presentation.

For and on behalf of the Board



HARI SANKARAN
Director



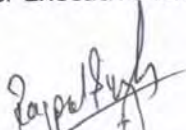
K RAMCHAND
Director



SUNIL WADHWA
Chief Executive Officer



AVINASH BAPAT
Chief Financial Officer



RAJPAL AHUJA
Company Secretary

Place: Bengaluru

Date: 7 May, 2013



**INDEPENDENT AUDITORS' REPORT
TO THE BOARD OF DIRECTORS OF
IL&FS ENERGY DEVELOPMENT COMPANY LIMITED**

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **IL&FS ENERGY DEVELOPMENT COMPANY LIMITED** (the "Company"), its subsidiaries, associates and jointly controlled entities (the Company, its subsidiaries, associates and jointly controlled entities constitute "the Group"), which comprise the Consolidated Balance Sheet as at 31 March, 2013, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



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Opinion

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of the reports of the other auditors on the financial statements / financial information of the subsidiaries, jointly controlled entities and associates referred to below in the Other Matter paragraph, the aforesaid consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31 March, 2013;
- (b) in the case of the Consolidated Statement of Profit and Loss, of the loss of the Group for the year ended on that date; and
- (c) in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matter

We did not audit the financial statements / financial information of eight no's of subsidiaries and three jointly controlled entities, whose financial statements / financial information reflect total assets (net) of Rs. 1,457,060,462 as at 31 March, 2013, total revenues of Rs. 208,686,194 and net cash flows amounting to Rs. 32,241,894 for the year ended on that date, as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of Rs. 61,396,550 for the year ended 31 March, 2013, as considered in the consolidated financial statements, in respect of two no's of associates, whose financial statements / financial information have not been audited by us. These financial statements / financial information have been audited by other auditors whose reports have been furnished to us by the Management and our opinion, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entities and associates, is based solely on the reports of the other auditors.

Our opinion is not qualified in respect of this matter.

For **DELOITTE HASKINS & SELLS**
Chartered Accountants
(ICAI Registration No. 015125N)



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JITENDRA AGARWAL
(Partner)
(Membership No. 87104)

MUMBAI, 9 August, 2013

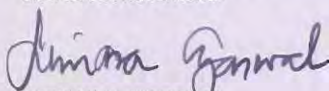
IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CONSOLIDATED BALANCE SHEET AS AT 31 MARCH, 2013

	Note	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
A EQUITY AND LIABILITIES			
1. SHAREHOLDERS' FUNDS			
(a) Share capital	3	9,187,989,670	9,187,989,670
(b) Reserves and surplus	4	1,278,968,616	2,290,588,757
		10,466,958,286	11,478,578,427
2. NON-CURRENT LIABILITIES			
(a) Long-term borrowings	5	24,377,514,721	13,973,742,394
(b) Deferred tax liabilities (net)	6	10,029,063	49,845,315
(c) Other long term liabilities	7	79,947,893	85,557,889
(d) Long-term provisions	8	11,544,415	7,844,426
		24,479,036,092	14,116,990,024
3. CURRENT LIABILITIES			
(a) Short-term borrowings	9	9,629,197,494	3,616,943,875
(b) Trade payables	10	264,028,106	133,716,935
(c) Current maturities of long-term borrowing	11	845,748,413	380,412,000
(d) Other current liabilities	12	3,176,413,133	1,465,396,675
(e) Short-term provisions	13	17,981,132	21,496,902
		13,933,368,278	5,617,966,387
TOTAL		48,879,362,656	31,213,534,838
B ASSETS			
1. NON CURRENT ASSETS			
(a) Fixed assets			
i. Tangible assets	14A	20,036,830,236	9,180,852,720
ii. Intangible assets	14B	93,879,066	100,572,104
iii. Capital work-in-progress	15	11,530,048,843	8,970,355,475
		31,660,758,145	18,251,780,299
(b) Goodwill on consolidation		214,207,074	225,009,397
(c) Non-current investments	16	6,689,446,383	5,827,615,612
(d) Deferred tax assets (net)	6	2,209,264	728,000
(e) Long-term loans and advances	17	5,109,670,314	2,533,552,860
(f) Other non current assets	18	146,197,312	205,398,161
		43,822,488,492	27,044,084,329
2. CURRENT ASSETS			
(a) Current investments	19	2,274,655,900	2,770,410,000
(b) Inventories	20	23,452,494	45,895,409
(c) Trade receivables	21	816,759,609	428,151,742
(d) Cash and cash equivalents	22	556,339,503	221,500,332
(e) Short-term loans and advances	23	628,511,888	549,730,627
(f) Other current assets	24	757,154,770	153,762,399
		5,056,874,164	4,169,450,509
TOTAL		48,879,362,656	31,213,534,838

See accompanying notes forming part of the financial statements 1-42

In terms of our report attached

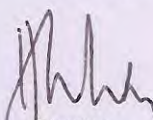
For **DELOITTE HASKINS & SELLS**
Chartered Accountants



JITENDRA AGARWAL
Partner


Date: 9 August, 2013
Place: Mumbai

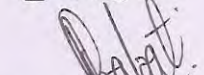


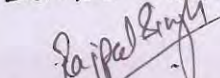
For and on behalf of the Board of Directors


Director
HARE SANKARAN


Director
D.C. DAWA


Chief Executive Officer
SUNIL WADHWA


Chief Financial Officer
ARUNASH JAGAN


Company Secretary
RASPAL AHUJA

Date: 9 August, 2013
Place: Mumbai

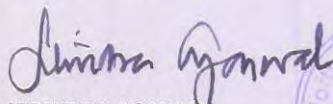
IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2013

	Note	Year ended 31.03.2013 (Rupees)	Year ended 31.03.2012 (Rupees)
1 Income			
(a) Revenue from operations	25	2,758,827,970	1,021,361,425
(b) Other income	26	193,584,485	126,899,372
Total Revenue		2,952,412,455	1,148,260,797
2 Expenses			
(a) Cost of materials consumed	27	179,179,293	96,377,578
(b) Employee benefits expense	28	237,281,379	131,202,154
(c) Finance costs	29	2,032,890,527	674,084,569
(d) Depreciation and amortisation expense	14	901,728,235	240,217,360
(e) Other expenses	30	403,997,424	174,610,006
Total expenses		3,755,076,858	1,316,491,667
3 Loss before tax		(802,664,403)	(168,230,870)
Tax expense:			
(a) Current tax expense for current year		156,693,377	82,785,515
(b) Tax adjustment for earlier years		38,449	(73,734)
(c) Net current tax expense		156,731,826	82,711,781
(d) Deferred tax		(41,297,517)	2,149,053
		115,434,309	84,860,834
4 Loss for the year before share of associates		(918,098,712)	(253,091,704)
5 Share of loss from associates		(88,655,771)	(117,353,525)
6 Loss for the year		(1,006,754,483)	(370,445,229)
Earning per share	38		
(Face value of Rs. 10 per share)			
- Basic		(1.14)	(0.55)
- Diluted		(1.14)	(0.55)
See accompanying notes forming part of the financial statements	1-42		

In terms of our report attached

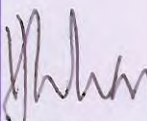
For **DELOITTE HASKINS & SELLS**
Chartered Accountants

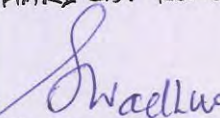

JITENDRA AGARWAL
Partner

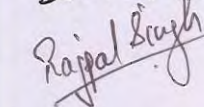
Date: 9 August, 2013
Place: Mumbai




For and on behalf of the Board of Directors

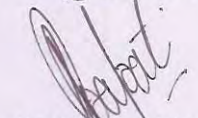

Director
HARD SANKARAN


Chief Executive Officer
SUNIL W. BANWA


Company Secretary
RAJPAL SINGH

Date: 9 August, 2013
Place: Mumbai


Director
R.C. DAWA


Chief Financial Officer
ANIRBAN DATTA

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2013

	Note	Year ended 31.03.2013 (Rupees)	Year ended 31.03.2012 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES			
Net loss before tax		(802,664,403)	(168,230,870)
Adjustment for:			
Depreciation and amortisation		901,728,235	240,217,360
Provision for employee benefits		2,402,146	18,726,762
Finance costs		2,032,890,527	674,084,569
(Profit)/Loss on sale of asset / investment		(11,464,333)	-
(Profit)/Loss on sale of asset		(33,835)	(36,323)
Provision / write off for doubtful trade receivables		4,004,554	1,868,721
Preliminary expenses		21,600	-
Interest income		(176,276,663)	(126,215,614)
Operating profit before working capital changes		1,950,607,828	640,414,605
Adjustments for changes in:			
Increase/(decrease) other non current liabilities		355,000	20,000
Increase/(decrease) trade payables		130,289,571	79,189,685
Increase/(decrease) other current liabilities		34,182,557	77,433,474
(Increase)/decrease in long term loans and advances		(377,807,332)	(217,175,748)
(Increase)/decrease in other non current assets		2,024,900	(2,024,900)
(Increase)/decrease in trade receivables		(392,612,421)	(129,051,450)
(Increase)/decrease in short term loans and advances		(233,502,119)	(126,341,084)
(Increase)/decrease in other current assets		(392,379,717)	(105,044,544)
Decrease/(increase) in inventory		22,442,915	(45,895,409)
Cash generated from/(used in) operations		743,601,182	171,524,629
Taxes paid (including tax deducted at source) net of refund		(166,982,217)	(154,199,876)
Net Cash from/(used in) operating activities		576,618,965	17,324,753
CASH FLOW FROM INVESTING ACTIVITIES			
Interest received		71,660,097	33,833,079
Payment towards purchase of investment		(1,551,429,472)	(2,096,729,572)
Proceeds from sale of investment		890,000,000	-
Purchase of fixed assets		(12,853,859,360)	(14,444,943,636)
Proceeds from sale of fixed assets		59,752	74,647
(Increase)/decrease long term loans and advances		(2,114,354,058)	(1,617,486,139)
(Increase)/decrease in inter corporate deposits		154,720,858	(154,720,858)
(Increase)/decrease in short term loans and advances		-	(106,000,000)
(Increase)/decrease in project development fund		(5,964,996)	55,537,889
(Increase)/decrease in project development expenses		65,792,855	(100,672,990)
Fixed deposits not considered as cash and cash equivalents		4,987,006	(5,142,497)
Net Cash used in Investing Activities		(15,338,387,318)	(18,436,250,077)
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from long term borrowings (net)		10,869,108,740	9,225,715,832
Issue of Fully convertible debentures		-	2,470,000,000
Proceeds from short term borrowings (net)		6,012,253,619	1,416,943,875
Finance costs paid		(1,780,235,735)	(672,994,449)
Issue of equity share capital including share premium		-	4,242,255,968
Issue of preference share capital including share premium		-	1,880,000,002
Share issue expenses		(4,519,100)	-
Net Cash from Financing Activities		15,096,607,524	18,561,921,228
Net Increase in cash and cash equivalents		334,839,171	142,995,904
Cash and cash equivalents at the beginning of the year	22	221,500,332	78,504,428
Cash and cash equivalents at the end of the year	22	556,339,503	221,500,332
Net Increase in cash and cash equivalents		334,839,171	142,995,904

In terms of our report attached

For **DELOITTE HASKINS & SELLS**
Chartered Accountants

JITENDRA AGARWAL
Partner

Date: 9 August, 2013
Place: Mumbai



For and on behalf of the Board of Directors

Director
HARJ SANKARAN

Chief Executive Officer
SUNE KADAWA

Company Secretary
ROSHAL ANJIA

Date: 9 August, 2013
Place: Mumbai

Director
P. C. DARA

Chief Financial Officer
ARINASH DADAT

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

1. Basis of Consolidation

The Consolidated Financial Statements (CFS) relates to IL&FS Energy Development Company Limited ("the Parent/Company"), its subsidiaries, jointly controlled entities / joint venture companies and its associates collectively referred to as the 'Group'.

In accordance with AS 21 on 'Consolidated Financial Statements' and AS 27 on 'Financial Reporting of Interests in Joint Ventures' notified by the Companies (Accounting Standards) Rules, 2006, the CFS incorporate the financial statements of subsidiaries of the Company, jointly controlled entities / joint venture companies respectively

The financial statements of the Company, the financial statements of subsidiaries and Group's proportionate share in jointly controlled entities have been consolidated on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions.

In accordance with AS 23 on 'Accounting for Investments' in associates in CFS, the investments in associates are accounted using the equity method and are carried in the CFS at cost as adjusted by post acquisition changes in the Group's share of the associates' reserves and surplus.

The subsidiaries, jointly controlled entities / joint venture companies and associates considered in the preparation of these consolidated financial statements are:

	Interest (%) as on 31.03.2013*	Interest (%) as on 31.03.2012*
A. Subsidiaries - (Incorporated in India)		
a. IL&FS Hydro Energy Limited	100%	100%
b. IL&FS Renewable Energy Limited (w.e.f. 25 October, 2011)	100%	100%
c. Cross Border Power Transmission Company Limited (upto 10 August, 2012)	-	100%
d. Nana Layja Power Company Limited (w.e.f. 25 October, 2011)	100%	100%
e. Lalpur Wind Energy Limited (w.e.f. 31 August, 2012)	100%	-
f. Khandke Wind Energy Private Limited (incorporated on 21 August, 2012)	100%	-
g. Wind Urja India Limited (incorporated on 21 August, 2012)	100%	-
B. Step down subsidiaries - [Subsidiaries of IL&FS Renewable Energy Limited (w.e.f. 25 October, 2011)]		
a. IL&FS Solar Power Limited	100%	100%
b. Bhojpur Biomass Power Company Limited	100%	100%
c. Patiala Bio Power Company Limited	100%	100%
d. Nakhatrana Biomass Energy Limited	100%	100%
e. IL&FS Wind Power Limited	100%	100%



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

	Interest (%) as on 31.03.2013*	Interest (%) as on 31.03.2012*
f. GAPS Power & Infrastructure Private Limited	100%	100%
g. Tadas Wind Energy Limited	100%	100%
h. Rohtas Bio Energy Private Limited	100%	100%
i. IL&FS Wind Farms Limited	100%	100%
j. Lalpur Wind Energy Private Limited (up to 30 August, 2012)	-	100%
k. East Delhi Waste Processing Company Private Limited (EDWPCPL) (see note (i) below)	100%	100%
l. Vaspeth Wind Energy Private Limited (from March 28, 2013)	100%	-
C. Jointly controlled entities/Joint venture companies		
a. Bihar Power Infrastructure Company Private Limited, India (w.e.f. March 30, 2012)	50%	50%
b. Assam Power Project Development Company Limited, India (w.e.f. March 30, 2012)	50%	50%
c. Power Transmission Company Nepal Limited, Nepal (see note (ii) below)	-	50%
d. Cross Border Power Transmission Company Limited (w.e.f. 11 August, 2012)	38%	-
D. Subsidiary Companies of Jointly Controlled Entity - Bihar Power Infrastructure Company Private Limited, BPIC (Ownership interest of BPIC)		
a. Pirpainti Bijlee Company Private Limited	100%	100%
b. Buxar Bijlee Company Private Limited	100%	100%
c. Lakhisarai Bijlee Company Private Limited	100%	100%
E. Associates (All incorporated in India)		
a. ONGC Tripura Power Company Limited	49.52%	49.52%
b. IL&FS Tamil Nadu Power Company Limited	26.00%	26.00%
F. Associates of IL&FS Renewable Energy Limited		
a. Punjab Biomass Power Limited (w.e.f. 25 October, 2011)	50.00%	50.00%
b. Urjankur Shree Datta Power Company Limited (w.e.f. 26 October, 2011)	33.33%	33.33%



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

	Interest (%) as on 31.03.2013*	Interest (%) as on 31.03.2012*
c. Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (w.e.f. 26 October, 2011)	32.10%	32.10%

- * Subsidiary / Jointly controlled entity for part of the year considered for that part for which IL&FS Energy Development Company Limited is the holding company.

Note

- (i) During the previous year the Group held 49% equity stake in EDWPCPL through its investments. A Power of Attorney was executed in the name of the Group for 8,161 equity shares representing 51% stake in EDWPCPL. The Group now holds beneficial interest in 16,000 equity shares representing 100% equity stake in EDWPCPL.

EDWPCPL had made an application for availing loan from Pool Municipal Debt Obligation Fund (PMDO). For the said purpose the Company has entered into Indenture of pledge dated 29 June, 2011, and has pledged 7,839 shares of EDPWPCPL in favour of Security Trustee i.e IL&FS Trust Company Limited.

- (ii) During the year the Group has entered into an agreement to reduce its holding in one of its joint venture company vis Power Transmission Company Nepal Limited to 10%, accordingly the same has not been considered for consolidation in these financial statements.
- (iii) Shalivahana Green Energy Limited has not been considered for consolidation since the investment was acquired and held exclusively with a view to its subsequent disposal in the near future, when an appropriate return through divestment is available. Hence investment therein is not accounted for under equity method.
- a) The excess of cost of investments in each Subsidiary over the Group's portion of net asset value in such entities, at the date on which such investment is made, is recognised as Goodwill and included as an asset in the Consolidated Balance Sheet. Excess of the Group's portion of net asset value in each Subsidiary at the date on which the investment is made, over the cost of investment is recognised as Capital Reserve and included as Reserves and Surplus under Shareholders' Equity.
- b) Goodwill arising on consolidation is not amortised but tested for impairment.
- c) Minority interest in the net assets of consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the Company in the subsidiaries and further movements in their share in the equity, subsequent to the dates of investments as stated above.
- d) The financial statements of the entities used for the purpose of consolidation are drawn up to the same reporting date as that of the Company.
- e) In accordance with AS 23 on 'Accounting for Investments in Associates in Consolidated Financial Statements', the investments in Associates are accounted using the equity method and are carried in the Consolidated Balance Sheet at cost as adjusted by post acquisition changes in the Group's share of the Associates' Reserves and Surplus.



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

2. Significant Accounting Policies

a. Basis of accounting and preparation of consolidated financial statements

The consolidated financial statements of the Company and its subsidiaries and jointly controlled entities (together the 'Group') have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The consolidated financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the consolidated financial statements are consistent with those followed in the previous year.

b. Use of estimates

The preparation of the consolidated financial statements in conformity with Indian GAAP 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.

c. Cash and cash equivalents

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term, highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

d. Cash flow statement

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

e. Depreciation and amortisation

- i. Depreciation is charged on Straight Line Method so as to write off 100% of the cost of the following type of assets at rates higher than those prescribed in Schedule XIV to the Companies Act, 1956, based on the Management's estimate of useful life of such assets:

Asset Type	Useful Life
Computers	4 years
Office equipment	3 years
Furniture and fixtures	3 Years
Software	License period or 4 years whichever is less.

- ii. Intangible asset comprising development rights for wind energy plants are being amortised over its useful period of 20 years.
- iii. In respect of Wind Energy Converters, depreciation is computed on the Straight Line Method at the rates provided under Schedule XIV to the Companies Act, 1956
- iv. All categories of assets costing less than Rs. 5,000 each and mobile phones are written off in the year of capitalisation.



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

- v. The expenditure on renovation / improvement to Leasehold properties is capitalized at Cost and amortised over the primary period of the lease.
- vi. All assets provided to employees amortised over a period of 3 years.
- vii. Depreciation on fixed assets, other than on assets specified in Note 2 (e) (i) to (vi) above, is provided for on the Written Down Value Method at the rates provided under Schedule XIV of the Companies Act, 1956.

f. Revenue Recognition

- i. Income is recognised on the accrual basis.
- ii. Consultancy fee income including management fees on infrastructure projects is recognised when specified project progress milestones are achieved as defined in the project contract mandates.
- iii. Revenue from sale of power produced on generation of electricity is accounted when energy is delivered at the metering point in terms of the Power Purchase Agreements.
- iv. Income from sale of Certified Emission Reductions (CER) is recognised upon execution of a firm sale contract for the eligible credits.
- v. Income arising from Renewable Energy Certificate (REC) is recognised in respect of the approved projects on the basis of quantum of power injected into the grid and accrued for sold units at exchange traded price and pending trading of the REC's it is accrued at the base price prescribed by Central Electricity Regulatory Commission (CERC).

g. Other income

Interest income is accounted on accrual basis. Dividend income is accounted when the right to receive it is established.

h. Tangible fixed assets

- i. Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any.
- ii. The cost of fixed assets 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 and interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use.
- iii. The Company has adopted the provisions of para 46 / 46A of AS 11 *The Effects of Changes in Foreign Exchange Rates*, accordingly, exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Fixed assets retired from active use and held for sale are stated at the lower of their net book value and net realisable value and are disclosed separately in the Balance Sheet.
- iv. 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.
- v. 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.



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

- vi. Capital work-in-progress: Projects under which tangible fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

i. Intangible Assets

Intangible assets are carried at cost less accumulated amortisation and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxes (other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognised as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably, in which case such expenditure is added to the cost of the asset.

j. Foreign currency transactions and translations

Initial Recognition

Transactions in foreign currencies entered into by the Company are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction..

Measurement at the balance sheet date

Foreign currency monetary items (other than derivative contracts) of the Company, outstanding at the balance sheet date are restated at the year-end rates. Non-monetary items of the Company are carried at historical cost.

Treatment of exchange differences – when para 46 / 46A of AS 11 is adopted

Exchange differences arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company are recognised as income or expense in the Statement of Profit and Loss.

The exchange differences arising on settlement / restatement of long-term foreign currency monetary items are capitalised as part of the depreciable fixed assets to which the monetary item relates and depreciated over the remaining useful life of such assets. If such monetary items do not relate to acquisition of depreciable fixed assets, the exchange difference is amortised over the maturity period / upto the date of settlement of such monetary items, whichever is earlier, and charged to the Statement of Profit and Loss except in case of exchange differences arising on net investment in non-integral foreign operations, where such amortisation is taken to "Foreign currency translation reserve" until disposal / recovery of the net investment. The unamortised exchange difference is carried in the Balance Sheet as "Foreign currency monetary item translation difference account" net of the tax effect thereon, where applicable.

k. Investments

- i. Long-term investments are carried individually at cost less provision for diminution, other than temporary, in the value of such investments.
- ii. Current investments are carried individually, at lower of cost or fair value.
- iii. Cost of investments include acquisition charges such as brokerage, fees and duties.



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

I. Inventories

Inventory comprises raw material, stores and spares parts, consumables supplies are valued at are valued at cost or net realizable value whichever is lower, as certified by the Management. The formula used in determination of cost is 'Weighted Average Method'.

m. Employee Benefits

The Group has both defined-contribution and defined-benefit plans.

i. Defined-contribution plans

These are plans in which the Group pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise contributions to the Employees' Provident Fund, Family Pension Fund and Superannuation Fund. The Group's payments to the defined contribution plans are reported as expenses in the period in which the employees perform the services that the payment covers.

ii. Defined-benefit plans

For defined benefit plans in the form of gratuity fund, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each Balance Sheet date. Actuarial gains and losses are recognised in the Statement of Profit and Loss in the period in which they occur. Past service cost is recognised immediately to the extent that the benefits are already vested and otherwise is amortised on a straight-line basis over the average period until the benefits become vested. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation as adjusted for unrecognised past service cost, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited to past service cost, plus the present value of available refunds and reductions in future contributions to the schemes.

iii. 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 such 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.

iv. 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 defined benefit obligation as at the Balance Sheet date less the fair value of the plan assets, if any out of which the obligations are expected to be settled.

v. Accounting policy for recognising actuarial gains and losses

Actuarial gains and losses arising from experience adjustment and effects of changes in actuarial assumptions are immediately recognised in the statement of profit and loss account as income or expense



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

n. Borrowing Costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Consolidated Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets. Capitalisation of borrowing costs is suspended and charged to the Consolidated Statement of Profit and Loss during extended periods when active development activity on the qualifying assets is interrupted.

o. Segment Reporting

The Group identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure.

p. Leases

Assets leased by the Group in its capacity as lessee where substantially all the risks and rewards of ownership vest in the Group are classified as finance leases. Such leases are capitalised at the inception of the lease at the lower of the fair value and the present value of the minimum lease payments and a liability is created for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vest with the lessor are recognised as operating leases. Lease rentals under operating leases are recognised in the Consolidated Statement of Profit and Loss on a straight-line basis.

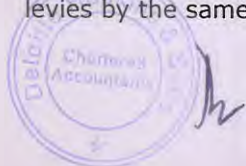
q. Taxes on income

Current tax is determined on the basis of taxable income and tax credits computed for each of the entities in the Group in accordance with the provisions of applicable tax laws of the respective jurisdictions where the entities are located.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the entity will pay normal income tax. Accordingly, MAT is recognised as an asset in the Consolidated Balance Sheet when it is probable that future economic benefit associated with it will flow to the entity.

Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets are recognised for timing differences of items other than unabsorbed depreciation and carry forward losses only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. However, if there are unabsorbed depreciation and carry forward of losses, deferred tax assets are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise the assets. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the entity has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

The Group offsets deferred tax assets and deferred tax liabilities, and advance income tax and provision for tax, if it has a legally enforceable right and these relate to taxes in income levies by the same governing taxation laws.



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

r. Earnings Per Share

Basic earnings per share is computed by dividing the profit / (loss) for the year by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) for the year as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date.

s. Impairment of Assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Consolidated Statement of Profit and Loss, except in case of revalued assets.

t. Pre-operative Expenses

Pre-operative expenses comprises incidental expenditure during construction period, which includes payment to and provision for employees, professional fees and other administrative expenses pending adjustment/allocation to fixed assets on completion of the project.

u. Project Development Expenses

Expenses relating to the projects, which are recoverable from the Project Implementing Agency are shown under the head 'Project Development Expenses' and reflected under 'Other non current assets'.

v. Project Development Fund

Funds received towards project development, which are payable on successful completion of the project are shown under the head 'Project Development Fund' and reflected under 'Other non current liabilities'.

w. Preliminary Expenses

Miscellaneous Expenditure comprises preliminary expenses incurred in relation to incorporation of the Company. In respect of a subsidiary, IL&FS Tamilnadu Power Company Limited, preliminary expenses are amortised over a period of 5 years and in respect of other Companies, these are charged off as and when incurred.

x. Government Grants :

Grants (including grants from Government Ministries, Government agencies and similar bodies which include local, national or international) are recognised when there is reasonable assurance that the entity in the Group which is entitled for the grant will comply with the conditions attached to them and the grants will be received.

Government grants whose primary condition is that such entity should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognised as income over the life of a depreciable asset by way of a reduced depreciation charge.



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

y. 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 financial statements.



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IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 3

SHARE CAPITAL

AUTHORISED

	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares	(Rupees)	Number of shares	(Rupees)
Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	1,900,000,000	19,000,000,000	1,900,000,000	19,000,000,000
Preference shares of Rs. 10 (Previous year Rs. 10) each	100,000,000	1,000,000,000	100,000,000	1,000,000,000

ISSUED, SUBSCRIBED AND FULLY PAID UP

Equity shares of Rs. 10 (Previous year Rs. 10) each with voting rights	884,138,200	8,841,382,000	884,138,200	8,841,382,000
0.0001% Compulsorily Convertible Preference shares (CCPS) of Rs. 10 (Previous year Rs. 10) each	34,660,767	346,607,670	34,660,767	346,607,670
	918,798,967	9,187,989,670	918,798,967	9,187,989,670

See notes (i) to (v) below

Notes:

(i) Rights, preferences and restrictions attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 each. Each shareholder is eligible for one vote per share held.

(ii) Details of shares held by each shareholder holding more than 5% shares:

	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity Shares				
Infrastructure Leasing & Financial Services Limited, the ultimate holding company	774,000,000	87.54%	774,000,000	87.54%
Mr. Vibhav Ramprakash Kapoor, Mr. Karunakaran Ramchand and Mr. Ramesh Chander Bawa, trustees of IL&FS Employee Welfare Trust	86,000,000	9.73%	86,000,000	9.73%
Preference Shares (CCPS)				
0.0001% Compulsorily convertible preference shares are held by Standard Chartered IL&FS Asia Infrastructure Growth Fund Company PTE Limited	24,787,863	71.52%	24,787,863	71.52%
0.0001% Compulsorily convertible preference shares are held by IL&FS Trust Company Limited, trustees of IL&FS Infrastructure Equity Fund I	9,872,904	28.48%	9,872,904	28.48%

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

Particulars	Opening Balance	Issued during the year	Closing Balance
(a) Equity shares with voting rights			
Year ended 31 March, 2013			
- Number of shares	884,138,200	-	884,138,200
- Amount (Rupees)	8,841,382,000	-	8,841,382,000
Year ended 31 March, 2012			
- Number of shares	522,000,000	362,138,200	884,138,200
- Amount (Rupees)	5,220,000,000	3,621,382,000	8,841,382,000
(b) 0.0001% Compulsorily Convertible Preference shares			
Year ended 31 March, 2013			
- Number of shares	34,660,767	-	34,660,767
- Amount (Rupees)	346,607,670	-	346,607,670
Year ended 31 March, 2012			
- Number of shares	-	34,660,767	34,660,767
- Amount (Rupees)	-	346,607,670	346,607,670

(iv) Details of shares held by the ultimate holding company

	Aggregate number of shares	
Particulars	As at 31 March, 2013	As at 31 March, 2012
Fully paid up equity shares with voting rights		
Infrastructure Leasing & Financial Services Limited, India, the ultimate holding company	774,000,000	774,000,000

- (v)** Subject to 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 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, (iii) receipt of notice in writing by the holder to convert any or all the CCPS into equity



IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 4		
RESERVES AND SURPLUS		
Capital reserve created on consolidation		
Opening Balance	10,639,718	688,760
Add: Additions during the year	-	9,950,958
	<u>10,639,718</u>	<u>10,639,718</u>
Securities premium account		
Opening balance	2,601,266,300	-
Add: Premium on shares issued during the year	-	2,601,266,300
Less: Share issue expenditure	4,519,100	-
	<u>2,596,747,200</u>	<u>2,601,266,300</u>
General reserve		
Opening balance	7,600,000	7,600,000
Add: Transferred from surplus in the Statement of Profit and Loss	-	-
	<u>7,600,000</u>	<u>7,600,000</u>
Capital reserve created on consolidation		
Opening Balance	10,639,718	688,760
Add: Additions during the year	-	9,950,958
	<u>10,639,718</u>	<u>10,639,718</u>
Surplus in the Statement of Profit and Loss		
Opening Balance	(328,917,261)	41,527,968
Profit/(loss) for the year	(1,006,754,483)	(370,445,229)
Adjustments	(346,558)	-
	<u>(1,336,018,302)</u>	<u>(328,917,261)</u>
	<u>1,278,968,616</u>	<u>2,290,588,757</u>



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	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 5		
LONG - TERM BORROWINGS		
(a) Debentures issued to related party - Unsecured 1% Fully Compulsorily Convertible Debentures (FCCD)	2,470,000,000	2,470,000,000
(b) Term loans from banks - Secured	10,627,611,806	7,156,183,955
(c) Term loans from financial institutions - Secured	4,967,423,103	3,781,669,877
(d) Term loans from financial institutions - Unsecured	2,950,000,000	-
(e) From related parties - Secured		
Infrastructure Leasing & Financial Services Limited	520,438,562	520,438,562
IL&FS Financial Services Limited	2,842,041,250	45,450,000
	<u>24,377,514,721</u>	<u>13,973,742,394</u>
Notes:		
Disclosures relating to securities offered, rate of interest and the repayment terms for the loans are disclosed in the respective foot note as mentioned		
	Foot Note reference	
(a) Debentures issued to related party - Unsecured 1% Fully Compulsorily Convertible debentures	(i)	<u>2,470,000,000</u>
(b) Term loans from banks - Secured	(ii)	1,677,979,747
	(iii)	6,985,756,050
	(iv)	402,501,009
	(v)	165,663,000
	(vi)	1,043,012,000
	(vii)	352,700,000
		<u>10,627,611,806</u>
(c) Term loans from financial institutions - Secured	(viii)	2,904,300,000
	(iii)	1,149,275,400
	(iv)	113,847,703
	(vi)	800,000,000
		<u>4,967,423,103</u>
(d) Term loans from financial institutions - Unsecured	(ix)	1,250,000,000
	(ix)	1,700,000,000
		<u>2,950,000,000</u>
(e) From related parties - Secured		
i. Infrastructure Leasing & Financial Services Limited	(x)	520,438,562
ii. IL&FS Financial Services Limited	(iv)	42,041,250
iii. IL&FS Financial Services Limited	(xi)	2,800,000,000
		<u>3,362,479,812</u>
		<u>24,377,514,721</u>
		<u>13,973,742,394</u>



IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Notes:

(i) Debentures issued to related party - Unsecured

- a. Rate of interest - 1.00% (Previous year 1%)
- b. Terms and conditions
247,000, 1% Fully Compulsorily Convertible Debenture (FCCDs) of Rs 10,000 each issued at face value to Infrastructure Leasing & Financial Services Limited. Unless previously converted, the entire FCCDs, shall be compulsorily converted into fully paid-up equity shares of the Issuer on the Maturity Date, at a at pre-agreed price of Rs 54.24 per share increased by an IRR of 20.00% per annum, such IRR being computed from 4 November 2011 till Deemed Allotment Date on fully diluted basis. Net Present Value of the interest paid (including default interest, if any, paid) by the Company discounted @ 20% p.a. will be deducted from the FCCDs amount in computing the number of shares to be issued to the Subscriber
- c. Maturity date - 28 March, 2021

(ii) Term loan from banks: Rs. 1,677,979,747 (Previous year Rs. 1,849,200,000)

(Obtained for 50.40 MW wind power projects in Rajasthan and Tamil Nadu.)

- a. Rate of interest - Indian bank base rate + 2.75% (Previous year Indian bank base rate + 2.75%) [effective rate at year end 12.95% (Previous year 13.50%)]
- b. Security

Term loans of Rs. 1,849,019,747 (Previous year Rs. 2,009,600,000) including Rs. 171,040,000 (Previous year Rs. 160,400,000) classified as current maturities of Long Term Borrowings) from consortium of seven banks, Indian Bank being the lead banker 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:

- (i) A mortgage on the rights of the sub-leased land in the state of Rajasthan for the project,
- (ii) A mortgage on the land acquired for the project in Tamilnadu,
- (iii) A first charge by way of hypothecation on all moveable assets including but not limited to plant and machinery, machinery spares and accessories for the project,
- (iv) A first ranking hypothecation/assignment of all the contracts, including Power Purchase Agreement/off take contracts, documents, insurance policies, policies relating to the wind farm, rights, titles, permits/approvals clearances and interest of the project,
- (v) A first charge on the project's book debts, operating cash flows, receivables, commissions, revenues of whatsoever nature and wherever arising (present and future), intangibles, goodwill, uncalled capital (Present and future),
- (vi) A first charge on the entire project's bank accounts including but not limited to escrow account opened in a designated bank, where all the cash inflows from the project shall be deposited and all proceeds shall be utilised in a manner and priority to be decided by the lenders,
- (vii) Assignment of all rights and interests relating to the project under letter of credit, guarantee or performance bond provided by any party for any contract related to the project in favour of the Company.

c. Repayment terms

The loan is repayable in 50 unequal quarterly instalments by the end of financial year 2023-24 commencing from 30 September, 2011.



IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(iii) **Term loan from banks: Rs. 6,985,756,050 (Previous year Rs. 4,909,800,000)**

Term loan from financial institutions: Rs. 1,149,275,400 (Previous year Rs. 1,060,000,000)

(Obtained for 200.80 MW wind power projects in the State of Gujarat, Andhra Pradesh and Karnataka.)

a. Rate of interest - The above loans carries an interest rate in the range of 11.25% to 12.25% as on 31 March, 2013 (Previous year 12.25%)

b. Security

Term loans of Rs. 7,311,100,000 (Previous year 4,909,800,000) drawn from consortium of seven banks and of Rs. 1,202,800,000 (Previous year Rs. 1,060,000,000) from a financial institution, including Rs. 378,868,550 (Previous year nil) classified as current maturity of long term borrowings, and Canara Bank being the lead banker is, together with interest, additional interest, default interest, upfront fees, costs, charges, expenses and other monies whatsoever stipulated and due to the Secured Parties shall be secured in favour of Lenders / Security Trustee by way of by a first pari passu charge without any Lender having priority / preference over the other Lender through

- (i) A first mortgage on the private land acquired for the project in the State of Karnataka and Gujarat;
- (ii) A first mortgage on the rights on the sub-leased Government land in the State of Andhra Pradesh and Gujarat for the Project;
- (iii) A first charge by way of hypothecation on all movable assets including but not limited to plant & machinery, machinery spares, tools, spares and accessories for the project;
- (iv) A first ranking hypothecation/assignment of all contracts, including power purchase agreement/off-take contracts, documents, insurance policies (lenders to be named as loss payees), policies relating to the proposed wind farm, rights, titles, permits / approvals clearances and interest of the project;
- (v) A first charge on the Project's book debts, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising (present and future), intangibles, goodwill, uncalled capital (present and future);
- (vi) A first charge on the entire project's bank accounts including but not limited to escrow account opened in a designated bank, where all the cash inflows from the Project shall be deposited and all proceeds shall be utilized in a manner and priority to be decided by the lenders;
- (vii) Assignment of all rights and interests of the borrower relating to the project under letter of credit, guarantee or performance bond provided by any party for any contract related to the project in favour of the borrower.

c. Repayment terms

70% of the above loan is repayable in 50 quarterly unequal installments commencing from the quarter following the end of Principal Moratorium Period. The balance 30% is to be repaid in single bulled installment along with the last quarterly installment.

The total loan amount sanctioned is Rs. 8,760,000,000 and loan disbursed till 31 March, 2013 is Rs. 8,513,900,000 (Previous year Rs. 5,969,800,000).

(iv) **Term loan from banks: Rs. 402,501,009 (Previous year Rs. 172,800,000)**

Term loan from financial institutions: Rs. 113,847,703 (Previous year Rs. 27,250,000)

Term loan from related party: Rs. 42,041,250 (Previous year Rs. 45,450,000)

(Obtained for 12 MW waste processing plant in New Delhi.)

a. Rate of interest - 11% (Previous year 11%)

b. Security

Term loans of Rs. 435,136,226 (Previous year Rs. 172,800,000) drawn from consortium of banks, Rs. 72,700,000 (Previous year Rs. 27,250,000) drawn from financial institutions and Rs. 45,450,000 (Previous year Rs. 45,450,000) drawn from related parties, including Rs. 45,274,862 (Previous year nil) classified as current maturity of long term borrowings, are secured by way of hypothecation/mortgage of all movable assets, receivables, bank balances and Intangible assets of the project.

c. Repayment terms

The above loans are repayable in 40 equal quarterly installments of Rs. 26,355,500 payable in arrears commencing from 9th quarter from the date of first disbursement ie 12 July, 2011.

The total loan amount sanctioned is Rs. 1,054,220,000 and loan disbursed till 31 March, 2013 is Rs. 603,664,824 (Previous year Rs. 245,500,000).



IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(v) Term loan from banks: Rs. 165,663,000 (Previous year Rs. 224,383,955)

(Term loan availed from banks for 13 MW Biomass based power projects in the State of Maharashtra)

- a. Rate of interest - Lenders base rate + 5% in respect of loan of Rs. 80,800,000 (Previous year Rs. 117,450,000), lenders base rate + 4.50% in respect of loan of Rs. 77,563,000 (Previous year Rs. 106,933,955), Lenders base rate + 2.50% in respect of loan of Rs. 7,300,000 (Previous year nil)
- b. Security
The term loan of Rs. 226,928,001 (Previous year Rs. 283,205,955) including Rs. 61,265,001 (Previous year Rs. 58,822,000) classified as current maturity of Long Term Borrowings is secured against pari-pasu charge of project's movable and immovable fixed assets. The first charge is created on all movable and immovable fixed assets both existing and future
- c. Repayment terms
Rs. 151,067,000 of the above loan is repayable in 32 monthly installments and balance Rs. 14,596,000 of the above loan is repayable in 24 monthly installments.

(vi) Term loan from banks: Rs. 1,043,012,000 (Previous year nil)

Term loan from financial institutions: Rs. 800,000,000 (Previous year nil)

(Term loan for 174.4 MW wind power projects in the State of Maharashtra, Karnataka and Gujarat)

- a. Rate of interest - The above loans carries interest rate of 11.75% as on 31 March, 2013
- b. Security
Term loan of Rs. 1,043,012,000 (Previous period nil) drawn from consortium of eight banks and Rs. 800,000,000 (Previous year nil) from a financial institution, Central Bank of India being the lead banker, together with interest, additional interest, default interest, upfront fees, costs, charges, expenses and other monies whatsoever stipulated and due to the Secured Parties shall be secured in favour of Lenders / Security Trustee by way of first pari passu charge without any lender having priority / preference over the other lender through:
 - (i) A first mortgage on the private land acquired in Maharashtra site and Karnataka site;
 - (ii) A first mortgage on the rights on the leased / sub-leased government land in Gujarat site;
 - (iii) Comfort letter as applicable to be provided from the respective State Forest Department in accordance with ministry of environment and forest directive for the forest land in Maharashtra and Gujarat site;
 - (iv) A first charge by way of hypothecation on all movable assets including but not limited to plant & machinery, machinery spares, tools, spares and accessories for the project;
 - (v) A first ranking hypothecation/assignment of all contracts, including power purchase agreement/off-take contracts, documents, insurance policies (Lenders to be named as loss payees), policies relating to the proposed wind farm, rights, titles, permits / approvals clearances and interest of the project;
 - (vi) A first charge on the Project's book debts, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising (present and future), intangibles, goodwill, uncalled capital (present and future);
 - (vii) A first charge on the entire Project's bank accounts including but not limited to escrow account opened in a designated bank, where all the cash inflows from the project shall be deposited and all proceeds shall be utilized in a manner and priority to be decided by the Lenders;
 - (viii) Assignment of all rights and interests of the borrower relating to the Project under letter of credit, guarantee or performance bond provided by any party for any contract related to the project in favour of the borrower.
- c. Repayment terms
82.50% of the Senior debt is to be repaid in 50 unequal quarterly installments (payable at the end of every quarter) commencing from the quarter following the end of moratorium period. The balance 17.50% is to be repaid in single bullet installment alongwith 50th quarterly installment.

(vii) Term loan from banks: Rs. 352,700,000 (Previous year nil)

(Term loan for 125.6 MW wind power projects in the State of Maharashtra, Rajasthan and Andhra Pradesh)

- a. Rate of interest - The above loans carries interest rate of 11.75% as on 31 March, 2013
- b. Security
Term loan of Rs. 352,700,000 (Previous period nil) drawn from a bank is secured by pari-passu charge to be created in favour of senior lenders by way of the following:
 - (i) A first charge by way of hypothecation on all movable assets including but not limited to plant and machinery, machinery spares, tools, spares and accessories for the project;
 - (ii) A first ranking hypothecation/assignment of all contracts, including power purchase agreement/off-take contracts, documents, insurance policies (Lenders to be named as loss payees), policies relating to the proposed wind farm, rights, titles, permits / approvals clearances and interest of the project;
 - (iii) A first charge on the project's book debts, operating cash-flows, receivables, commissions, revenues of whatsoever nature and wherever arising (present and future), intangibles, goodwill, uncalled capital (present and future);
 - (iv) A first charge on the entire project's bank accounts including but not limited to escrow account opened in a designated bank, where all the cash inflows from the project shall be deposited and all proceeds shall be utilized in a manner and priority to be decided by the lenders;
 - (v) Assignment of all rights and interests of the borrower relating to the project under letter of credit, guarantee or performance bond provided by any party for any contract related to the project in favour of the borrower.
- c. Repayment terms
75% of the Senior debt in 49 unequal quarterly installments (payable at the end of every quarter) commencing from the quarter following the end of moratorium period. The balance 25% to be repaid in single bullet installment alongwith 49th quarterly installment.



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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(viii) Term loan from financial institutions: Rs. 2,904,300,000 (Previous year Rs. 2,694,419,877)

(Term loan for 74.40 MW wind power projects in the State of Rajasthan, Tamil Nadu, Gujarat and Madhya Pradesh)

a. Rate of interest

The above loan carries an interest rate of 13.25% as on 31 March, 2013 (Previous year 12.71%) which is inclusive of additional 1% interest charged from September 15, 2011 due to non creation of charge over immovable assets.

b. Security

The term loan of Rs. 3,093,600,000 (Previous year Rs. 2,855,609,877) including Rs. 189,300,000 (Previous year Rs. 161,900,000) classified as current maturities of Long Term Borrowings) together with the interest, interest tax, liquidated damages, commitment fee, up front fee premia on repayment or on redemption, costs, charges, expenses and other monies are secured by

i. Exclusive First Charge by way of mortgage on all the immovable properties/assets both existing and future pertaining to 74.40 MW Wind Farm Project. The said charge is yet to be created.

ii. Exclusive First Charge by way of Hypothecation on all the movable assets/properties both existing and future pertaining to 74.40 MW Wind Farm project.

c. Repayment terms

The loan is repayable in 52 unequal quarterly installments commencing from 31 December, 2012 and terminating on 30 September, 2025.

(ix) From financial institution - unsecured

	Amount of term loan (Rs.)	Repayment terms	Rate of interest
i.	1,250,000,000	Bullet repayment after 15 months from the date of disbursement (i.e. 28 February, 2013)	Lender CPLR - 5.25% (Effective rate 12.25%)
ii.	1,700,000,000	Bullet repayment after 15 months from the date of disbursement (i.e. 14 March, 2013)	ICICI bank base rate plus 2.46% (Effective rate 12.21%)

(x) Term loan from related party: Rs. 520,438,562 (Previous year Rs. 520,438,562)

a. Rate of interest - 12.50% (Previous year 12.50%)

b. Security

Term loan together with interest, additional interest, default interest, upfront fees, costs, charges, expenses secured by an exclusive first hypothecation and charge on specific receivables of the Company, present and future, arising out of advisory services and loans made to IL&FS Employee Welfare Trust

c. Repayment terms

The loan is repayable within 60 months from the date of disbursement (15 December, 2010)

(xi) Term loan from related party: Rs. 2,800,000,000 (Previous year nil)

a. Rate of interest - IFIN Benchmark rate (presently 15.50%) less 50 bps

b. Security

First charge on investments (except wind assets), all receivables (including loans and advances) of the borrower and demand promissory note

c. Repayment terms

Term loan is repayable at the end of 24 months from the date of first disbursement i.e. 20 November, 2012.

(xii) Age-wise analysis of Long-term Borrowings is as follows

Period	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
More than 1 year and less than 3 years	7,778,239,896	1,403,513,355
More than 3 years and less than 5 years	1,429,034,365	1,901,530,062
More than 5 years	15,170,240,460	10,668,698,977
	24,377,514,721	13,973,742,394



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NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6

DEFERRED TAX ASSETS/ (LIABILITIES)

a. The break up of deferred tax liability (net) recognised is as follows

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
i. Deferred tax assets		
Tax impact of expenses charged in the financial statements but allowable as deductions in future years under income tax:		
(a) Provision for employee benefits	-	4,479,935
(b) Tax losses (including unabsorbed depreciation) adjustable in future years	41,017,277	58,742,057
	41,017,277	63,221,992
ii. Deferred tax liabilities		
(a) Tax impact of difference between carrying amount of fixed assets in the financial statements and the income tax return	43,450,358	109,206,352
(b) Technical know-how amortised	3,471,615	3,860,955
(c) Revenue pertaining to amounts under appeal	4,124,367	-
	51,046,340	113,067,307
Net Deferred tax liability	10,029,063	49,845,315

b. The break up of deferred tax asset (net) recognised is as follows

i. Deferred tax assets		
Tax impact of expenses charged in the financial statements but allowable as deductions in future years under income tax:		
(a) Expenditure covered by section 35D of the Income Tax Act, 1961	-	234,500
(b) Tax impact of difference between carrying amount of fixed assets in the financial statements and the income tax return	456,900	493,500
(c) Provision for employee benefits	1,820,066	-
	2,276,966	728,000
ii. Deferred tax liabilities		
Tax impact of difference between carrying amount of fixed assets in the financial statements and the income tax return	67,702	-
	67,702	-
Net Deferred tax asset	2,209,264	728,000



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	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 7		
OTHER LONG TERM LIABILITIES		
(a) Project development fund	79,572,893	85,537,889
(b) Others	375,000	20,000
	79,947,893	85,557,889
NOTE 8		
LONG-TERM PROVISIONS		
Provision for employee benefits (net)	11,544,415	7,844,426
NOTE 9		
SHORT-TERM BORROWINGS		
(a) Short term loans		
(i) Form banks - Secured (see note (i) below)	42,121,056	36,808,275
(ii) From banks - due towards Letter of Credit facilities - Secured (for security clause see foot note vi and vii of note 5)	4,672,649,693	-
(iii) From other parties- Unsecured	1,000,000,000	1,000,000,000
(b) Loans from related parties (see note 38)		
(i) Secured		
- Infrastructure Leasing & Financial Services Limited (see note (ii) below)	-	110,000,000
- IL&FS Financial Services Limited (see note (iii) below)	200,000,000	-
(ii) Unsecured		
- Infrastructure Leasing & Financial Services Limited	20,026,745	800,135,600
- IL&FS Financial Services Limited	544,400,000	300,000,000
- IL&FS Security Services Limited	3,150,000,000	-
(c) Deposits- Unsecured	-	1,370,000,000
	9,629,197,494	3,616,943,875

Notes:

- i. Loans from banks for the group's 13 MW biomass project in the state of Maharashtra are secured by first charge on entire current assets of the project (both present and future) and extension of first charge on movable/immovable assets of the project situated at Aurangabad.
- ii. Loans from related parties - Secured (Infrastructure Leasing & Financial Services Limited)
 - a. Rate of interest - nil (Previous year 15.00%)
 - b. Security
Term loan together with interest, additional interest, default interest, upfront fees, costs, charges, expenses secured by an exclusive first hypothecation and charge on specific receivables of the Company, present and future, arising out of advisory services.
- iii. Loan from related parties - secured (IL&FS Financial Services Limited)
 - a. Rate of interest - 15.00%
 - b. Security
First charge on investments of the borrower in debentures of Ghazipur Waste Project, subject to minimum security cover equivalent to amount of loan available at all times.
 - c. Repayment terms
The Loan shall be repayable at the end of 12 months from the date of first disbursement ie 30 October, 2012. The borrower has the right to prepay the facility at any time during the tenor of the facility without any prepayment premium by giving 7 working days notice



IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 10		
TRADE PAYABLES		
Other than Acceptances (see note below)	<u>264,028,106</u>	<u>133,716,935</u>
Note:		
The balance due to Micro, Small and Medium Enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 is Rs. Nil (Previous year Rs. Nil) and no interest during the period has been paid or is payable under the terms of the MSMED Act, 2006. The information provided by the Company has been relied upon by the auditors.		
NOTE 11		
CURRENT MATURITIES OF LONG-TERM BORROWING		
Secured (for security clause and other terms see note 5)		
(a) Term loans from banks	590,284,168	219,222,000
(b) Term loans from financial institutions	252,055,495	161,190,000
(c) Term loans from related party	3,408,750	
	<u>845,748,413</u>	<u>380,412,000</u>
NOTE 12		
OTHER CURRENT LIABILITIES		
(a) Interest accrued but not due on borrowings	290,996,847	39,311,997
(b) Interest accrued and due on borrowings	2,871,446	1,901,504
(c) Other payables - Statutory dues (TDS, VAT, Contributions to PF and ESIC, etc.)	123,110,075	88,880,685
(d) For purchase of investments	-	32,693,529
(e) Payable towards capital expenditure	2,675,229,235	1,302,562,127
(f) Retention money	84,205,530	-
(g) Others	-	46,833
	<u>3,176,413,133</u>	<u>1,465,396,675</u>
NOTE 13		
SHORT-TERM PROVISIONS		
(a) Provision for employee benefits (net)	15,958,916	17,256,759
(b) Provision for income tax (net of advance tax) Rs. 15,980,618) (Previous year Rs. 16,410,430)	2,022,216	4,240,143
	<u>17,981,132</u>	<u>21,496,902</u>



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

FIXED ASSETS



IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 01.04.2012 (Rupees)	Addition during the year (Rupees)	Deletion during the year (Rupees)	Adjustment for dilution (Rupees)	As at 31.03.2013 (Rupees)
NOTE 15					
CAPITAL WORK-IN-PROGRESS					
(a) Supply, erection and transportation	7,859,986,225	12,680,516,967	11,144,208,251	-	9,396,294,941
(b) Travelling and conveyance	5,803,160	2,811,426	-	1,459,300	7,155,286
(c) Legal and professional	508,554,693	210,180,314	146,239,408	24,219,513	548,276,086
(d) Project consultancy fees (net of grant)	330,218,851	113,836,920	-	-	444,055,771
(e) Processing fees	1,693,750	828,778	-	507,642	2,014,886
(f) Salaries, wages and incentives	9,855,557	11,743,257	-	-	21,598,814
(g) Rent	297,000	7,615,109	-	-	7,912,109
(h) Rates and taxes	1,871,568	2,544,694	-	-	4,416,262
(i) Printing and stationery	53,316	18,984	-	-	72,300
(j) Borrowing cost	134,405,210	1,088,941,104	455,699,768	851,623	766,794,923
(k) Civil work	108,377,837	93,382,455	-	-	201,760,292
(l) Miscellaneous expenses	9,238,308	121,296,844	-	837,979	129,697,173
	8,970,355,475	14,333,716,852	11,746,147,427	27,876,057	11,530,048,843

Note :

Grant of Rs. nil (Previous year Rs. 14,799,820 received against the expenses incurred towards Tipang and Gujarat Bio Mass project has been adjusted from the project consultancy fees incurred for the said project)



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

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 16		
NON CURRENT INVESTMENTS		
TRADE (at cost) - Unquoted		
(a) Investment in equity instruments		
I. of associates		
A. IL&FS Tamilnadu Power Company Limited (22,985,400 (Previous year 10,440,000) Equity Shares of Rs. 10 each)	-	-
B. ONGC Tripura Power Company Limited [(267,490,002 (Previous year 100,000) Equity Shares of Rs. 10 each fully paid up) (Nil (Previous year 267,390,000) Equity Shares of Rs. 10 each, paid up of Rs. 5 each)]	5,450,358,822	4,023,218,000
C. Urjankur Shree Datta Power Company Limited (22,520,000 (Previous Year 22,520,000) Equity Shares of Rs. 10 Each)	259,897,861	254,709,339
D. Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (26,580,000 (Previous Year 26,580,000) Equity Shares of Rs. 10 Each)	236,724,700	266,511,543
E. Punjab Biomass Power Limited (see note "iii" below) (75,000,000 (Previous Year 75,000,000) Equity shares of Re 1 each)	-	28,794,272
F. Shalivahana Green Energy Limited (nil (Previous Year 20,244,480) Equity Shares of Rs. 10 Each)	-	515,042,458
II. of other entities		
Power Transmission Company Limited (25,000 (Previous year nil) Equity Shares of Rs 10 each)	3,125,000	-
(b) Investment in debentures or bonds of other entities		
7.5% Non convertible debentures (NCD) of Infrastructure Leasing & Financial Services Limited (68,540 (Previous Year 68,540) NCD of Rs 1,000 Each)	68,540,000	68,540,000
(c) Investment in units of other fund		
Urjankur Nidhi Trust (see note "ii" below) (55,900 units (Previous Year 55,900) of Rs 10,000 Each)	670,800,000	670,800,000
	6,689,446,383	5,827,615,612
Aggregate amount of unquoted investments	6,689,446,383	5,827,615,612
Note:		
i. Investment in Associates includes goodwill of Rs. 2,742,427,541 (Previous year Rs. 2,742,427,541) recognised on consolidation of associates.		
ii. The investments purchased during the previous year namely Urjankur Nidhi Trust is under process for registration in the name of the Company.		
iii. As per the terms of the loan agreement executed between Punjab Biomass Power Limited (PBPL) and United Bank of India Limited (UBI), the term loan lender, thirty percent of the promoters shares need to be pledged with UBI, consequent to this 22,500,000 shares of PBPL are under pledge in favour of UBI.		
NOTE 17		
LONG-TERM LOANS AND ADVANCES (Unsecured, considered good)		
(a) Capital advances		
(i) to related parties (see note 37)	279,419,219	299,290,139
(ii) to others	2,515,469,198	943,396,000
(b) Security deposit	7,617,700	2,905,044
(c) Loans and advances to related parties (see note 37)	936,951,780	374,800,000
(d) Advance towards investments	75,923,600	-
(e) Prepaid expenses	361,067,941	181,809,408
(f) Advance tax (net of provision for tax Rs. 342,310,122 (Previous year Rs. 140,367,928))	158,184,383	150,151,919
(g) Balances with government authorities - service tax credit receivable	123,143	-
(h) Other loans and advances		
(i) To employees	1,176,040	-
(ii) To others	773,737,310	581,200,350
	5,109,670,314	2,533,552,860



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

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 18		
OTHER NON CURRENT ASSETS		
(a) Interest accrued on investment with related parties	111,161,686	97,557,774
(c) Subsidy receivable	-	2,024,900
(d) Project development expenses	34,880,135	100,672,990
(d) Fixed deposits with bank (maturity more than twelve months)	155,491	5,142,497
	146,197,312	205,398,161

NOTE 19

CURRENT INVESTMENTS

AT LOWER OF COST OR FAIR VALUE

(a) Investment in equity instruments

(i) of associates

A. SV Power Private Limited (3,861,775 (Previous year 3,861,775) Equity Shares of Rs. 10 each)	789,960,000	789,960,000
B. KVK Nilanchal Power Private Limited (5,180,000 (Previous year 5,180,000) Equity Shares of Rs. 10 each)	970,000,000	970,000,000
C. Shalivahana Green Energy Limited (20,244,480 (Previous Year nil) Equity Shares of Rs. 10 Each)	514,695,900	-

(ii) of other entities

Himanchal Sorang Power Limited (nil (Previous year 218,300) Equity Shares of Rs. 10 each)	-	62,739,279
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(b) Investment in debentures or bonds of other entities

Himanchal Sorang Power Limited (nil (Previous year 5,784,100) Fully convertible Debentures of Rs. 10 each)	-	947,710,721
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2,274,655,900	2,770,410,000
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Aggregate amount of unquoted investments

2,274,655,900	2,770,410,000
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Note:

- a. The Company is in the process of transferring the equity shares in its name for the following investments made:

	No of equity shares	No of equity shares
i. SV Power Private Limited	3,195,509	3,195,509
ii. KVK Nilanchal Power Private Limited	5,180,000	5,180,000
iii. Himanchal Sorang Power Limited	-	218,300

- b. The Company has issued an undertaking to repledge the shares in favour of the lenders of the respective companies on transfer of shares in its name.



IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at 31.03.2013 (Rupees)	As at 31.03.2012 (Rupees)
NOTE 20		
INVENTORIES		
(a) Raw material		
(i) Cotton stalk	16,491,503	21,800,726
(ii) Maize bhutta	2,073,595	2,044,736
(iii) Coal	2,242,436	3,752,347
(iv) Baggase	774,944	17,711,548
(v) Others	176,613	447,512
(b) Consumables : Stores and spare parts	1,693,403	138,540
	23,452,494	45,895,409
NOTE 21		
TRADE RECEIVABLES		
(a) Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
(i) Unsecured, considered good	109,691,296	59,267,169
(ii) Doubtful	-	1,868,721
Less: Provision for doubtful trade receivables	109,691,296	61,135,890
	-	1,868,721
	109,691,296	59,267,169
(b) Other trade receivables (Unsecured, considered good)	707,068,313	368,884,573
	816,759,609	428,151,742
NOTE 22		
CASH AND CASH EQUIVALENTS		
(a) Cash on hand	42,090	89,672
(b) Cheques on hand	22,103,210	59,905
(c) Balance with banks		
(i) in current accounts	250,737,900	193,221,448
(ii) in deposits accounts	270,156,303	27,908,707
(iii) in deposits accounts held as margin money with banks	13,300,000	220,600
	556,339,503	221,500,332
NOTE 23		
SHORT TERM LOANS AND ADVANCES		
(Unsecured, Considered good)		
(a) Loans and advances to related parties (see note 37)	412,516	8,830
(b) Security deposits to related parties (see note 37)		
-to related parties	200,000,000	200,000,000
-to others	4,396,529	2,798,016
(c) Loans and advances to employee's	676,396	797,439
(d) Advance to suppliers	1,184,852	14,468,275
(e) Prepaid expenses	372,834,051	25,604,750
(f) Balances with government authorities		
-Service tax credit receivable	8,610,379	14,815,619
-VAT credit receivable	8,175,088	-
(g) Inter-corporate deposits to related parties (see note 37)	-	154,720,858
(h) Others	32,222,077	136,516,840
	628,511,888	549,730,627
NOTE 24		
OTHER CURRENT ASSETS		
(a) Unbilled revenue	259,318,543	106,183,090
(b) Interest accrued from related parties (see note 37)	34,163,557	3,224,772
(c) Interest accrued from others	80,588,687	20,514,818
(d) 'Renewable Energy Certificates' receivable	178,661,848	-
(e) Receivable on sale of investment	120,000,000	-
(f) Project development expenses	50,193,384	13,369,860
(g) Retention money	637,953	-
(h) Other receivables	33,590,798	10,469,859
	757,154,770	153,762,399



IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended 31.03.2013 (Rupees)	Year ended 31.03.2012 (Rupees)
NOTE 25		
REVENUE FROM OPERATIONS		
(b) Income from sale of power	1,787,814,034	489,330,009
(a) Consultancy income	569,748,347	477,580,785
(c) Other operating income		
i. 'Renewable Energy Certificate' income	243,917,154	-
ii. Generation based incentive	144,616,561	41,116,428
iii. Others	12,731,874	13,334,203
	2,758,827,970	1,021,361,425
NOTE 26		
OTHER INCOME		
(a) Interest income comprises:		
i. Interest income on		
- Fixed deposits	5,407,045	15,951,731
- Others	87,753,695	80,071,078
ii. Interest income from related parties	77,713,612	30,192,805
iii. Interest on income tax refund	5,402,311	-
	176,276,663	126,215,614
(b) Other non-operating income comprises:		
i. Profit on sale of investment	11,914,333	-
ii. Profit on sale of assets	33,835	36,323
iii. Net gain on foreign currency transactions and translation	3,909,844	-
iv. Miscellaneous income	1,449,810	647,435
	17,307,822	683,758
	193,584,485	126,899,372
NOTE 27		
COST OF MATERIALS CONSUMED		
(a) Cotton stalk	81,382,914	1,312,653
(b) Maize bhutta	39,540,204	14,865,702
(c) Coal	25,620,051	12,262,457
(d) Baggase	28,926,492	51,466,718
(e) Others	3,709,632	1,836,090
(f) Direct expenses	-	14,633,958
	179,179,293	96,377,578
NOTE 28		
EMPLOYEE BENEFITS EXPENSE		
(a) Salaries, wages and incentives	211,761,813	117,979,532
(b) Contribution to provident and other funds	14,464,759	8,639,969
(c) Staff welfare expenses	11,054,807	4,582,653
	237,281,379	131,202,154
NOTE 29		
FINANCE COSTS		
(a) Interest expenses on borrowing	1,942,936,725	667,501,167
(b) Other borrowing costs	89,953,802	6,583,402
	2,032,890,527	674,084,569



IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended 31.03.2013 (Rupees)	Year ended 31.03.2012 (Rupees)
NOTE 30		
OTHER EXPENSES		
(a) Power and fuel	915,396	3,336,004
(b) Rent	32,330,902	17,385,673
(c) Repairs and maintenance		
i. Building	329,871	352,254
ii. Plant and machinery	8,335,540	3,369,398
iii. Others	13,597,140	8,387,844
(d) Insurance	15,362,941	4,475,194
(e) Rates and taxes	53,518,075	20,941,818
(f) Communication	2,008,591	1,955,400
(g) Travelling and conveyance	29,318,320	17,297,150
(h) Printing and stationery	1,319,710	1,011,185
(i) Advertisement and business promotion	3,652,652	4,471,252
(j) Business development expenses	9,647,710	-
(k) Brand subscription fees	13,263,284	11,515,142
(l) Operation and maintenance	55,081,720	6,621,065
(m) Reactive power charges and import of energy	1,040,776	692,851
(n) Legal and professional	116,498,599	45,291,033
(o) Payments to auditors (see note below)	8,651,840	3,874,236
(p) Director sitting fees	1,328,902	960,000
(q) Rebate on sale of power	774,958	4,096,675
(r) Provision / write off for doubtful trade receivables	4,004,554	1,868,721
(s) Loss on sale of investment	450,000	-
(t) Interest on late payment of taxes	4,786	-
(u) Foreign Exchange Loss	146,241	70,710
(v) Preliminary expenses	21,600	-
(w) Bank guarantee charges	8,998,877	3,529,026
(x) Miscellaneous expenses	23,394,439	13,107,375
	403,997,424	174,610,006
Payments to the auditors comprises (net of service tax)		
i. To Statutory Auditors		
(a) Audit Fees	1,500,000	1,400,000
(b) Other services	-	650,000
(c) Reimbursement of expenses	146,780	84,520
ii. To Group Auditors		
(a) Audit Fees	5,237,600	1,052,117
(b) Other services	1,762,684	603,755
(c) Tax audit fees	-	72,758
(c) Reimbursement of expenses	4,776	11,086
	8,651,840	3,874,236



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

31. Contingent liabilities

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Bank Guarantees provided	13,420,000	390,600
Guarantees given on behalf of the group to their lenders	977,000,000	977,000,000
Claims against the Group not acknowledged as debts:		
(a) Demand raised by Income Tax authorities	16,149,940	15,716,726
(b) Other Claims	40,837,881	23,576,917

Capital commitments

Estimated amount of contracts remaining to be executed on capital account not provided (net of advances)	28,267,415,425	7,364,388,750
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Other commitments

Uncalled liability on shares partly paid - Rs. 5 per share uncalled money on 267,390,000 partly paid shares of ONGC Tripura Power Company Limited	-	1,336,950,000
Estimated amount of contractual commitment for procuring services	-	2,191,520
Estimated amount of contractual commitment for procuring Investment	1,500,000	1,500,000

32. Earning and expenses in foreign currency

	Year ended 31.03.2013 Rupees	Year ended 31.03.2012 Rupees
Earning in foreign currency		
Consultancy Income	-	98,687,798
Expenses in foreign currency		
Travelling Expenses	2,836,997	1,124,092

33. Foreign currency exposure

Receivable in foreign currency

	As at 31.03.2013	As at 31.03.2012
US Dollar	-	1,940,000
Rupees	-	98,687,798



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

34. Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term. The Group has taken property on non-cancellable operating lease and has recognised rent of Rs. 20,376,545 during the year (Previous year Rs. 7,497,807). The future minimum lease payments under these operating leases as of 31 March, 2013 are as follows:

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
i. Not later than one year	23,235,372	20,963,028
ii. Later than one year but not later than five years	68,899,764	78,396,681
iii. Later than five years	Nil	3,436,966

35. The Group has entered into operating lease arrangements for vehicles. The minimum future lease payments during non-cancellable periods under the foregoing arrangements in the aggregate for each of the following periods is as follows:

	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
i. Not later than one year	7,350,897	3,815,198
ii. Later than one year but not later than five years	13,625,956	5,532,363
iii. Later than five years	Nil	Nil

Lease expenses incurred during the year Rs. 6,316,081 (Previous period Rs. 2,965,555)

36. Segment Reporting

a. Segment information for primary segment reporting (by business segment)

The Group has two business segments:

- i. Generation and sale of power
- ii. Advisory services

Particulars	Sale of power	Consultancy	All amount in Rs. Total
Segment Revenue			
Revenue from operations	2,189,059,623 (560,290,116)	569,768,347 (461,071,309)	2,758,827,970 (1,021,361,425)
Segment Profit /(Loss)	402,337,104 (-121,970,145)	375,904,582 (285,065,062)	778,241,686 (163,094,917)
Unallocable Expenses			1,774,490,571 (457,181,050)
Operating loss			-996,248,888 (-294,086,133)
Unallocable Income			193,584,485 (125,855,263)
Income Taxes			115,434,309 (84,860,834)
Profit/(loss)after tax			(918,098,712) (-253,091,704)



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

Particulars	Sale of power	Consultancy	Total
Share of result of associate			(88,655,771)
			(-117,353,525)
Net profit/(loss) after tax			(1,006,754,483)
			(-370,445,229)
Segment Assets	36,027,058,111	558,219,750	36,585,277,861
	(21,304,633,396)	(188,557,274)	(21,493,190,670)
Unallocable Assets			12,294,084,795
			(9,720,344,168)
Total Assets			48,879,362,656
			(31,213,534,838)
Segment Liabilities	3,063,809,390	138,529,647	3,202,339,037
	(3,590,670,102)	(30,238,728)	(3,620,908,830)
Unallocable Liabilities			35,210,065,333
			(16,064,202,266)
Total Liabilities			38,412,404,370
			(19,685,111,096)
Capital Expenditure (including opening adjustment)	14,297,684,807	11,294,451	14,308,979,258
	(9,165,458,135)	(1,424,731)	(9,166,882,866)
Unallocable Capital Expenditure			1,752,740
			(1,033,441)
Total Capital Expenditure			14,310,731,998
			(9,167,916,307)
Depreciation	896,433,273	3,734,351	900,167,624
	(237,913,031)	(1,500,196)	(239,413,227)
Unallocable Depreciation			1,560,611
			(804,133)
Total Depreciation			901,728,235
			(240,217,360)

Note: Figures in brackets pertains to previous year

b. Geographic segments

The geographical segment individually contributing 10% or more of the Group's revenue and segment assets are shown separately.

Geographical segment	Revenues	All amount in Rupees Segment Assets
India	2,715,702,970	48,836,237,656
	(922,673,627)	(31,112,665,312)
Others	43,125,000	43,125,000
	(98,687,798)	(100,869,526)
Total	2,758,827,970	48,879,362,656
Note:	(1,021,361,425)	(31,213,534,838)

1. Unallocated assets include balance fixed assets, investments, cash and cash equivalents, advance tax and interest accrued but not due and advance recoverable.



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

2. Unallocated liabilities include secured/unsecured borrowings and other liabilities.
3. Unallocated income and expenses includes income/expenses which are not directly related to business segments shown as unallocated income/expenses.

37. Related Party Transactions:

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

A HOLDING COMPANY

Infrastructure Leasing & Financial Services Limited (IL&FS)

B FELLOW SUBSIDIARIES

- i. Shendra Green Energy Limited (Formerly Gaps Power & Infrastructure Private Limited) (upto 24 October, 2011)
- ii. IL&FS Education & Technology Services Limited
- iii. IL&FS Environmental Infrastructure & Service Limited
- iv. IL&FS Financial Services Limited
- v. IL&FS Infrastructure Development Corporation Limited
- vi. IL&FS Investment Advisors LLC
- vii. IL&FS Investment Managers Limited
- viii. IL&FS Securities Services Limited
- ix. IL&FS Transportation Networks Limited
- x. IL&FS Trust Company Limited
- xi. IL&FS Wind Power Limited (upto 31 October, 2011)
- xii. Porto Novo Maritime Limited
- xiii. Tadas Wind Energy Limited (upto 24 October, 2011)
- xiv. IL&FS Renewable Energy Limited (upto 24 October, 2011)
- xv. Nana Layja Power Company Limited (upto 24 October, 2011)
- xvi. Tamil Nadu Water Investment Company Limited
- xvii. IL&FS Maritime Infrastructure Company Limited
- xviii. IL&FS Urban Infrastructure Services Limited
- xix. IL&FS IIDC Fund

C AFFILIATES/ASSOCIATES

- i. ONGC Tripura Power Company Limited
- ii. SV Power Private Limited
- iii. KVK Nilachal Power Private Limited (w.e.f. 7 July, 2011)
- iv. IL&FS Tamil Nadu Power Company Limited
- v. Assam Power Projects Development Company Limited (upto 29 March, 2012)
- vi. Bihar Power Infrastructure Company Pvt Limited (upto 29 March, 2012)
- vii. IL&FS Technologies Limited
- viii. Indraprastha Energy & Waste Management Company Limited
- ix. ORIX Auto Infrastructure Services Limited (upto 15 December, 2011)
- x. Jharkhand Infrastructure Development Corporation Limited
- xi. Avash Logistic Park Private Limited
- xii. Sealand Ports Private Limited
- xiii. Urjankur Shree Datta Power Company Limited (w.e.f. 26 October, 2011)
- xiv. Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (w.e.f. 26 October, 2011)
- xv. Punjab Biomass Power Limited w.e.f. (25 October, 2011)

D OTHER ENTERPRISES OVER WHICH IL&FS HAS CONTROL OR SIGNIFICANT INFLUENCE

- i. IL&FS IIDC Fund
- ii. IL&FS Infrastructure Equity Fund 1 (IIEF - 1)



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

E KEY MANAGEMENT PERSONNEL

- i. Mr. Hari Sankaran
- ii. Mr. Sunil Wadhwa

b) The nature and volume of transactions during the period with the above related parties are as follows:

Particulars	Holding Company	Fellow Subsidiaries	Affiliates	Amount in Rs.
				Significant Influence
Transactions during the year				
Consultancy Fee Income:				
Nana Layja Power Company Limited	- (-)	- (20,000,000)	- (-)	- (-)
Bihar Power Infrastructure Company Private Limited	- (-)	- (-)	- (33,814,393)	- (-)
IL&FS Infrastructure Development Corporation Limited	- (-)	5,536,678 (26,560,000)	- (-)	- (-)
IL&FS Tamilnadu Power Company Limited	- (-)	- (-)	366,437,500 (206,000,000)	- (-)
IL&FS IIDC Fund	- (-)	- (-)	- (-)	- (7,117,970)
Others	- (-)	- (25,200,000)	23,662,500 (1,100,000)	- (-)
Total Consultancy Fee	- (-)	5,536,678 (71,760,000)	390,100,000 (240,914,393)	- (7,117,970)
Interest Income				
Infrastructure Leasing & Financial Services Limited	37,508,411 (23,552,446)	- (-)	- (-)	- (-)
GAPS Power and Infrastructure Private Limited	- (-)	- (3,561,591)	- (-)	- (-)
S V Power Private Limited	- (-)	- (-)	15,173,013 (3,078,768)	- (-)
Porto Novo Maritime Limited	- (-)	1,273,972 (-)	- (-)	- (-)
IL&FS Financial Services Limited	- (-)	14,753 (-)	- (-)	- (-)
Punjab Biomass Power Limited	- (-)	- (-)	23,743,463 (-)	- (-)
Total Interest Income	37,508,411 (23,552,446)	1,288,725 (3,561,591)	38,916,476 (3,078,768)	- (-)



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

Particulars	Holding Company	Fellow Subsidiaries	Amount in Rs.	
			Affiliates	Significant Influence
Rent				
Infrastructure Leasing & Financial Services Limited	50,675,291 (41,176,322)	- (-)	- (-)	- (-)
Urjankur Shree Datta Power Company Limited	- (-)	- (-)	- (385,583)	- (-)
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	- (-)	- (-)	- (194,121)	- (-)
IL&FS Transporation Network Limited	- (-)	1,741,528 (-)	- (-)	- (-)
Total	50,675,291 (41,176,322)	1,741,528 (-)	- (579,704)	- (-)
Finance Cost				
Infrastructure Leasing & Financial Services Limited	188,022,597 (86,975,432)	- (-)	- (-)	- (-)
IL&FS Securities Services Limited	- (-)	298,458,908 (-)	- (-)	- (-)
IL&FS Trust Company Limited	- (-)	- (2,233,575)	- (-)	- (-)
IL&FS Financial Services Limited	- (-)	158,256,164 (218,572,862)	- (-)	- (-)
Total	188,022,597 (86,975,432)	456,715,072 (220,806,437)	- (-)	- (-)
Other Finance Cost				
Infrastructure Leasing & Financial Services Limited	15,246,257 (-)	- (-)	- (-)	- (-)
Bank Guarantee Charges				
Infrastructure Leasing & Financial Services Limited	8,146,740 (-)	- (-)	- (-)	- (-)
Project development expenditure (receivable)				
IL&FS Investment Managers Limited	- (-)	10,665,690 (-)	- (-)	- (-)
Capital Wrok in Progress				
Infrastructure Leasing & Financial Services Limited	23,482,665 (-)			
IL&FS Environment Infrastructure & Services Limited	- (-)	602,109,562 (429,294,798)	- (-)	- (-)



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

Particulars	Amount in Rs.			
	Holding Company	Fellow Subsidiaries	Affiliates	Significant Influence
IL&FS Financial Services Limited	- (-)	275,187,119 (6,958,813)	- (-)	- (-)
Others	- (-)	10,871,476 (15,621,272)	- (-)	- (-)
Total	23,482,665 (-)	888,168,157 (451,874,883)	- (-)	- (-)
Security deposit given				
Avash Logistic Park Private Limited	- (-)	- (72,400,000)	- (-)	- (-)
Sealand Ports Private Limited	- (-)	- (27,600,000)	- (-)	- (-)
Total	- (-)	- (100,000,000)	- (-)	- (-)
Mobilisation Advance given / (Adjusted)				
IL&FS Environment Infrastructure & Services Limited	- (-)	19,870,920 (-)	- (-)	- (-)
Brand fees				
Infrastructure Leasing & Financial Services Limited	12,139,684 (12,037,768)	- (-)	- (-)	- (-)
Other Expenses				
Infrastructure Leasing & Financial Services Limited	8,135,278 (5,954,995)	- (-)	- (-)	- (-)
IL&FS Infrastructure Development Corporation Limited	- (-)	124,155 (582,443)	- (-)	- (-)
IL&FS Technologies Limited	- (-)	- (-)	3,320,482 (1,943,649)	- (-)
IL&FS Financial Services Limited	- (-)	20,263,835 (11,768)	- (-)	- (-)
IL&FS Environment Infrastructure & Services Limited	- (-)	1,966,300 (1,458,150)	- (-)	- (-)
Orix Auto Infrastructure Services Limited	- (-)	- (-)	- (470,776)	- (-)
IL&FS Trust Company Limited	- (-)	769,431 (330,900)	- (-)	- (-)
Urjankur Shree Datta Power Company Limited	- (-)	- (-)	- (2,000,000)	- (-)
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	- (-)	- (-)	- (14,509,476)	- (-)



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

Particulars	Amount in Rs.			
	Holding Company	Fellow Subsidiaries	Affiliates	Significant Influence
Others	- (-)	1,315,988 (171,805)	- (-)	- (-)
Total	8,135,278 (5,954,995)	24,439,709 (2,555,066)	3,320,482 (18,923,901)	- (-)
Reimbursement of expenses :				
IL&FS Tamilnadu Power Company Limited	- (-)	- (-)	14,796,306 (2,386,154)	- (-)
Urjankur Shree Datta Power Company Limited	(-)	(-)	1,189,524 (-)	(-)
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	(-)	(-)	610,764 (-)	(-)
IL&FS Wind Power Limited	- (-)	- (5,663,545)	- (-)	- (-)
IL&FS Infrastructure Development Corporation Limited	- (-)	- (459,792)	- (-)	- (-)
IL&FS Technologies Limited	- (-)	- (-)	603,474 (-)	- (-)
Tamil Nadu Water Investment Company Limited	- (-)	1,505,269 (-)	- (-)	- (-)
IL&FS Investment Advisors LLC	- (-)	602,974 (-)	- (-)	- (-)
Others	- (-)	375,559 (-)	- (-)	- (-)
Total	- (-)	2,483,802 (6,123,337)	17,200,068 (2,386,154)	- (-)
Guarantee issued on behalf of the Company				
Infrastructure Leasing & Financial Services Limited	409,894,035 (100,000,000)	- (-)	- (-)	- (-)
Purchase of fixed assets:				
IL&FS Infrastructure Development Corporation Limited	- (-)	- (45,724)	- (-)	- (-)
IL&FS Maritime Infrastructure Company Limited		(68,484)		
IL&FS Technologies Limited	- (-)	- (-)	- (202,725)	- (-)
Total	- (-)	- (114,208)	- (202,725)	- (-)



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

Particulars	Amount in Rs.			
	Holding Company	Fellow Subsidiaries	Affiliates	Significant Influence
Grant receivable				
Infrastructure Leasing & Financial Services Limited	- (2,371,500)	- (-)	- (-)	- (-)
Advance Paid towards Investments				
ONGC Tripura Power Company Ltd.	- (-)	- (-)	1,336,950,000 (-)	- (-)
IL&FS Tamil Nadu Power Company Limited	- (-)	- (-)	125,454,000 (-)	- (-)
Total	- (-)	- (-)	1,462,404,000 (-)	- (-)
Investment made - Equity (including premium)				
IL&FS Tamil Nadu Power Company Limited	- (-)	- (-)	125,454,000 (-)	- (-)
ONGC Tripura Power Company Ltd	- (-)	- (-)	1,336,950,000 (-)	- (-)
Total	- (-)	- (-)	1,462,404,000 (-)	- (-)
Purchase of investment Equity instruments				
Infrastructure Leasing & Financial Services Limited	- (2,819,190,600)	- (-)	- (-)	- (-)
IL&FS IIDC Fund	- (-)	- (-)	- (-)	- (64,729,889)
IL&FS Infrastructure Development Corporation Limited	- (-)	- (1,562,500)	- (-)	- (-)
Total	- (2,819,190,600)	- (1,562,500)	- (-)	- (64,729,889)
Purchase of investment Preference shares				
Infrastructure Leasing & Financial Services Limited	- (20,200,000)	- (-)	- (-)	- (-)
Loans and advances paid				
S V Power Private Limited	- (-)	- (-)	- (190,000,000)	- (-)
Punjab Biomass Power Limited	- (-)	- (-)	13,900,000 (-)	- (-)
Total	- (-)	- (-)	13,900,000 (190,000,000)	- (-)



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

Particulars	Holding Company	Fellow Subsidiaries	Amount in Rs.	
			Affiliates	Significant Influence
Loans/ ICD received				
Infrastructure Leasing & Financial Services Limited	3,905,853,945 (910,135,600)	- (-)	- (-)	- (-)
IL&FS Securities Services Limited	- (-)	3,300,000,000 (-)	- (-)	- (-)
IL&FS Financial Services Limited	- (-)	3,394,400,000 (345,450,000)	- (-)	- (-)
Total	3,905,853,945 (910,135,600)	6,694,400,000 (345,450,000)	- (-)	- (-)
Loans/ICD repaid				
Infrastructure Leasing & Financial Services Limited	4,795,962,800 (-)	- (-)	- (-)	- (-)
IL&FS Securities Services Limited	- (-)	150,000,000 (-)	- (-)	- (-)
IL&FS Financial Services Limited	- (-)	150,000,000 (2,200,000,000)	- (-)	- (-)
Total	4,795,962,800 (-)	300,000,000 (2,200,000,000)	- (-)	- (-)
Inter corporate deposit placed				
Infrastructure Leasing & Financial Services Limited	7,324,523,781 (-)	- (-)	- (-)	- (-)
Inter corporate deposit matured				
Infrastructure Leasing & Financial Services Limited	7,479,244,639 (-)	- (-)	- (-)	- (-)
Prepaid expenses				
IL&FS Technologies Limited	- (-)	- (-)	- (70,176)	- (-)
IL&FS Financial Services Limited	- (-)	- (96,622,800)	- (-)	- (-)
Total	- (-)	- (96,622,800)	- (70,176)	- (-)
Share application money received				
Infrastructure Leasing & Financial Services Limited	- (2,593,000,000)	- (-)	- (-)	- (-)



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

Particulars	Amount in Rs.			
	Holding Company	Fellow Subsidiaries	Affiliates	Significant Influence
IL&FS Infrastructure Equity Fund – 1	- (-)	- (669,382,891)	- (-)	- (-)
Total	- (2,593,000,000)	- (669,382,891)	- (-)	- (-)
Issue of shares				
Infrastructure Leasing & Financial Services Limited	- (3,040,000,000)	- (-)	- (-)	- (-)
IL&FS Infrastructure Equity Fund - 1	- (-)	- (669,382,891)	- (-)	- (-)
Total	- (3,040,000,000)	- (669,382,891)	- (-)	- (-)
Balance outstanding as on 31 March, 2013				
Trade Payables				
IL&FS Financial Services Limited	- (-)	20,279,335 (-)	- (-)	- (-)
Infrastructure Leasing & Financial Services Limited	3,202,545 (9,171,880)	- (-)	- (-)	- (-)
ILFS Trust Company Limited	- (-)	59,822 (24,411)	- (-)	- (-)
IL&FS Technologies Limited	- (-)	- (-)	35,222 (46,666)	- (-)
IL&FS Investment Advisors LLC	- (-)	- (85,250)	- (-)	- (-)
IL&FS Environmental Infrastructure & Services Limited	- (-)	- (-)	- (-)	- (-)
IL&FS Securities Services Limited	- (-)	347,659 (35,355)	- (-)	- (-)
IL&FS Investment Managers Limited	- (-)	84,805 (-)	- (-)	- (-)
IL&FS Transportation Network Limited	- (-)	177,237 (-)	- (-)	- (-)
IL&FS IIDC Fund	- (-)	- (-)	- (-)	- (322,693,529)
Total	3,202,545 (9,171,880)	20,948,858 (145,016)	35,222 (46,666)	- (322,693,529)
Payable towards Capital Expenditure				
Infrastructure Leasing & Financial Services Limited	7,145,106 (2,226,012)	- (-)	- (-)	- (-)



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

Particulars	Holding Company	Fellow Subsidiaries	Amount in Rs.	
			Affiliates	Significant Influence
IL&FS Environmental Infrastructure & Services Limited	- (-)	39,003,901 (144,037,780)	- (-)	- (-)
IL&FS Financial Services Limited	- (-)	40,697,222 (92,098,715)	- (-)	- (-)
IL&FS Maritime Infrastructure Company Limited	- (-)	- (110,000,000)	- (-)	- (-)
Others	- (-)	4,752,193 (137,983)	- (-)	- (-)
Total	7,145,106 (2,226,012)	84,453,316 (346,274,478)	- -	- -
Retention money				
IL&FS Environmental Infrastructure & Services Limited	- (-)	84,205,530 (-)	- (-)	- (-)
Project Development Fund (Liability)				
Infrastructure Leasing & Financial Services Limited	11,400,000 (30,000,000)	- (-)	- (-)	- (-)
Capital Advance				
IL&FS Environmental Infrastructure & Services Limited	- (-)	279,419,219 (299,290,139)	- (-)	- (-)
Security deposit				
Avash Logistic Park Private Limited	- (-)	144,800,000 (144,800,000)	- (-)	- (-)
Sealand Ports Private Limited	- (-)	55,200,000 (55,200,000)	- (-)	- (-)
Total	-	200,000,000 (200,000,000)	-	-
Long term loans and advances				
Porto Novo Maritime Limited	- (-)	500,000,000 (-)	- (-)	- (-)
Punjab Biomass Power Limited			198,700,000 (184,800,000)	
S V Power Private Limited	- (-)	- (-)	238,251,780 (190,000,000)	- (-)
Total	- (-)	500,000,000 (-)	436,951,780 (374,800,000)	- (-)
Short term loans and advances				
Infrastructure Leasing & Financial Services Ltd.	412,516 (8,830)	- (-)	- (-)	- (-)



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

Particulars	Holding Company	Fellow Subsidiaries	Amount in Rs.	
			Affiliates	Significant Influence
Inter Corporate Deposits Receivable				
Infrastructure Leasing & Financial Services Limited	(154,720,858)	(-)	(-)	(-)
Long term loans payable (incl current maturity)				
Infrastructure Leasing & Financial Services Limited	520,438,562 (520,438,562)	- (-)	- (-)	- (-)
IL&FS Financial Services Limited		2,845,450,000 (45,450,000)		
Total	520,438,562 (520,438,562)	2,845,450,000 (45,450,000)	-	-
1% Fully Compulsorily Convertible Debentures				
Infrastructure Leasing & Financial Services Limited	2,470,000,000 (2,470,000,000)	- (-)	- (-)	- (-)
Short term borrowings				
IL&FS Securities Services Limited	- (-)	3,150,000,000 (-)	- (-)	- (-)
IL&FS Financial Services Limited	(-)	744,400,000 (300,000,000)	- (-)	- (-)
Infrastructure Leasing & Financial Services Limited	20,026,745 (910,135,600)	- (-)	- (-)	- (-)
Total	20,026,745 (910,135,600)	3,894,400,000 (300,000,000)	- (-)	- (-)
7.5% Non Convertible Debentures (Assets)				
Infrastructure Leasing & Financial Services Limited	68,540,000 (68,540,000)	- (-)	- (-)	- (-)
Receivables:				
Infrastructure Leasing & Financial Services Limited	72,651 (-)	- (-)	- (-)	- (-)
IL&FS Trust Company Limited	- (-)	- (-)	- (-)	- (-)
IL&FS Tamilnadu Power Company Limited	- (-)	- (-)	272,003,399 (36,038,426)	- (-)
IL&FS Infrastructure Development Corporation		14,478,042 (16,110,729)	- (-)	- (-)



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

Particulars	Amount in Rs.			
	Holding Company	Fellow Subsidiaries	Affiliates	Significant Influence
Limited	-	1,000	13,763,199	-
Others	(-)	(97,406)	(5,743,806)	(-)
Total	72,651	14,479,042	285,766,598	-
	(-)	(16,208,135)	(41,782,232)	(-)
Prepaid Expenses				
IL&FS Technologies Limited	-	-	43,290	-
	(-)	(-)	(70,176)	(-)
Interest Accrued on Loans and Advances - Other current assets				
Infrastructure Leasing & Financial Services Limited	-	-	-	-
	(97,703,779)	(-)	(-)	(-)
S V Power Private Limited	-	-	-	-
	(-)	(-)	(3,078,767)	(-)
Punjab Biomass Power Limited	-	-	34,163,557	-
	(-)	(-)	(-)	(-)
Total	-	-	34,163,557	-
	(97,703,779)	(-)	(3,078,767)	(-)
Interest Accrued on Loans and Advances - Other non current assets				
Infrastructure Leasing & Financial Services Limited	110,015,112	-	-	-
Porto Novo Maritime Limited	-	1,146,575	-	-
	(-)	(-)	(-)	(-)
Total	110,015,112	1,146,575	-	-
	(-)	(-)	(-)	(-)
Interest accrued on Loan				
Infrastructure Leasing & Financial Services Limited	14,436,824	-	-	-
	(14,902,113)	(-)	(-)	(-)
IL&FS Securities Services Limited	-	263,564,387	-	-
	(-)	(-)	(-)	(-)
Total	14,436,824	263,564,387	-	-
	(14,902,113)	(-)	(-)	(-)
Guarantee issued on behalf of the Company				
Infrastructure Leasing & Financial Services Limited	409,894,035	-	-	-
	(100,000,000)	(-)	(-)	(-)
Investment in Subsidiaries & Associates				
S V Power Private Limited	-	-	789,960,000	-
	(-)	(-)	(789,960,000)	(-)



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

Particulars	Amount in Rs.			
	Holding Company	Fellow Subsidiaries	Affiliates	Significant Influence
Urjankur Shree Datta Power Company Limited	- (-)	- (-)	259,897,861 (254,709,339)	- (-)
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	- (-)	- (-)	236,724,700 (266,511,543)	- (-)
KVK Nilachal Power Private Limited	- (-)	- (-)	- (970,000,000)	- (-)
ONGC Tripura Power Company Limited	- (-)	- (-)	5,450,358,822 (4,023,218,000)	- (-)
Punjab Biomass Power Limited	- (-)	- (-)	- (28,794,272)	- (-)
Shalivahana Green Energy Limited	- (-)	- (-)	514,695,900 (515,042,458)	- (-)
Total	- (-)	- (-)	7,251,637,283 (6,848,235,612)	- (-)

Note: Figures under subsidiary represents transactions with subsidiaries which will be eliminated at the level of ultimate holding company.

38. 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 period.

S.no	Particulars	Unit	Year ended 31.03.2013	Year ended 31.03.2012
a.	Net Profit After Tax	Rupees	(1,006,754,483)	(370,445,229)
b.	Weighted Average of Number of Equity Shares	Number of Shares	884,138,200	676,277,234
c.	Basic Earnings per share (a/b)	Rupees	(1.14)	(0.55)
d.	Potential dilutive equity shares on share application money, compulsorily convertible debentures and compulsorily convertible Preference shares	Number of Shares	75,074,574	16,124,702
e.	Weighted average of number of equity shares used in computing diluted earnings per share.	Number of Shares	959,212,774	692,401,936
f.	Diluted earnings per share (a/e)	Rupees	(1.14)	(0.55)

*Since the effect of potential equity shares is anti-dilutive these have not been considered for calculation of diluted earnings per share.



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

39. Joint Venture

Details of Company's share in Joint Ventures included in the Consolidated Financial Statements are

Particulars	As at 31.03.2013 Rupees	As at 31.03.2012 Rupees
Assets		
Tangible assets	4,485	7,474
Capital work in progress	175,719,445	677,438
Long-term loans and advances	6,459,507	-
Other non current assets	34,880,135	100,672,990
Trade receivables	3,486,685	10,477,021
Cash and cash equivalents	34,997,715	6,658,130
Short-term loans and advances	2,099,507	5,516,378
Other current assets	47,501,835	59,776
Total	305,149,314	124,069,207
Liabilities		
Deferred tax liability	1,092	1,574
Other long term liabilities	79,572,893	55,537,889
Trade payables	45,903,832	628,218
Other current liabilities	33,771,835	256,077
Short term provisions	153	-
Total	159,249,805	56,423,758
Income	Year ended 31.03.2013 Rupees	Year ended 31.03.2012 Rupees
Revenue from operations	6,969,938	-
Other income	2,267,092	27,730
Total	9,237,030	27,730
Expenses		
Depreciation expense	2,990	27
Other expenses	5,121,389	235
Total	5,124,379	262
Profit before tax	4,112,651	27,468
Tax expense	1,410,150	8,979
Profit after tax	2,702,501	18,489

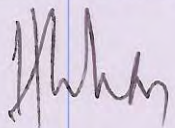
40. During the period the Group has sold 62% stake in a subsidiary viz. Cross Border Power Transmission Company Limited and accordingly it have ceased to be the subsidiary of the Group. As a result, the Group has accounted for a gain of Rs. 11,914,333, being the gain on sale of partial stake in the subsidiaries. This gain is primarily arising out of reversal of eliminations of income/expenses earned/incurred from transactions with the subsidiary in earlier years.




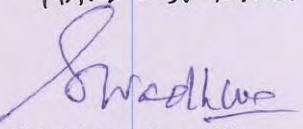
IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENTS

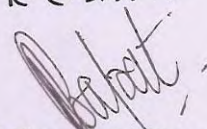
41. The Group has exercised the option as per the Companies (Accounting Standards) Amendments Rules, 2011. As per the option, exchange differences related to long term foreign currency monetary items so far as they relate to the acquisition of a depreciable capital assets are capitalized and depreciated the same over the useful life of the assets and in other cases, have transferred to Foreign Currency Monetary Item Translation Difference Account and amortized over the balance period of such long term assets/liabilities. There were no long term assets/liabilities outstanding during the year ended 31 March, 2013.
42. Previous year figures have been regrouped / reclassified wherever necessary, to confirm to the current period presentation.

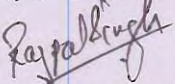
For and on behalf of the Board


Director
HARI SANKARAN


Director
R.C. DAWA


Chief Executive Officer
SUNIL WADHWA


Chief Financial Officer
ARINASH DATAR


Company Secretary
RAJPAL AHUJA

Place: Mumbai

Date: 9 August, 2013

