

**INDEPENDENT AUDITOR'S REPORT**

To the Members of IL&FS Wind Energy Limited

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

1. We have audited the accompanying Ind AS financial statements of IL&FS Wind Energy Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

3. Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. 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.
4. An audit involves performing procedures to obtain audit evidence about the amounts and 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 Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.



**Opinion**

5. In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

**Other Matter**

6. The Ind AS financial statements of the Company for the year ended March 31, 2017, included in these Ind AS financial statements, have been audited by the predecessor auditor who expressed an unmodified opinion on those statements on May 29, 2017.

**Report on Other Legal and Regulatory Requirements**

7. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
8. As required by section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;
  - (e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position;
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.



# **S R B C & C O L L P**

**Chartered Accountants**

- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For S R B C & C O L L P  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003



**per Shyamsundar Pachisia**  
Partner  
Membership Number: 49237

Place of Signature: Mumbai  
Date: May 11, 2018



## Annexure 1 referred to in paragraph 1 to Report on Other Legal and Regulatory Requirements of our report of even date

Re: IL&FS Wind Energy Limited ('the Company')

- (i) According to the information and explanations given to us, the Company does not have any fixed assets. Accordingly, the provisions of clause 3(i) (a),(b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- (iii) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- (iv) In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.
- (v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
- (vi) According to the information and explanations given to us, the Company is not required to maintain cost records u/s 148(1) of the Companies Act, 2013.
- (vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, service tax, goods and service tax, cess and other statutory dues applicable to it. The provisions relating to provident fund and employees' state insurance are not applicable to the Company.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income-tax, service tax, goods and service tax, cess and other statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.  
(c) According to the information and explanations given to us, there are no dues of income tax, service tax, goods and service tax, cess and other statutory dues which have not been deposited on account of any dispute.
- (viii) In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of loans or borrowing to a financial institution, bank or government or dues to debenture holders.



# **S R B C & CO LLP**

Chartered Accountants

- (ix) According to the information and explanations given by the management, during the year the Company has raised money by way of term loans which have been applied by the Company for the purpose for which they were raised. According to the information and explanations given by the management, during the year, the Company has not raised any money by way of initial public offer / further public offer / debt instruments.
- (x) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or on the Company by the officers and employees of the Company has been noticed or reported during the year.
- (xi) According to the information and explanations given by the management, the managerial remuneration has been paid / provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) In our opinion, the Company is not a Nidhi company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company and hence not commented upon.
- (xiii) According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) of the Order are not applicable to the Company and hence not commented upon.
- (xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- (xvi) According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

For **S R B C & CO LLP**

Chartered Accountants

ICAI Firm Registration Number: 324982E/E300003

*Shyam Pachisia*

per **Shyamsundar Pachisia**  
Partner

Membership Number: 49237



Place of Signature: Mumbai

Date: May 11, 2018

## **Annexure 2 to the Independent auditor's report of even date on the Ind AS Financial Statements of IL&FS Wind Energy Limited**

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

1. We have audited the internal financial controls over financial reporting of IL&FS Wind Energy Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the Ind AS Financial Statements of the Company for the year ended on that date.

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

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

#### **Auditor's Responsibility**

3. Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.



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

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

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

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

## **Opinion**

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm Registration Number: 324982E/E300003

*Shyam Sundar Pachisia*

per Shyamsundar Pachisia  
Partner  
Membership Number: 49237



Place of Signature: Mumbai  
Date: May 11, 2018

**IL&FS WIND ENERGY LIMITED**  
**BALANCE SHEET AS AT 31 MARCH, 2018**

	Note Ref.	As at 31.03.2018 (Rs. in lacs)	As at 31.03.2017 (Rs. in lacs)
<b>ASSETS</b>			
<b>Non-current assets</b>			
a. Financial assets - Investments	5	110,651.55	96,912.80
b. Non current tax assets	9	0.69	1.22
c. Other non-current assets	8	-	0.10
<b>Total non- current assets</b>		<b>110,652.24</b>	<b>96,914.12</b>
<b>Current assets</b>			
a. Financial assets			
(i) Trade receivables	6	14.49	7.20
(ii) Cash and cash equivalents	7	8.61	8.10
b. Other current assets	8	58.92	0.03
<b>Total current assets</b>		<b>82.02</b>	<b>15.33</b>
<b>Total assets</b>		<b>110,734.26</b>	<b>96,929.45</b>
<b>EQUITY AND LIABILITIES</b>			
<b>EQUITY</b>			
a. Equity share capital	10	49,005.00	49,005.00
b. Other equity	11	(15,932.65)	(7,435.02)
<b>Total equity</b>		<b>33,072.35</b>	<b>41,569.98</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Financial liabilities			
(i) Borrowings	12	51,907.07	33,095.09
(ii) Other financial liabilities	13	6,775.50	1,301.07
<b>Total non-current liabilities</b>		<b>58,682.57</b>	<b>34,396.16</b>
<b>Current liabilities</b>			
a. Financial liabilities			
(i) Borrowings	14	2,739.00	1,115.00
(ii) Trade payables	15	57.18	118.69
(iii) Other financial liabilities	13	15,970.90	19,632.44
b. Other current liabilities	16	212.26	97.18
<b>Total current liabilities</b>		<b>18,979.34</b>	<b>20,963.31</b>
<b>Total liabilities</b>		<b>77,661.91</b>	<b>55,359.47</b>
<b>Total equity and liabilities</b>		<b>110,734.26</b>	<b>96,929.45</b>

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

In terms of our report attached

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003

per Shyamsundar Pachisia  
Partner  
Membership No: 49237



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

Anand Nair  
Director

Ateesh Samant  
Director

Amit Shinde  
Chief Financial Officer

Arun Purohit  
Company Secretary

Place: Mumbai  
Date: May 11, 2018

Place: Mumbai  
Date: May 11, 2018



**IL&FS WIND ENERGY LIMITED**  
**STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31 MARCH, 2018**


	Notes Ref.	Period ended 31.03.2018 (Rs. in lacs)	Year ended 31.03.2017 (Rs. in lacs)
<b>1. INCOME</b>			
(a) Revenue from operations	17	6.75	8.00
(b) Other Income	18	0.22	4.23
<b>Total income</b>		<b>6.97</b>	<b>12.23</b>
<b>2. EXPENSES</b>			
(a) Finance costs	19	8,273.28	7,116.44
(b) Other expenses	20	231.32	21.51
<b>Total expenses</b>		<b>8,504.60</b>	<b>7,137.95</b>
<b>3. Loss before tax</b>		<b>(8,497.63)</b>	<b>(7,125.72)</b>
<b>4. Tax expense</b>		-	-
<b>5. Loss for the year</b>		<b>(8,497.63)</b>	<b>(7,125.72)</b>
<b>6. Other comprehensive income</b>		-	-
<b>7. Total comprehensive loss for the year</b>		<b>(8,497.63)</b>	<b>(7,125.72)</b>
Earnings / (Loss) per equity share (Face value of Rs. 10 per share)			
Basic (in Rs.)	23	<b>(1.73)</b>	<b>(1.45)</b>
Diluted (in Rs.)	23	<b>(1.73)</b>	<b>(1.45)</b>

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


In terms of our report attached


For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003

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


  
per Shyamsundar Pachisia  
Partner  
Membership No: 49237



  
Anand Nair  
Director

  
Ateesh Samant  
Director

  
Amit Shinde  
Chief Financial Officer

  
Arun Purohit  
Company Secretary

Place: Mumbai  
Date: May 11, 2018

Place: Mumbai  
Date: May 11, 2018

**IL&FS WIND ENERGY LIMITED**  
**STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31 MARCH, 2018**

**(a) Equity share capital**

	Number of Shares	Amount (Rs. in lacs)
<b>Balance as at 01.04.2017</b>	4,900,050,000	49,005.00
Changes in equity share capital during the year - shares Issued	-	-
<b>Balance as at 31.03.2018</b>	<b>4,900,050,000</b>	<b>49,005.00</b>

**(b) Other equity**

Particulars	Retained earnings	Total other Equity
	(Rs. in lacs)	(Rs. in lacs)
<b>Balance as at 01.04.2016</b>	(260.30)	10,773.79
Loss for the year	(7,125.72)	(7,125.72)
Other comprehensive Income	-	-
<b>Total comprehensive Income for the year</b>	<b>(7,386.02)</b>	<b>3,648.07</b>
Issue of optionally fully convertible debentures	-	-
Equity component reclassified to debt during the year	-	(11,034.09)
Share Issue expenses	(49.00)	(49.00)
<b>Balance as at 01.04.2017</b>	<b>(7,435.02)</b>	<b>(7,435.02)</b>
Loss for the year	(8,497.63)	(8,497.63)
Other comprehensive Income	-	-
<b>Total comprehensive Income for the year</b>	<b>(8,497.63)</b>	<b>(8,497.63)</b>
Equity component reclassified to debt during the year	-	-
<b>Balance as at 31.03.2018</b>	<b>(15,932.65)</b>	<b>(15,932.65)</b>

See accompanying notes forming part of the Ind AS financial statements

1-32

In terms of our report attached

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003

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

*Shyamsundar Pachisia*  
per Shyamsundar Pachisia  
Partner  
Membership No: 49237



*Anand Nair*  
Anand Nair  
Director

*Amit Shinde*  
Amit Shinde  
Chief Financial Officer

*Ateesh Samant*  
Ateesh Samant  
Director

*Arun Purohit*  
Arun Purohit  
Company Secretary

Place: Mumbai  
Date: May 11, 2018

Place: Mumbai  
Date: May 11, 2018

**IL&FS WIND ENERGY LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH, 2018**

	For the Year ended 31.03.2018 (Rs. in lacs)	For the Year ended 31.03.2017 (Rs. in lacs)
<b>Cash flow from operating activities:</b>		
Loss after tax for the year	(8,497.63)	(7,125.72)
Adjustment for:		
Finance costs	8,273.28	7,116.44
Interest Income	(0.22)	(4.23)
<b>Operating loss before working capital changes</b>	<b>(224.57)</b>	<b>(13.51)</b>
<u>Movements in working capital:</u>		
<i>Adjustments for (increase) / decrease in operating assets:</i>		
Trade receivables	(7.29)	(7.20)
Other financial assets	-	1.00
Other assets	(58.79)	(0.13)
<i>Adjustments for Increase / (decrease) in operating liabilities:</i>		
Trade payables	(61.51)	117.58
Other financial liabilities	213.00	1,301.07
Other liabilities	115.08	(3.09)
<b>Cash generated from / (used in) operations</b>	<b>(24.08)</b>	<b>1,395.72</b>
Net income tax paid (Including tax deducted at source)	0.53	(1.22)
<b>Net cash from / (used in) operating activities</b>	<b>A (23.55)</b>	<b>1,394.50</b>
<b>Cash flow from investing activities:</b>		
Payments for purchase of investments	3.00	(1,045.00)
Interest received	0.22	4.23
<b>Net cash used in investing activities</b>	<b>B 3.22</b>	<b>(1,040.77)</b>
<b>Cash flow from financing activities:</b>		
Payment of share issue cost	-	(49.00)
Proceeds from borrowings	20,435.98	34,210.09
Repayment of borrowings	(16,876.66)	(30,227.51)
Interest paid	(3,538.48)	(4,361.95)
<b>Net cash from / (used in) financing activities</b>	<b>C 20.84</b>	<b>(428.37)</b>
<b>Net increase / (decrease) in cash and cash equivalents (A+B+C)</b>	<b>0.51</b>	<b>(74.64)</b>
Cash and cash equivalents at the beginning of the year (see note 7)	8.10	82.74
Cash and cash equivalents at the end of the year (see note 7)	8.61	8.10
<b>Net Increase / (decrease) in cash and cash equivalents</b>	<b>0.51</b>	<b>(74.64)</b>

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

In terms of our report attached

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003

*Shyamsundar Pachisia*

per Shyamsundar Pachisia  
Partner  
Membership No: 49237



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

*Anand Nair*  
Anand Nair  
Director

*Ashinde*  
Amit Shinde  
Chief Financial Officer

Place: Mumbai  
Date: May 11, 2018

*Aamank*  
Ateesh Samant  
Director

*Arun Purohit*  
Arun Purohit  
Company Secretary

Place: Mumbai  
Date: May 11, 2018

**IL&FS WIND ENERGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT**

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**Note 1- Company Information**

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

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

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

The Company applied for the first time certain amendments to the standards, which are effective for annual periods beginning on or after April 1, 2017. The nature and the impact of each amendment is described below.

**Amendments to Ind AS 7: Statement of Cash Flows: Disclosure Initiative**

The amendments require entities to provide disclosure of changes in their liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes (such as foreign exchange gains or losses). The Company does not have any non-cash elements related to liabilities arising from financial activities and hence no additional disclosure is required due to adoption of this standard.

**Amendments to Ind AS 102 Classification and Measurement of Share-based Payment Transactions**

The amendments to Ind AS 102 Share-based Payment addresses three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled. On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and other criteria are met. The Company does not have any share based payment transactions.

**Note 3 - Significant accounting policies**

**3.1 Basis of preparation and presentation**

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

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

The financial statements are presented in (Rs. in Millions), except when otherwise indicated.

**Fair value measurement**

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

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

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



**IL&FS WIND ENERGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT**

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**3.2 Revenue**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

**3.3 Other income**

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

**3.4 Borrowing costs**

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

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

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

**3.5 Taxation**

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

**3.5.1 Current tax**

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

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

**3.5.2 Deferred tax**

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

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

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



**IL&FS WIND ENERGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT**

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

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

**Current and deferred tax for the year**

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

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

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

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

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

**3.7 Cash flow statement**

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

**3.8 Segment reporting**

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

**3.9 Earnings per share**

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



**IL&FS WIND ENERGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT**

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**3.10 Operating cycle**

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

**3.11 Financial instruments**

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

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

**3.12 Financial assets**

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

**3.12.1 Cash and cash equivalents**

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

**3.12.2 Financial assets at amortised cost**

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

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

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

**3.12.4 Investments in Subsidiaries**

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

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

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

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



**IL&FS WIND ENERGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT**

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**3.12.6 Derecognition of financial assets**

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

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

**3.12.7 Impairment of financial assets**

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

**3.12.8 Foreign Exchange Gain and Losses**

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

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

**3.13 Financial liabilities and equity instruments**

**3.13.1 Classification as debt or equity**

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

**3.13.2 Equity Instruments**

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

**3.13.3 Financial liabilities**

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

**3.13.3.1 Financial liabilities subsequently measured at amortised cost**

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

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





**IL&FS WIND ENERGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT**

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

**3.13.3.2 Derecognition of financial liabilities**

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

**3.14 Cash and cash equivalents**

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**Note 4 - Critical accounting judgements and key sources of estimation uncertainty**

**4.1 Use of estimates**

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

**4.2 Key Source of estimation uncertainty**

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

**Provisions and contingencies**

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

**Impairment of investments**

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



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

	As at 31.03.2018		As at 31.03.2017	
	Units	(Rs. in lacs)	Units	(Rs. in lacs)
<b>Note 5 - Investments</b>				
<b>Investment at cost - In Subsidiaries</b>				
<b>(a) Equity Instruments</b>				
(I) Khandke Wind Energy Private Limited	118,101,285	18,011.81	118,101,225	18,011.81
(II) Lalpur Wind Energy Private Limited	111,576,730	13,061.82	111,576,730	13,061.82
(III) Ratedl Wind Power Private Limited	52,852,500	5,522.75	52,852,500	5,522.75
(IV) Tadas Wind Energy Private Limited	191,197,729	37,577.07	93,724,377	18,420.13
(v) Wind Urja India Private Limited	50,698,080	3,411.40	50,698,080	3,411.40
(vi) Ethislan Urja Limited	57,724,510	10,064.67	-	-
(vii) Kaze Energy Limited	21,384,300	3,674.08	-	-
<b>(b) Covered warrants</b>				
(I) Lalpur Wind Energy Private Limited	116,039,799	13,584.29	116,039,799	13,584.29
(II) Ratedl Wind Power Private Limited	54,966,600	5,743.66	54,966,600	5,743.66
(III) Tadas Wind Energy Private Limited	-	-	97,473,352	19,156.94
		<b>110,651.55</b>		<b>96,912.80</b>

**Note:**

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

In the current year, the Company has purchased the equity shares of TWEPL from IREL at cost and in the previous year, the Company had purchased equity shares of KWEL from IREL at cost, the same has been funded through the redemption of the underlying Covered warrants.

**Additional Information**

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

Particulars	Registered office	% of shareholdings	
		31.03.2018	31.03.2017
(I) Khandke Wind Energy Private Limited	Mumbai	51%	51%
(II) Lalpur Wind Energy Private Limited	Mumbai	51%	51%
(III) Ratedl Wind Power Private Limited	Mumbai	51%	51%
(IV) Tadas Wind Energy Private Limited	Mumbai	51%	51%
(v) Wind Urja India Private Limited	Mumbai	51%	51%
(vi) Ethislan Urja Limited	Mumbai	51%	51%
(vii) Kaze Energy Limited	Mumbai	51%	51%



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

	<b>As at 31.03.2018 (Rs. in lacs)</b>	<b>As at 31.03.2017 (Rs. in lacs)</b>
<b>Note 6 - Trade receivables</b>		
<b>(Unsecured, considered good)</b>		
<b>Current</b>		
Trade receivables (Refer note 25)	<u>14.49</u>	<u>7.20</u>
<b>Notes</b>		
Trade receivable are due as per contractual terms. Interest is charged on trade receivables as per contractual terms, if any. But the same accounted on actual receipts.		
No trade or other receivables are due from Directors or other Officers of the Company either severally or jointly with other person. Nor any trade or other receivables are due from firms or private companies in which any directors is a partner, a director or a member.		
<b>Provision for doubtful debts (including expected credit loss allowance)</b>		
The Company closely monitors the credit quality of its trade receivables. Accordingly, there is no significant credit risk pertaining to the receivable and no expected credit loss allowance is recognised in books.		
<b>Age of receivables</b>		
(i) within the credit period	-	7.20
(ii) 1-30 days past due	-	-
(iii) 31-90 days past due	-	-
(iv) 91-180 days past due	-	-
(v) More than 180 days past due	14.49	-
	<u>14.49</u>	<u>7.20</u>
<b>Note</b>		
Receivables from customers, each of which individually represents more than 5% of the total balances, aggregated to Rs 7.20 lacs as at 31.03.2018 (as at 31.03.2017: Rs 7.20 ).		
Details are as follow:		
Customer 1	<u>14.49</u>	<u>7.20</u>
<b>Note 7 - Cash and cash equivalents</b>		
<b>CASH AND CASH EQUIVALENTS</b>		
Balance with banks - in current accounts	<u>8.61</u>	<u>8.10</u>
	<u>8.61</u>	<u>8.10</u>
<b>Note 8 - Other assets</b>		
<b>Non Current</b>		
Prepaid expenses	-	<u>0.10</u>
<b>Current</b>		
Other Advances	0.08	-
Prepaid expenses	58.84	0.03
	<u>58.92</u>	<u>0.03</u>
<b>Note 9 - Tax assets and liabilities</b>		
<b>Non Current tax assets</b>		
Taxes paid (including tax deducted at sources)	<u>0.69</u>	<u>1.22</u>
	<u>0.69</u>	<u>1.22</u>



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

	<u>As at 31.03.2018</u>		<u>As at 31.03.2017</u>	
	Number of shares	(Rs. in lacs)	Number of shares	(Rs. in lacs)
<b>Note 10 - Equity share capital</b>				
<b>SHARE CAPITAL</b>				
<b>(a) AUTHORISED</b>				
Equity shares of Rs. 10 (Previous period Rs. 10) each with voting rights	2,000,000,000	200,000.00	2,000,000,000	200,000.00
<b>(b) ISSUED, SUBSCRIBED AND FULLY PAID UP</b>				
Equity shares of Rs. 10 (Previous period Rs. 10) each with voting rights	490,050,000	49,005.00	490,050,000	49,005.00

See notes (I) to (iv) below

**Notes:**

(I) The Company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, holder of equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amount. The distribution will be in proportionate to the number of equity shares held by the shareholders.

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

	<u>As at 31.03.2018</u>		<u>As at 31.03.2017</u>	
	Number of shares	% holding in that class of shares	Number of shares	% holding in that class of shares
IL&FS Energy Development Company Limited, Holding Company	490,050,000	100%	490,050,000	100%

(III) Details of shares held by the holding company

<u>Particulars</u>	<u>As at 31.03.2018</u>	<u>As at 31.03.2017</u>
Fully paid up equity shares with voting		
IL&FS Energy Development Company Limited, Holding Company	490,050,000	490,050,000

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

<u>Particulars</u>	<u>As at 31.03.2018</u>		<u>As at 31.03.2017</u>	
	Number of shares	Rs. in lacs	Number of shares	Rs. in lacs
Share outstanding at the beginning of the year	490,050,000	49,005.00	490,050,000	49,005.00
Share issued during the year	-	-	-	-
Share outstanding at the end of the year	490,050,000	49,005.00	490,050,000	49,005.00



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

	<b>As at 31.03.2018 (Rs. in lacs)</b>	<b>As at 31.03.2017 (Rs. in lacs)</b>
<b>Note 11 - Other Equity</b>		
Other Equity	(15,932.65)	(7,435.02)
	<b><u>(15,932.65)</u></b>	<b><u>(7,435.02)</u></b>

**11.1 Equity Component of compounding Financial Instruments**

Opening balance	-	11,034.09
Add: Equity component restated during the year	-	-
Less: Equity component reclassified to debt during the year	-	(11,034.09)
Balance at the end of the year	<u>-</u>	<u>-</u>

**11.2 Retained earnings**

Balance at the beginning of the year	(7,435.02)	(260.30)
Add: Loss for the year	(8,497.63)	(7,125.72)
Less: Share issue expenses	-	(49.00)
Balance at the end of the year	<b><u>(15,932.65)</u></b>	<b><u>(7,435.02)</u></b>

**Note 12 - Non-current borrowings**

**(a) Debentures - Unsecured**

(i) Related Parties (see note (I))		
- 15.5% Optionally fully convertible debentures (see Note I)	8,462.15	-
(ii) Others		
Redeemable Non-Convertible Debentures (Green Bond) (see note (II))		
(a) Series I-A 2016	7,391.22	7,348.10
(b) Series I-B 2016	1,970.99	1,959.66
(c) Series I-C 2016	10,347.71	10,287.33

**(b) Term loan from related parties (see note (III))**

- IL&FS Renewable Energy Limited	235.00	-
- IL&FS Financial Services Limited	23,500.00	13,500.00
<b>Total non-current borrowings</b>	<b><u>51,907.07</u></b>	<b><u>33,095.09</u></b>

**Current maturities of long term borrowings (refer Note 13)**

**(a) Debentures - Unsecured**

Related Parties (see note (I))		
- 15.5% Optionally fully convertible debentures	-	16,876.66
<b>Less: Reclassified to other financial liabilities</b>	<u>-</u>	<u>(16,876.66)</u>
	<u>-</u>	<u>-</u>



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

**Notes:**

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

(a) Effective rate of interest - 15.50% p.a. (31.03.2017 - 14.58% p.a.)

(b) Terms and conditions

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

(c) Term of repayment

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

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

(a) Effective rate of interest - 12.49% to 12.59% p.a. (31.03.2017 - 12.83% to 13.24%)

(b) Terms and conditions :

The NCDs shall be redeemed with a redemption premium such that the overall yield to the subscriber is equivalent to 11.% p.a. Redemption premium is payable at the time of each redemption payment. No coupon amount is payable in the interim period.

(c) Term of repayment :

Debentures along with interest shall be repaid as follows:

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

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

**A IL&FS Renewable Energy Limited - Unsecured**

(a) Effective rate of interest - 16.00% p.a. (31.03.2017 - Not applicable)

(b) Term of repayment :

Repayment at the end of 24 Months from the date of first disbursement.

**B IL&FS Financial Services Limited - Secured**

(a) Effective rate of interest - 15.50% p.a. (31.03.2017 - 15.50% p.a.)

(b) Term of repayment :

Repayment at the end of 36 Months from the date of first disbursement.

(c) The loan is secured against the first pari-pasu charge of all the assets of the Company.



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

**Note 13 - Other financial liabilities**

**Non current**

(i) Premium payable on redemption of debentures	3,754.16	1,192.69
(ii) Debentures subscription fee payable	341.14	108.38
(iii) Interest accrued	2,680.20	-
	<u><b>6,775.50</b></u>	<u><b>1,301.07</b></u>

**Current**

(i) Current maturities of long-term borrowings (see note 12)	-	16,876.66
(ii) Corporate Guarantee Fees Payable	213.00	-
(iii) Interest accrued	2,016.15	2,755.78
(iv) Payable towards purchase of investment	13,738.75	-
(v) Others	3.00	-
	<u><b>15,970.90</b></u>	<u><b>19,632.44</b></u>

**Note 14 - Current borrowings**

**Unsecured - at amortised cost**

Loan from related party (see note 14 A)		
- IL&FS Energy Development Company Limited	2,739.00	1,115.00
	<u><b>2,739.00</b></u>	<u><b>1,115.00</b></u>

**Note 14 A**

- (a) Effective rate of interest - 15.5% p.a. (31.03.2017 : 15.5% p.a.)  
(b) Repayable on demand.

**Note 15 - Trade Payable**

(i) Total outstanding dues of micro enterprises and small enterprises	-	-
(ii) Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(iii) Provision for Expenses	57.18	118.69
	<u><b>57.18</b></u>	<u><b>118.69</b></u>

**Note 16 - Other liabilities**

**Current**

(a) Statutory dues - withholding tax	212.26	97.18
	<u><b>212.26</b></u>	<u><b>97.18</b></u>



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

	<b>Year ended 31.03.2018</b>	<b>Year ended 31.03.2017</b>
	<b>(Rs. in lacs)</b>	<b>(Rs. in lacs)</b>
<b>Note 17 - Revenue from operations</b>		
Sale of Service	<b>6.75</b>	<b>8.00</b>
<b>Note 18 - Other income</b>		
Interest income on financial assets measured at amortised cost		
(a) Interest income from deposits	0.15	4.23
(b) Interest on Income tax refund	0.07	-
	<b>0.22</b>	<b>4.23</b>
<b>Note 19 - Finance costs</b>		
Interest expenses on borrowings measured at amortised cost		
(a) Interest on loans from others	8,099.12	7,116.44
(b) Other borrowing costs	174.16	-
	<b>8,273.28</b>	<b>7,116.44</b>
<b>Note 20 - Other expenses</b>		
(a) Rates and taxes	-	0.71
(b) Payment to auditors (refer Note (i) below)	9.37	11.50
(c) Legal and professional expenses	211.27	2.57
(d) Director sitting fees	4.81	2.30
(e) Miscellaneous expenses	5.87	4.43
	<b>231.32</b>	<b>21.51</b>
<b>Note (i)</b>		
Payments to the auditors (inclusive of service tax / goods and service tax)		
- For audit	9.22	5.75
- For other services	0.15	5.75
	<b>9.37</b>	<b>11.50</b>





**IL&FS WIND ENERGY LIMITED**  
**NOTES TO THE FINANCIAL STATEMENT**

**Note 21 - Tax expense**

	<u>Year ended</u> <u>31.03.2018</u>	<u>Year ended</u> <u>31.03.2017</u>
<b>a. Income tax recognised in profit or loss</b>		
<b>i. Current tax</b>		
In respect of current year	-	-
<b>ii. Deferred tax</b>		
In respect of the current year	-	-
Total income tax expense recognised in the current year	<u>-</u>	<u>-</u>
<b>b. The income tax expense for the year can be reconciled to the accounting profit as follows:</b>		
i. Profit before tax	(8,497.63)	(7,125.72)
ii. Enacted tax rate in India	25.75%	25.75%
iii. Income tax expenses calculated at enacted tax rate	<u>(2,188.14)</u>	<u>(1,834.87)</u>
iv. Effect of unused tax losses not recognised as <del>deferred tax assets</del>	2,188.14	1,834.87
<b>Income tax expense recognised in profit or loss</b>	<u>-</u>	<u>-</u>

The Company has recognized Deferred Tax Assets only to the extent of its Deferred Tax Liabilities.

**Note 22 - Contingent liabilities and commitments**

**a) Contingent liabilities**

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

**b) Commitments**

The Company does not have any commitments as at 31.03.2018 and 31.03.2017.



**Note 23 - Earning per share**

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

<b>Particulars</b>	<b>Units</b>	<b>Year ended 31.03.2018</b>	<b>Year ended 31.03.2017</b>
a. Loss after tax	(Rs. In lacs)	(8,497.63)	(7,125.72)
b. Weighted average number of equity shares used in computing the basic and diluted earnings per share	No. of shares	490,050,000	490,050,000
c. Basic earnings per share	(In Rs.)	(1.73)	(1.45)
d. Potential dilutive equity shares on optionally fully convertible debentures	No. of shares	86,067,800	170,817,800
e. Weighted average of number of equity shares used in computing diluted earnings per share	No. of shares	63,491,798	175,312,724
f. Diluted earnings per share (a/e)*	(In Rs.)	(1.73)	(1.45)

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



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

**Note 24 - Segment Information**

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

**24.1. Geographical**

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

Particulars	Year ended 31.03.2018 (Rs. in lacs)	Year ended 31.03.2017 (Rs. in lacs)
India	6.75	8.00
Outside India	-	-
	<b>6.75</b>	<b>8.00</b>

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

Particulars	As at 31.03.2018 (Rs. in lacs)	As at 31.03.2017 (Rs. in lacs)
India	110,651.55	96,912.90
Outside India	-	-
	<b>110,651.55</b>	<b>96,912.90</b>

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

Particulars	Year ended 31.03.2018 (Rs. in lacs)	Year ended 31.03.2017 (Rs. in lacs)
Customer 1	6.75	8.00



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

**Note 25 - Related party relationship, transactions and balances**

**a) Related party relationships**

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

**b) Related parties transactions and balances as on 31.03.2018**

(Rs. in lacs)

Sr No.	Particulars	Ultimate Holding company	Holding company	Subsidiaries	Fellow Subsidiaries
1	<b>Transactions during the year</b> Corporate Guarantee Fees	-	100.00	-	-
2	Advisory Services Income - MWEL	-	-	-	6.75
3	Interest income - IFIN	-	-	-	0.15
4	Finance cost - IEDCL - IREL - IFIN	-	2,005.31	-	18.15 3,280.27
5	Optionally Fully Convertible Debentures (15.50%) redeemed - IEDCL	-	8,475.00	-	-
6	Loan/Inter corporate deposit received - IEDCL - IREL - IFIN	-	2,739.00	-	235.00 10,000.00
7	Loan/Inter corporate deposit given (asset) - IFIN	-	-	-	136.00
8	Inter corporate deposit received back (asset) - IFIN	-	-	-	136.00
9	Reimbursement of expenses - IL&FS - IFIN	0.22	-	-	0.01
10	Reimbursement of expenses paid - IL&FS - IFIN	0.50	-	-	0.01
11	Security deposit received - IEDCL	-	3.00	-	-
12	Investment in Equity of KEL & EUL - IEDCL	-	13,738.75	-	-
13	Security deposit repaid - IEDCL	-	2.00	-	-



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

(Rs. in lacs)

Sr No.	Particulars	Ultimate Holding company	Holding company	Subsidiaries	Fellow Subsidiaries
	<b>Balance outstanding as at 31.03.2018</b>				
1	Equity share capital				
	- IEDCL	-	49,005.00	-	-
2	Non current borrowings				
	- IFIN	-	-	-	23,500.00
	- IREL	-	-	-	235.00
3	Current maturities of long term borrowings:				
	- IEDCL	-	8,462.05	-	-
4	Short term borrowings				
	- IEDCL	-	2,739.00	-	-
5	Payable towards capital expenditure				
		-	-	-	-
6	Trade payables				
	- IEDCL	-	213.00	-	-
7	Interest accrued and not due on borrowings				
	- IEDCL	-	3,044.33	-	-
	- IREL	-	-	-	16.34
	- IFIN	-	-	-	1,634.63
8	Equity investment in subsidiaries				
	- KWEPL	-	-	17,799.00	-
	- LWEPL	-	-	12,907.50	-
	- RWEPL	-	-	5,457.50	-
	- TWEPL	-	-	18,202.50	-
	- WUIPL	-	-	3,371.10	-
	- EUL	-	-	10,064.67	-
	- KEL	-	-	3,674.08	-
9	Trade Receivables				
	- MWEL	-	-	-	14.49
10	Other Current Liabilities				
	- IEDCL	-	13,738.75	-	-
11	Covered warrants				
	- IREL	-	-	-	19,327.95

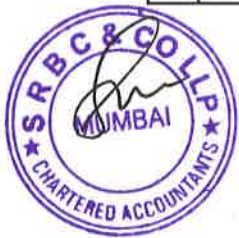


**IL&FS WIND ENERGY LIMITED**  
**Notes to the Ind AS Financial Statements**

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

(Rs. in lacs)

Sr No.	Particulars	Ultimate Holding company	Holding company	Subsidiaries	Fellow Subsidiaries
<b>Transactions during the year</b>					
1	Syndication Fees				
	- IFIN	-	-	-	200.00
2	Corporate Guarantee Fees				
	- IEDCL	-	100.00	-	-
3	Revenue from operations				
	- MWEL	-	-	-	8.00
4	Interest income				
	- IFIN	-	-	-	4.23
5	Finance cost				
	- IEDCL	-	5,298.00	-	-
	- IFIN	-	-	-	5.73
6	Optionally Fully Convertible Debentures (15.50%) redeemed				
	- IEDCL	-	30,022.42	-	-
7	Loan/Inter corporate deposit received				
	- IEDCL	-	1,200.00	-	-
	- IFIN	-	-	-	13,500.00
8	Inter corporate deposit repaid (liability)				
	- IEDCL	-	85.00	-	-
9	Loan/Inter corporate deposit given (asset)				
	- IFIN	-	-	-	90.00
10	Inter corporate deposit received back (asset)				
	- IFIN	-	-	-	90.00
11	Security deposit given				
	- WUIPL	-	-	1.00	-
12	Security deposit received back				
	- WUIPL	-	-	2.00	-
13	Security deposit received				
	- IEDCL	-	2.00	-	-
14	Security deposit repaid				
	- IEDCL	-	2.00	-	-



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

(Rs. in lacs)

Sr No.	Particulars	Ultimate Holding company	Holding company	Subsidiaries	Fellow Subsidiaries
	<b>Balance outstanding as at 31.03.2017</b>				
1	Equity share capital - IEDCL	-	49,005.00	-	-
2	Non current borrowings: - IFIN	-	-	-	23,500.00
3	Current maturities of long term borrowings: - IEDCL - IFIN	- -	8,462.05 -	- -	- -
4	Short term borrowings - IEDCL	-	1,115.00	-	-
5	Interest accrued and not due on borrowings - IEDCL - IFIN	- -	3,044.33 -	- -	- 1,634.63
6	Equity investment in subsidiaries - KWEPL - LWEPL - RWEPL - TWEPL - WUIPL	- - - - -	- - - - -	17,799.00 12,907.50 5,457.50 18,202.50 3,371.10	- - - - -
7	Trade Receivables - MWEL	-	-	-	7.20
8	Covered warrants - IREL	-	-	-	19,327.95



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

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**Note 26** There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

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

**Note 27** As at March 31, 2018, the current liabilities exceed its current assets by Rs. 18,897.32 Lacs and the Company has incurred loss amounting to Rs. 8,497.63 Lacs during the year. During the next year, the Company is expected to generate cash-flows in form of dividend from subsidiary companies. As all the subsidiaries are generating income and they have signed power purchase agreements for longer duration, the fair value of investments is very high and the Company would be able to generate additional cash-flows on the strength of these assets. The Zero Coupon Non-convertible debentures and the redemption premium are secured by the financial guarantee given by the parent Company. Further the Company has also obtained letter of support from its parent Company (IL&FS Energy Development Company Limited) to provide necessary financial support to the Company. Taking into consideration all the parameters, management believes financial statements of the Company are fairly presented on going concern basis.

**Note 28 Fair value measurement**

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The carrying amounts of cash and cash equivalents, trade receivables, loans given, trade payables, borrowings and other current liabilities are considered to be same as their fair values, due to the short-term maturities of these instruments. Accordingly, the Company has not presented comparison of financial instruments by class of the carrying amounts and fair value.





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

**Note 29 - Financial Instruments**

**Note 29.1 - Capital Management**

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

The capital structure of the Company consists of net debt of Rs. 54,645.97 lacs (borrowing as detailed in notes 12, 13 and 14 offset by cash and bank balances) and total equity of Rs. 33,072.35 lacs.

**Note 29.1.1 - Gearing ratio**

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

	<b>As at 31.03.2018 (Rs. in lacs)</b>	<b>As at 31.03.2017 (Rs. in lacs)</b>
Debt (see note I below)	54,646.07	51,086.75
Cash and Bank balances	8.61	8.10
<b>Net debt</b>	<b>54,637.46</b>	<b>51,078.65</b>
<b>Total equity</b>	<b>33,072.35</b>	<b>41,569.98</b>
<b>Net debt to equity ratio</b>	<b>1.65</b>	<b>1.23</b>

**Note:**

(I) Debt is defined as long term and short term borrowings (excluding derivatives, financial guarantee contracts and contingent consideration) as described in note 12, 13 and 14.

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

**Note 29.1.2 - Categories of financial instruments**

<b>Financial assets</b>	<b>As at 31.03.2018 (Rs. in lacs)</b>	<b>As at 31.03.2017 (Rs. in lacs)</b>
<u>Measured at amortised cost</u>		
(a) Trade receivables	14.49	7.20
(b) Cash and cash equivalents	8.61	8.10
(c) Others financial assets	-	-

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

**Financial liabilities**

Measured at amortised cost

(a) Borrowings (including current maturities of long term borrowings)	54,646.07	51,086.75
(b) Trade payables	57.18	118.69
(c) Other financial liabilities (excluding current maturities of long term borrowings)	22,746.40	4,056.85



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

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**Financial instruments (continued)**

**Note 29.2 - Financial risk management**

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

**Note 29.3 - Market risk management**

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

**Note 29.4 - Interest rate risk management**

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

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

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

**Note 29.5 - Exposure to interest rate risk**

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

<b>Particulars</b>	<b>As at 31.03.2018 (Rs. In lacs)</b>	<b>As at 31.03.2017 (Rs. In lacs)</b>
<b>Fixed-rate instruments</b>		
Financial liabilities	54,646.07	51,086.75
	<b>54,646.07</b>	<b>51,086.75</b>



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

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**Financial instruments (continued)**

**Interest rate sensitivity analysis**

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

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

	<b>Profit or (loss)</b>	
	<b>50 bp increase (Rs. In lacs)</b>	<b>50 bp decrease (Rs. In lacs)</b>
<b>31.03.2018</b>		
Interest rate sensitivity (net)	(273.23)	273.23
<b>31.03.2017</b>		
Interest rate sensitivity (net)	(255.43)	255.43

**Note 29.6 - Exposure to currency risk:**

The Company does not have any exposure to foreign currency risk as at 31.03.2018 and 31.03.2017.

**Note 29.7 - Credit risk management**

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



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

**Financial Instruments (continued)**

**Note 29.8 - Liquidity risk management**

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

**Liabilities**

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

(Rs. in lacs)

Particulars	0-1 year	1-5 years	More than 5 years	Total	Carrying cost
<b>As at 31.03.2018</b>					
Borrowings (Including current maturities of long term borrowings)	2,974.00	52,106.78	-	55,080.78	54,646.07
Trade payables	57.18	-	-	57.18	57.18
Other financial liabilities	22,746.40	-	-	22,746.40	22,746.40
	<b>25,777.58</b>	<b>52,106.78</b>	<b>-</b>	<b>77,884.36</b>	<b>77,449.65</b>
<b>As at 31.03.2017</b>					
Borrowings (Including current maturities of long term borrowings)	18,196.78	33,500.00	-	51,696.78	51,086.75
Trade payables	118.69	-	-	118.69	118.69
Other financial liabilities	2,755.78	1,301.07	-	4,056.85	4,056.85
	<b>21,071.25</b>	<b>34,801.07</b>	<b>-</b>	<b>55,872.32</b>	<b>55,262.29</b>



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

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**Note - 30 Standards issued but not yet effective**

**Ind AS 115 – Revenue from Contracts with Customers**

Ind AS 115 "Revenue from Contract with Customers" was notified on 28 March 2018 and will come into force from accounting periods commencing on or after 1 April 2018. The standard establishes a five-step model to account for revenue arising from contract with customers. Under Ind AS 115 revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to the customers. The new revenue standard will supersede all current revenue recognition requirements under Ind AS. Ind AS 115 provides two transition options: (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting Policies, Changes in Accounting Estimates and Errors, with the option to elect certain practical expedients as defined within Ind AS 115 (the full retrospective method); or (ii) retrospectively with the cumulative effect of initially applying Ind AS 115 recognized at the date of initial application (1 April 2018) and p a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the

The Company has commenced its impact assessment, which involves carrying out a systematic review of all existing major contracts to ensure that the impact and effect of the new revenue standard is fully understood and changes to the current accounting procedures are highlighted and acted upon. The results of this assessment will drive the Company's choice of transition option. Currently, it is expected that changes in total revenue to be recognised from a customer contract will be very limited.

**Amendments to Ind AS 112 - Disclosure of Interests in Other Entities: Clarification of the scope of disclosure requirements in Ind AS 112**

The amendments clarify that the disclosure requirements in Ind AS 112, other than those in paragraphs B10-B16, apply to an entity's interest in a subsidiary, a joint venture or an associate (or a portion of its interest in a joint venture or an associate) that is classified (or included in a disposal group that is classified) as held for sale. These amendments are not applicable to the Company.

**Amendments to Ind AS 12 - Recognition of Deferred Tax Assets for Unrealised Losses**

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 April 2018. The Company will apply these amendments when they become effective.



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

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**Standards issued but not yet effective (continued)**

**Transfers of Investment Property – Amendments to Ind AS 40**

The amendments clarify when an entity should transfer property, including property under construction or development into, or out of investment property. The amendments state that a change in use occurs when the property meets, or ceases to meet, the definition of investment property and there is evidence of the change in use. A mere change in management's intentions for the use of a property does not provide evidence of a change in use.

Entities should apply the amendments prospectively to changes in use that occur on or after the beginning of the annual reporting period in which the entity first applies the amendments. An entity should reassess the classification of property held at that date and, if applicable, reclassify property to reflect the conditions that exist at that date. Retrospective application in accordance with Ind AS 8 is only permitted if it is possible without the use of hindsight.

The amendments are effective for annual periods beginning on or after 1 April 2018. These amendments are not applicable to the Company.

**Ind AS 28 - Investments in Associates and Joint Ventures – Clarification that measuring investees at fair value through profit or loss is an investment-by-investment choice**

The amendments clarify that:

An entity that is a venture capital organisation, or other qualifying entity, may elect, at initial recognition on an investment-by-investment basis, to measure its investments in associates and joint ventures at fair value through profit or loss

If an entity, that is not itself an investment entity, has an interest in an associate or joint venture that is an investment entity, the entity may, when applying the equity method, elect to retain the fair value measurement applied by that investment entity associate or joint venture to the investment entity associate's or joint venture's interests in subsidiaries. This election is made separately for each investment entity associate or joint venture, at the later of the date on which: (a) the investment entity associate or joint venture is initially recognised; (b) the associate or joint venture becomes an investment entity; and (c) the investment entity associate or joint venture first becomes a parent.

The amendments should be applied retrospectively and are effective from 1 April 2018. These amendments are not applicable to the Company.

**Appendix B to Ind AS 21 Foreign Currency Transactions and Advance Consideration**

The Appendix clarifies that, in determining the spot exchange rate to use on initial recognition of the related asset, expense of income (or part of it) on the derecognition of a non-monetary asset or non-monetary liability relating to advance consideration, the date of the transaction is the date on which an entity initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, then the entity must determine the transaction date for each payment or receipt of advance consideration.

Entities may apply the Appendix requirements on a fully retrospective basis. Alternatively, an entity may apply these requirements prospectively to all assets, expenses and income in its scope that are initially recognised on or after:

- (i) The beginning of the reporting period in which the entity first applies the Appendix, or
- (ii) The beginning of a prior reporting period presented as comparative information in the financial statements of the reporting period in which the entity first applies the Appendix.

The Appendix is effective for annual periods beginning on or after 1 April 2018. These amendments are not applicable to the Company.



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

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**Note - 31 Approval of financial statement**

The financial statements for the year ended 31 March, 2018 were approved by the Board of Directors on May 11, 2018.

**Note - 32 Comparatives**

The previous year amounts have been reclassified wherever necessary to confirm with current year presentation.

For S R B C & CO LLP  
Chartered Accountants  
ICAI Firm registration number: 324982E/E300003

*Shyamsundar Pachisia*

*SP* per Shyamsundar Pachisia  
Partner  
Membership No: 49237



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

*Anand Nair*

Anand Nair  
Director

*A Shinde*  
Amit Shinde  
Chief Financial Officer

*Ateesh Samant*

Ateesh Samant  
Director

*Arun Purohit*  
Arun Purohit  
Company Secretary

Place: Mumbai  
Date: May 11, 2018

Place: Mumbai  
Date: May 11, 2018