INDEPENDENT AUDITOR'S REPORT

To the Members of IL&FS Energy Development Company Limited

Report on Audit of standalone Ind AS financial statements

Disclaimer of Opinion

We were engaged to audit the accompanying standalone Ind AS financial statements of IL&FS Energy Development Company Limited ("the Company"), which comprise the standalone balance sheet as at March 31, 2020, the standalone statement of Profit and Loss, including the statement of Other Comprehensive Income, the standalone Cash Flow Statement and the standalone Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

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

Basis for Disclaimer of Opinion

(a) As mentioned in Note 40 (a) to the accompanying standalone Ind-AS financial statements, the Company has made provision for impairment of financial assets (comprising of loans, receivables and investments) of Rs. 129.66 million during the year (March 31, 2019 Rs. 87,242.09 million). Further, the Company has also recognised gain of Rs. 193.02 million on the investments made in the joint ventures based on the net worth and has also reversed provision of Rs. 11.86 million in respect of trade receivables as earlier recognised by the Company and is carrying financial assets of Rs. 5,884.15 million as at March 31, 2020.

In the absence of audited financial statements of 7 subsidiaries, 2 joint ventures and 6 other investee companies for the year ended March 31, 2020 and 3 subsidiaries, 1 joint venture and 4 other investee companies for the year ended March 31, 2019, necessary and/or complete information to support cash flow based tests over its investments and assumptions to determine the recoverable amount of loans and receivables, the management has recorded provisions/gain during the current year and the previous year basis their internal assessment, which does not consider the requirements of the relevant Ind-AS Standards in its entirety. Thus, we are unable to comment on the possible effects of the aforesaid on the accompanying Ind AS financial statements as at and for the year ended March 31, 2020. The above matter was also disclaimed in our report as at and for the year ended March 31, 2019.

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

A. Reconciliations/confirmations/agreements /share & debenture certificates:
- response to our request for direct balance confirmations towards borrowings (including interest accrued) of Rs. 5,417.12 million, bank balances (including fixed deposits) of Rs. 394.20 million, certain trade receivable balances aggregating to Rs. 280.46 million, certain loans and advances (including interest accrued) aggregating to Rs. 787.33 million and confirmation from banks/financial institutions in respect of details of securities, lien collaterals, guarantees etc;
- differences between books balances and confirmations received of Rs. 325.45 million with respect to borrowings (including interest accrued), Rs. 7.10 million towards loans and advances (including interest accrued), Rs. 23.42 million towards certain trade receivables balances and Rs. 33.91 million towards certain trade payable balances;
- loan agreements in respect of 84 loans extended to various group companies and third parties aggregating to Rs. 7,342.57 million and Rs. 1,462.00 million respectively, as referred to in note 11 and fixed deposit certificates against the fixed deposits made amounting to Rs. 383.34 million as referred to in note 10 to the accompanying standalone Ind-AS financial statements;
- completeness of inter-company balances pending completion of audit of financial statements of holding company, fellow subsidiaries, various subsidiaries, associates and joint ventures as at and for the year ended March 31, 2020/March 31, 2019;
- physical certificates in relation to 3,533,500 equity shares, 106,152,930 debentures and 31,030 units having cost of Rs. 661.68 million, Rs. 1,061.53 million and Rs. 372.36 million respectively and carrying value (post impairment) of Rs. 316.08 million as at March 31, 2020 as held by the Company in its investee companies and trust as referred to in note 8 to the accompanying standalone Ind-AS financial statements.

B. Management assessment:
- of financial and other consequences and likely outcome of the litigations and liabilities arising out of the outstanding financial guarantees extended to group companies as mentioned in note 39, note 48 and note 41 respectively to the accompanying standalone Ind-AS financial statements;

- of recoverability of income tax assets of Rs. 1,372.32 million as mentioned in note 13 on account of pending assessment of uncertain tax positions as per requirement of Appendix C of Ind AS 12, tax assets arising out of merger of IL&FS Renewable Energy Limited with the Company, on-going tax litigations and pending tax assessments and impact of matters related to disclaimer of opinion.
- of Goods and Service Tax credit amounting to Rs. 147.82 million considered as good of recovery as at March 31, 2020 as referred to in note 14;
- of disclosure/impact of revenue recognition standard, Ind AS 115 'Revenue from contracts with Customers' and new Leases Standard, Ind AS 116 'Leases' as more fully discussed in note 44 and 58 and compliance with the requirement of Ind AS 105 'Non-Current Assets Held for Sale and Discontinued Operations' in respect of classification of investments in group companies as Held for Sale.

C. Commercial substance and rationale:

- for recognition of liability of Rs. 641.04 million in respect of the holding company, which is also claimed by one of the vendor (including overdue interest of Rs. 22.72 million) as mentioned in note 23 to the accompanying standalone Ind-AS financial statements;
- for non-allocation of legal & professional expenses of Rs. 60.78 million to various subsidiaries and joint ventures based on the debt ratio as approved by the board of the holding company and recording the entire expense as has been allocated to the Company by the holding company, as mentioned in the note 51 to the accompanying standalone Ind-AS financial statements;
- for accounting and disclosure in respect of contract of Rs. 4,000.00 million (approx.) for solar park development with a customer, against which the Company has disclosed Rs. 17.61 million as advance from customers after adjusting expenses of Rs. 7.39 million (including Rs. 3.29 million pertaining to previous year), pending formal communication in respect of the current project status with the said customer, as mentioned in note 49 to the accompanying standalone Ind-AS financial statements;
- With respect to following transactions of earlier years:
  - for considering sale of shares of a subsidiary and an associate to be consummated for a consideration of Rs. 1,480.00 million pending share transfer and collection of sale consideration, recording of profit on sale of Rs. 181.85 million in those years and impairment of said sale consideration during the previous year as mentioned in note 8(III).
  - for recording certain transactions of funds movement in form of loans taken from its holding company and loans given back to holding company on same day, onward lending to subsidiaries (including those which had no business) and refund thereof from said subsidiaries on the same or next day, new loans taken from same group companies to repay their old outstanding loans, loans taken by subsidiaries (having no business) from group companies and lent to the Company, loans given to/taken from certain subsidiaries, of which loans given were provided for, while loans taken were not settled, during the period as mentioned in note 45;

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

(c) As mentioned in:

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

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

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

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

(e) As mentioned in note 50 to the accompanying standalone Ind-AS financial statements, during the year, the Company has reversed Rs. 29.21 million (excluding taxes) in the revenue from operations on account of changes in the basis of computation of revenue as advised by its customer subsequent to the year ended March 31, 2020. Further, the said reversal is also not confirmed by the customer in its balance confirmation. Accordingly, we are unable to comment on the measurement of the revenue of Rs. 175.61 million (Rs. 189.03 million for March 31, 2019) as recognised by the Company and related receivable of Rs. 62.08 million (Rs. 94.89 million as at March 31, 2019) as recorded in these accompanying financial statements.

Material uncertainty related to going concern

We refer to note 46 and 62 to the stand-alone Ind AS financial statements which state that the Company has net current liabilities of Rs 44,003.08 million as at March 31, 2020 (March 31, 2019: Rs 44,428.64 million), the Company has accumulated losses of Rs. 93,967.98 million as at March 31, 2020 (March 31, 2019: Rs 94,454.65 million) and its net worth is fully eroded. The Company has also suffered consistent downgrades in its credit ratings since September 2018, as a result of which the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed. These conditions, along with other matters set forth in that note, indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern.

Emphasis of matter

As mentioned in Note 42 to the accompanying standalone Ind-AS financial statements, the Company has not accounted for contractual interest income of Rs. 5,992.63 million on loans and advances given to its subsidiaries, associates and joint ventures and further, has not accounted for contractually payable finance costs of Rs. 9,646.40 million (excluding penal/other interest and charges) on borrowings for the period from October 16, 2018 to March 31, 2020 pursuant to an order passed by NCLAT specifying October 15, 2018 as the Cut Off date for initiation of resolution process and for distribution of assets. Further, the Company has also not recognised interest expense of Rs. 20.88 million and Rs. 17.05 million on account of non-payment of TDS liability and non-payment of GST liability respectively for the period from April 1, 2019 to March 31, 2020 pursuant to the above-mentioned order of NCLAT. This regulatory order overrides the Accounting Standards specified under section 133 of the Companies Act, 2013, read with Companies (Indian Accounting Standards) Rules 2015, as amended, which require accrual of these income and expenses and has potential income tax implications thereon.

Our opinion is not modified in respect of this matter.

Other matters

The comparative financial information included in the accompanying Ind AS financial statements of the Company are basis the standalone Ind-AS financial statements for the year ended March 31, 2019, on which we have issued disclaimer of opinion dated December 17, 2019.

Responsibilities of Management and Those Charged with Governance for the Standalone Ind AS Financial Statements

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

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

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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order, which is subject to the possible effect of the matters described in the "Basis for Disclaimer of Opinion" above.

2. As required by Section 143(3) of the Act, we report that:

   (a) we have sought but were unable to obtain information to the extent described in the Basis for Disclaimer of Opinion section above, which, to the best of our knowledge and belief, were necessary for the purpose of our audit;

   (b) except to the extent stated in the Basis for Disclaimer of Opinion section above and matters referred to in clause (i), (iii) and (iv) of our Report included in Annexure 1, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

   (c) read with the matters stated in the Basis for Disclaimer of Opinion section above, the Balance Sheet, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account;

   (d) due to the possible effects of the matters described in the Basis for Disclaimer of Opinion and Material uncertainty relating to going concern paragraphs above, we are unable to state whether the aforesaid standalone 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) the matters described in the Basis for Disclaimer of Opinion paragraph above, and in the Material uncertainty related to Going Concern section above, in our opinion, may have an adverse effect on the functioning of the Company;

   (f) on the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164(2) of the Act;

   (g) the reservations relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Disclaimer of Opinion paragraph above;

   (h) with respect to the adequacy of the internal financial controls over financial reporting of the Company with reference to these standalone Ind AS financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report. Our report expresses Disclaimer of opinion on the Company's internal controls over financial reporting for the reasons stated therein;

   (i) On the basis of information and explanation provided to us, the Company has not paid any managerial remuneration for the year ended March 31, 2020 and accordingly, reporting under this clause is not applicable.

   (j) Except for the possible effects of the matters described in the Basis for Disclaimer of Opinion paragraph above, with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has not disclosed the impact of all the pending litigations on its financial position in its standalone Ind AS financial statements – Refer Para (b) of the Basis for Disclaimer of Opinion section of our Auditors' Report and note 47 to the standalone Ind AS financial statements;

ii. As mentioned in note 53 to the standalone Ind AS financial statements, the Company has entered into a long term contract with a government agency for which detailed profitability assessment is under progress, pending which we are unable to comment if there are any material foreseeable losses in respect of the said contract. Other than this, the Company did not have any other long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

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

per Amit Gupta
Partner
Membership Number: 501396
UDIN: 20501396AAAACM2597

Place of Signature: Gurugram
Date: December 21, 2020

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

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

(i) (a) The Company has not maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) Fixed assets have not been physically verified by the management during the year, hence, we are unable to comment on the discrepancies, if any.

(c) According to the information and explanations given by the management, there are no immovable properties, included in property, plant and equipment of the company and accordingly, the requirements under paragraph 3(i)(c) of the Order are not applicable to the Company.

(ii) The Company's business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.

(iii) According to the information and explanations given to us, the Company has not maintained the register as required under section 189 of the Companies Act, 2013 till October 31, 2018 and accordingly, we are unable to comment on the requirement of the provisions of clause 3(iii) (a), (b) and (c) of the Order.

(iv) We have not been provided with the management assessment of compliance of Section 185 of the Companies Act, 2013 in relation to loans, investments, guarantees and securities given to parties covered under Section 185 of the Companies Act, 2013 in respect of the period till September 30, 2018 and we are unable to comment thereupon. In our opinion and according to the information and explanations given to us, there are no loan, investment, guarantees and securities given during the period April 1, 2019 to March 31, 2020 in respect of which provision of section 185 of the Companies Act, 2013 are applicable. In our opinion and according to the information and explanations given to us, provisions of section 186 of the Companies Act 2013 are not applicable to the Company.

(v) The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the generation of power, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Except for the possible effects of the matters stated in Basis for Disclaimer of Opinion section of our auditor's report on the financial statements, undisputed statutory dues including provident fund, cess and other statutory dues have generally been regularly deposited with the appropriate authorities except for income tax and goods and services tax, where there have been serious delays. The provisions relating to employees' state insurance, sales-tax, service tax, duty of excise, duty of custom and value added tax are not applicable to the Company.

(b) According to the information and explanations given to us, and except for the possible effects of the matter stated in Basis for Disclaimer of Opinion section of our auditor's report on the financial statements, undisputed dues in respect of provident fund, income-tax, goods and service tax, cess and other statutory dues which were outstanding, at the year end, for a period of more than six months from the date they became payable, are as follows:

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

Name of the Statute	Nature of the Dues	Amount (Rs. in Mn)*	Period to which the amount relates	Due Date	Date of Payment
Central Goods and Service Tax Act	Goods and Services Tax	46.68	Various dates (July 2018 to June 2019)	Various dues dates	Not Paid
State Goods and Service Tax Act	Goods and Services Tax	46.68	Various dates (July 2018 to June 2019)	Various dues dates	Not Paid
Interstate Goods and Service Tax Act	Goods and Services Tax	0.67	Various dates (July 2018 to June 2019)	Various dues dates	Not Paid
Income tax Act, 1961	Tax deducted at source	107.06	March 31, 2019	April 30, 2019	Not Paid

*excluding interest liability on non-payment of dues

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

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

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

Sr. No.	Particulars	Type of borrowing	Period of default since	Amount of the default of principal (and interest till October 15, 2018)*	Interest from October 16, 2018 to March 31, 2020#	Total amount (principal and total interest)
	Term loan			**A**	**B**	**(A+B)**
1	Yes Bank Limited	Term Loan	September 25, 2018	9,083.78	1,387.29	10,471.07
2	Karnataka Bank Limited	Term Loan	September 30, 2018	506.94	89.88	596.82
3	Syndicate Bank, London	External Commercial Borrowing	October 15, 2018	3,780.79	539.00	4,319.79
4	United Bank of India	Term Loan	September 30, 2018	1,013.61	192.26	1,205.87
5	IL&FS Limited	Term Loan	Various Dates	3,528.62	910.93	4,439.55
6	IL&FS Limited	Revolving Line of Credit	April 1, 2019	14,543.99	3,752.95	18,296.94
7	Aditya Birla Finance Limited	Term Loan	August 22, 2018	150.80	28.82	179.62
8	IFCI Limited	Term Loan	September 30, 2018	1,015.32	189.89	1,205.21
9	Syndicate Bank Limited	Term Loan	September 28, 2018	455.61	65.27	520.88
10	IL&FS Limited	Buyer's Credit	Various Dates	778.27	-	778.27
11	Yes Bank Limited	Vehicle Loan	December 15, 2019	1.87	-	1.87
	Debentures					
12	Various Debentures	Debentures	September 25, 2018	7,140.83	1,122.96	8,263.79
	Total			**42,000.43**	**8,279.25**	**50,279.68**

The Company did not have any outstanding loans or borrowings dues to government during the year.
*as mentioned in note 42 of the financial statements, the Company has recorded contractual finance cost (excluding penal and other charges) till October 15, 2018. Also refer Emphasis of Matter section of our auditor's report on the financial statements.
#contractual interest cost excluding penal and other charges.

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

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

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

(xii) In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

(xiii) As discussed in paragraph (g) of the Basis for Disclaimer of Opinion section of our Auditors' Report on the accompanying standalone Ind AS financial statements, pending completion of audit of the financial statement of the holding company, subsidiaries, fellow subsidiaries and other related parties as at and for the year ended March 31, 2020, and/or the related completion of the inter-company balance reconciliation process, the Company has not recorded any adjustments that may be required in this regard. Further, as mentioned in the paragraph (b) of the Basis for Disclaimer of Opinion section of our Auditors' Report, the Company has not allocated the legal and professional expenses to its group companies. Accordingly, we are unable to comment if the transactions with the related parties are in compliance with Section 177 and Section 188 of Companies Act, 2013.

Further, in view of the matter stated in "Basis for Disclaimer of Opinion" section of our auditor's report on the financial statements, we are unable to comment as to whether details disclosed in the notes to the accompanying standalone Ind AS financial statements, as required by the applicable accounting standards are adequate in respect of the related party transactions and as a consequence, the balance as at March 31, 2020.

(xiv) According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

(xv) According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

(xvi) As discussed in paragraph (d) of the Basis of Disclaimer of Opinion section of our auditors' report on the accompanying Standalone Ind AS financial statements, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 became applicable to the Company with effect from April 1, 2019 as the Company satisfied the 'principal business test' as at March 31, 2019. Further, the Company is also satisfying the said test as at March 31, 2020. The Company is required to seek registration as required under section 45-IA of the Reserve Bank of India Act, 1934. As of date of our report, the same has not yet been obtained.

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

per Amit Gupta
Partner
Membership Number: 501396
UDIN: 20501396AAAACM2597

Place of Signature: Gurugram
Date: December 21, 2020

Annexure 2 to the Independent Auditor's Report of even date on the stand-alone Ind AS financial statements of IL&FS Energy Development Company Limited

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

We were engaged to audit the internal financial controls over financial reporting of IL&FS Energy Development Company Limited ("the Company") as of March 31, 2020, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to these standalone Ind AS financial statements based on our audit. We were engaged to audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India.

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

Meaning of Internal Financial Controls Over Financial Reporting with Reference to these Standalone Ind AS Financial Statements

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

Disclaimer of Opinion

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

However, in view of material and pervasive nature of the matters described in our Basis for Disclaimer of Opinion section of our auditor's report on the accompanying standalone Ind AS financial statement of the Company, we are unable to determine if the Company has established the internal financial controls over financial reporting and whether such internal financial controls were operating effectively as at March 31, 2020. Accordingly, we do not express an opinion on Internal Financial Control over Financial Reporting with reference to the accompanying standalone Ind AS financial statements.

Explanatory paragraph

We were engaged to audit, in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act, the standalone Ind AS financial statements of IL&FS Energy Development Company Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, and the related Statement of Profit and Loss including the statement of Other Comprehensive Income, Cash Flow Statement and Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information and our report dated December 21, 2020 expressed a disclaimer of opinion on those standalone Ind AS financial statements. We have considered the disclaimer of opinion reported above in determining the nature, timing, and extent of audit tests applied in our audit of the standalone Ind AS financial statements of the Company and the disclaimer affect our report dated December 21, 2020 which expressed a disclaimer of opinion on those standalone Ind AS financial statements of the Company.

The Ind AS financial statements of the Company for the year ended March 31, 2019, included as comparatives in these Ind AS financial statements, were audited by us and we also expressed a disclaimer of opinion on the internal financial controls over financial reporting and those Ind AS financial statements vide our report dated December 17, 2019.

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

per Amit Gupta
Partner
Membership Number: 501396
UDIN: 20501396AAAACM2597

Place of Signature: Gurugram
Date: December 21, 2020

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
BALANCE SHEET AS AT MARCH 31, 2020

	Note Ref.	As at March 31, 2020	As at March 31, 2019
ASSETS		**Rs. Million**	**Rs. Million**
Non-current assets			
a) Property, plant and equipment	6	50.16	68.75
b) Intangible assets	7	0.17	0.49
c) Right-of-use assets	58	9.35	-
d) Financial assets			
i) Investments	8	2,437.93	2,292.42
ii) Loans	11	3.55	3.55
iii) Other financial assets	12	1.92	113.24
e) Non-current tax assets (net)	13	1,372.32	1,325.90
f) Deferred tax assets (net)	15	-	-
g) Other non-current assets	14	0.93	1.93
		3,876.33	**3,806.28**
Current assets			
a) Financial assets			
i) Investments	8	-	-
ii) Trade receivables	9	374.43	435.25
iii) Cash and cash equivalents	10	156.48	241.06
iv) Bank balances other than (iii) above	10	2,749.50	442.57
v) Loans	11	2,195.53	3,260.18
vi) Other financial assets	12	872.71	1,227.08
b) Other current assets	14	162.51	152.60
		6,511.16	**5,758.74**
Assets classified as held for sale	8	597.74	597.74
Total assets		**10,985.23**	**10,162.76**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	16	12,835.65	12,835.65
b) Instruments entirely equity in nature	15	346.61	346.61
c) Other equity	17	(53,323.64)	(53,810.31)
Total equity		**(40,141.38)**	**(40,628.05)**
LIABILITIES			
Non-current liabilities			
a) Financial liabilities			
i) Borrowings	18	-	-
ii) Lease liabilities	58	6.60	-
b) Provisions	20	8.03	5.69
		14.63	**5.69**
Current liabilities			
a) Financial liabilities			
i) Borrowings	22	3,020.27	3,020.27
ii) Trade payables	23		
Total outstanding dues of micro enterprises and small enterprises		0.40	0.28
Total outstanding dues of creditors other than micro enterprises and small enterprises		1,159.13	1,127.96
iii) Lease liabilities	58	3.91	-
iv) Other financial liabilities	19	46,072.37	45,762.76
b) Provisions	20	4.08	20.56
c) Other current liabilities	24	251.82	253.29
		50,511.98	**50,185.12**
d) Liabilities directly associated with investments classified as held for sale		600.00	600.00
Total liabilities		**51,126.61**	**50,790.81**
Total equity and liabilities		**10,985.23**	**10,162.76**
Summary of significant accounting policies	4		
See accompanying notes forming part of the standalone Ind AS financial statements	1-64		

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

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

per Amit Gupta
Partner
Membership Number: 501396

G C Chaturvedi
Director
DIN: 0110996

C S Rajan
Director
DIN: 0126063

Feby Koshy
Chief Executive Officer

Santosh Swamy
Head - Finance

Shilpa Parekh
Company Secretary
Membership Number: F9232

Place: Gurugram
Date: December 21, 2020

Place: New Delhi
Date: December 21, 2020

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2020

		Note Ref.	For the year ended March 31, 2020	For the year ended March 31, 2019
			Rs. Million	**Rs. Million**
I	Revenue from operations	25	190.64	594.70
II	Other income	26	1,166.06	3,034.95
III	**Total income (I + II)**		**1,356.70**	**3,629.65**
IV	**Expenses**			
	i. Subcontracting charges		-	260.05
	ii. Employee benefits expense	27	144.61	307.82
	iii. Finance costs	28	7.41	4,021.31
	iv. Depreciation and amortisation expense	30	12.57	17.51
	v. Impairment of financial assets (net)	31	60.79	86,915.72
	vi. Other expenses	29	640.51	961.47
	Total expenses (IV)		**865.89**	**92,483.88**
V	**Profit/(loss) before tax (III - IV)**		**490.81**	**(88,854.23)**
VI	**Tax expense**	32		
	i. Current tax		3.76	-
	ii. Current tax- pertaining to adjustments of earlier years		-	52.10
	iii Deferred tax		(0.20)	514.33
	Total tax expense (VI)		**3.56**	**566.43**
VII	**Profit/(Loss) for the year (V - VI)**		**487.25**	**(89,420.66)**
	Other comprehensive income			
	i. Items that will not be reclassified to profit or loss			
	a. Remeasurement of defined benefit plans		0.57	4.34
	b. Income tax relating to items that will not be reclassified to profit or loss		(0.20)	(1.50)
	ii. Items that will be reclassified to profit or loss			
	a. Effective portion of gains and loss on designated portion of hedging instruments in cash flow hedge		-	34.59
	b. Income tax relating to items that will be reclassified to profit or loss		-	(11.97)
VIII	**Other comprehensive income for the year, net of tax**		**0.37**	**25.46**
IX	**Total comprehensive income for the year, net of tax (VII+ VIII)**		**487.62**	**(89,395.20)**
	Earnings per equity share (face value of Rs. 10 per share)	33		
	i. Basic (Rs.)		0.37	(67.83)
	ii. Diluted (Rs.)		0.36	(67.83)

Summary of significant accounting policies	4	
See accompanying notes forming part of the standalone Ind AS financial statements	1-64	

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

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

per Amit Gupta
Partner
Membership Number: 501396

G C Chaturvedi
Director
DIN: 0110996

C S Rajan
Director
DIN: 0126063

Feby Koshy
Chief Executive Officer

Santosh Swamy
Head - Finance

Shilpa Parekh
Company Secretary
Membership Number: F9232

Place: Gurugram
Date: December 21, 2020

Place: New Delhi
Date: December 21, 2020

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2020

	Note Ref.	For the year ended March 31, 2020	For the year ended March 31, 2019
		Rs. Million	Rs. Million
CASH FLOW FROM OPERATING ACTIVITIES			
Profit/(loss) before tax		490.81	(88,854.23)
Adjustments to reconcile loss before tax to net cash flows:			
Depreciation and amortisation expense		12.57	17.51
Loss/(gain) on disposal of property, plant and equipment		1.74	(0.02)
Impairment on property, plant and equipment		2.33	-
Finance costs		6.61	4,021.31
Reversal of impairment of financial assets designated as at amortised cost		(449.46)	-
Interest income		(377.52)	(2,692.08)
Impairment on financial assets designated at fair value through profit and loss		47.00	3,925.38
Gain arising on financial assets designated at fair value through profit or loss		(193.02)	-
Impairment on financial assets designated as at amortised cost		13.29	33,129.75
Impairment on other financial assets		-	1,780.00
Impairment on trade receivables		57.02	326.37
Impairment on financial assets designated as at cost		0.50	48,080.59
Rent paid		(3.64)	-
Provisions written back		(0.15)	(28.01)
Bad debts written off		10.96	1.21
Loss on foreign currency transactions and translation		310.73	187.32
Dividend Income		(139.69)	(263.41)
Operating profit/(loss) before working capital changes		(209.92)	(368.31)
Movement in working capital			
Decrease/(increase) in trade receivables		(2.87)	2.00
Decrease/(increase) in other financial assets		101.92	704.28
Decrease/(increase) in other assets		(8.91)	(70.19)
Increase/(decrease) in trade payables		31.44	644.82
Increase/(decrease) in other financial liabilities		-	(520.67)
Increase/(decrease) in other current liabilities		1.06	(289.17)
Increase/(decrease) in provisions		(13.57)	(8.01)
Cash flows from/(used in) operations		**(100.85)**	**94.75**
Income tax (paid)/refund received		(50.18)	162.99
Net cash flows from/(used in) operating activities	**(A)**	**(151.03)**	**257.74**
CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of property plant and equipment		(0.08)	(1.61)
Proceeds from sale of property plant and equipment		5.87	0.76
Loans given		-	(9,466.71)
Loans received back		1,249.52	6,072.92
Investments in group companies		-	(39.81)
Proceeds from sale of investment		-	2,407.88
Interest received		981.21	705.09
Dividend received		139.69	263.41
Proceeds from fixed deposit under earmarked accounts		(100.02)	-
Deposit in fixed deposit under earmarked accounts		(2,164.50)	(255.23)
Proceeds from other fixed deposit		-	347.44
Deposit in other fixed deposit		(38.00)	-
Net cash flows from investing activities	**(B)**	**73.69**	**34.14**
CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds from long-term borrowings		-	21,224.37
Repayment of long-term borrowings		(1.12)	(10,106.87)
Proceeds from other short-term borrowings		-	139.45
Repayment of other short-term borrowings		-	(9,142.54)
Interest paid		(6.11)	(2,334.44)
Net cash flows used in financing activities	**(C)**	**(7.23)**	**(220.03)**
Net increase/(decrease) in cash and cash equivalents (A+B+C)		**(84.57)**	**71.85**
Cash and cash equivalents at the beginning of the year	10	241.05	169.20
Cash and cash equivalents at the end of the year	**10**	**156.48**	**241.05**
Summary of significant accounting policies	4		
See accompanying notes forming part of the standalone Ind AS financial statements	1-64		

As per our report of even date
For S.R. Batliboi & Co. LLP
Chartered Accountants
ICAI Firm Registration Number: 301003E/E300005

per Amit Gupta
Partner
Membership Number: 501396

Place: Gurugram
Date: December 21, 2020

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

G C Chaturvedi
Director
DIN: 0110996

C S Rajan
Director
DIN: 0126063

Feby Koshy
Chief Executive Officer

Santosh Swamy
Head - Finance

Shilpa Parekh
Company Secretary
Membership Number: F9232

Place: New Delhi
Date: December 21, 2020

IL&FS ENERGY DEVELOPMENT COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED MARCH 31, 2020

		Number of shares	Amount Rs. Million
(a)	**Equity Share Capital**		
	Balance as at April 1, 2018	1,283,564,664	12,835.65
	Addition during the year	-	-
	Balance as at March 31, 2019	**1,283,564,664**	**12,835.65**
	Addition during the year	-	-
	Balance as at March 31, 2020	**1,283,564,664**	**12,835.65**
(b)	**Compulsorily Convertible Preference Share Capital ('CCPS')**		
	Balance as at April 1, 2018	34,660,767	346.61
	Addition during the year	-	-
	Balance as at March 31, 2019	**34,660,767**	**346.61**
	Addition during the year	-	-
	Balance as at March 31, 2020	**34,660,767**	**346.61**

(c) Other equity (refer note 17)

	Equity component of compound financial instruments	Reserves and surplus				Other comprehensive income- Cash flow hedges	Total other equity
		Securities premium	General reserve	Debenture redemption reserve	Retained earnings		
	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million	Rs. Million
Balance as at April 1, 2018	**2,405.86**	**37,557.27**	**7.60**	**673.61**	**(5,036.84)**	(22.62)	**35,584.88**
i Loss for the year	-	-	-	-	(89,420.65)	-	**(89,420.65)**
ii Remeasurement of defined benefit obligations, net of tax	-	-	-	-	2.84	-	**2.84**
iii Cash flow hedges, net of tax	-	-	-	-	-	22.62	**22.62**
Total comprehensive income for the year (i+ii+iii)	-	-	-	-	**(89,417.81)**	22.62	**(89,395.19)**
Balance as at March 31, 2019	**2,405.86**	**37,557.27**	**7.60**	**673.61**	**(94,454.65)**	-	**(53,810.31)**
Effect of adoption of Ind AS 116 Leases (refer note 4.25)	-	-	-	-	(0.95)	-	**(0.95)**
Balance as at April 1, 2019 (restated)	**2,405.86**	**37,557.27**	**7.60**	**673.61**	**(94,455.60)**	-	**(53,811.26)**
i Profit for the year	-	-	-	-	487.25	-	**487.25**
ii Remeasurement of defined benefit obligations, net of tax	-	-	-	-	0.37	-	**0.37**
Total comprehensive income for the year (i+ii)	-	-	-	-	**487.62**	-	**487.62**
Balance as at March 31, 2020	**2,405.86**	**37,557.27**	**7.60**	**673.61**	**(93,967.98)**	-	**(53,323.64)**

See accompanying notes forming part of the standalone Ind AS financial statements 1-64

As per our report of even date

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

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

per Amit Gupta
Partner
Membership Number: 501396

G C Chaturvedi
Director
DIN: 0110996

C S Rajan
Director
DIN: 0126063

Feby Koshy
Chief Executive Officer

Santosh Swamy
Head - Finance

Shilpa Parekh
Company Secretary
Membership Number: F9232

Place: Gurugram
Date: December 21, 2020

Place: New Delhi
Date: December 21, 2020

1. General Information

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

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

The Company had reported defaults on payment of its borrowing obligations during the financial year 2018-19. Further, the credit rating of the Company and its holding company was downgraded to 'D' (lowest grade) on October 5, 2018 and in September 17, 2018 respectively.

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

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

I. The precarious and critical financial condition of IL&FS and its group companies and their inability to service their debt obligations had rattled the money market.

II. On a careful consideration of the Union of India, it was of the opinion that affairs of IL&FS and its group companies were conducted in a manner contrary to the public interest due to its mis-governance; and

III. The intervention of the Union of India is necessary to prevent the downfall of IL&FS and its group companies and the financial markets.

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

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

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

I. The institution or continuation of suits or any other proceedings by any party or person or bank or Company against IL&FS and its group companies in any court of law/tribunal/arbitration panel or arbitration authority.

II. Any action by any party or person or bank or company etc to foreclose, recover, enforce any security interest created over the assets of IL&FS and its group companies including any action under the Securitization and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002.

III. The acceleration, premature, withdrawal, or other withdrawal, invocation of any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, guarantees, letter of support, commitment or comfort and other financial obligations availed by IL&FS and its group companies.

IV. Suspension of temporarily any term loan, corporate loan, bridge loan, commercial paper, debentures, fixed deposits, and any financial liability taken by IL&FS and its group companies.

V. Any and all banks, financial institutions from exercising the right to set off or lien against any amount lying with any creditor against any dues whether principal or interest or otherwise against the balance lying in any the bank account and deposits whether current, savings or otherwise of IL&FS and its group companies.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

4. Significant accounting policies

4.1 Basis of preparation and presentation

The financial statements of the Company have been prepared in accordance with the Indian Accounting Standards (referred to as IND AS) notified under the companies (Indian Accounting Standards) Rules 2015 (as amended) read with Section 133 of the Companies act, 2013.

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

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

4.2 Fair value measurement

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

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

a. Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.

b. Level 2 inputs are inputs that are observable, either directly or indirectly, other than quoted prices included within level 1 for the asset or liability.

c. Level 3 inputs are unobservable inputs for the asset or liability reflecting significant modifications to observable related market data or Company's assumptions about pricing by market participants.

4.3 Revenue recognition (also refer note 44)

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

Rendering of services

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

Sale of Electricity

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

Sale of Goods

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

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

Revenue from construction Contract

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

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

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

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

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

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

Other income

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

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

Assessment under Ind AS 115 Revenue from Contract with customer

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

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

4.4 Property, plant and equipment (PP&E)

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

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

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

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

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

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

Capital work-in-progress

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

Depreciation

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

The estimated useful life of depreciable assets are mentioned below

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

Derecognition of PPE

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

4.5 Intangible assets

Intangible assets acquired separately

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

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

Derecognition of Intangible assets

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

4.6 Government grants

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

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

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

4.7 Borrowing Costs

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

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

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

4.8 Employee benefits

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

Defined contribution plan

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

Defined benefit plan

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

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

Defined benefit costs are categorised as follows:

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

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

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

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

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

Short-term employee benefits

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

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

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

b. In case of non-accumulating compensated absences, when the absences occur.

Long-term employee benefits

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

4.9 Taxation

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

Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

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

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

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

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

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

Current and deferred tax for the year

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

4.10 Inventories

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

4.11 Provisions, contingent liability and contingent asset

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

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

Contingent assets are disclosed in the financial statements by way of notes to accounts when an inflow of economic benefits is probable.

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

4.12 Business Combinations

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

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

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

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

4.13 Financial instruments

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

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

4.14 Financial assets

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

Cash and cash equivalents

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

Financial assets at amortised cost

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

Financial assets at fair value through other comprehensive income

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

Financial assets at fair value through profit or loss (‘FVTPL’)

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

Investments in Subsidiaries and Joint Ventures

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

Accordingly, the Company has accounted investment in Subsidiaries at cost and opted fair value through profit or loss as per Ind AS 109 in case of Joint ventures.

Foreign exchange gain and losses

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

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

Impairment of financial assets

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

Derecognition of financial assets

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

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

4.15 Financial liabilities and equity instruments

Classification as debt or equity

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

Equity Instruments

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

Compound financial instruments

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

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

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

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

Financial liabilities

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

Financial liabilities subsequently measured at amortised cost

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

Financial guarantee contracts

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

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

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

Foreign exchange gains and losses

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

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

Derecognition of financial liabilities

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

4.16 Derivative financial instruments

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

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

4.17 Hedge accounting

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

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

Cash flow hedges

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

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

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

4.18 Foreign currency

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

Transactions and balances

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

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

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

4.19 Leases

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

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

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

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

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

Lease liabilities

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

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

Short-term leases

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

4.20 Segment reporting

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

4.21 Earnings per share

Basic earnings per share are computed by dividing the profit after tax by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit after tax as adjusted for dividend, interest and other charges to expense or income (net of any attributable taxes) relating to the dilutive potential equity shares by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

4.22 Operating cycle

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

4.23 Cash Flow Statement

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

4.24 Critical accounting judgements and key sources of estimation uncertainty

4.24.1 Use of estimates

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

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

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

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

4.24.2 Key Source of estimation uncertainty

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

Impairment of investments

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

Useful lives and residual values of property, plant and equipment

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

Valuation of Deferred tax assets/liabilities

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

Provisions and contingencies

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

4.25 New and amended standards

The Company applied Ind AS 116 for the first time. The nature and effect of the changes as a result of adoption of these new accounting standards are described below.

Ind AS 116 Leases
Ind AS 116 supersedes Ind AS 17 including Appendix A of Ind AS 17 *Operating Leases-Incentives*, Appendix B of Ind AS 17 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease* and Appendix C of Ind AS 17 *Determining whether an Arrangement contains a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to recognise most leases on the balance sheet.

The Company adopted Ind AS 116 using the modified retrospective method of adoption with the date of initial application of April 1, 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initially applying the standard recognised at the date of initial application. The Company elected to use the transition practical expedient to not reassess whether a contract is or contains a lease at April l, 2019. Instead, the Company applied the standard only to contracts that were previously identified as leases applying Ind AS 17 (also refer note 58).

The effect of adoption Ind AS 116 as at April 1, 2019 (increase/(decrease)) is, as follows:

Particulars	Amount (in mn)
Asset	
Right to use asset	12.87
Security Deposit	(0.17)
Total Asset	**12.70**
Liabilities	
Lease liabilities	13.65
Total Liabilities	**13.65**
Total adjustment on equity	
Retained earning	(0.95)

The Company has lease contracts for various office premises. Before the adoption of Ind AS 116, the Company classified each of its leases (as lessee) at the inception date as an operating lease.

Upon adoption of Ind AS 116, the Company applied a single recognition and measurement approach for all leases except for short-term leases. Refer to Note 4.19 Leases for the accounting policy beginning April l, 2019. The standard provides specific transition requirements and practical expedients, which have been applied by the Company

Leases previously accounted for as operating leases
The Company recognised right-of-use assets and lease liabilities for those leases previously classified as operating leases, except for short-term leases. The right-of-use assets for most leases were recognised based on the carrying amount as if the standard had always been applied. In some leases, the right-of-use assets were recognised based on the amount equal to the lease liabilities, adjusted for any related prepaid and accrued lease payments previously recognised. Lease liabilities were recognised based on the present value of the remaining lease payments, discounted using the current fixed deposit rate as the Company is not incurring any interest cost on the borrowings.

The Company also applied the available practical expedients wherein it:
- Used a single discount rate to a portfolio of leases with reasonably similar characteristics
- Relied on its assessment of whether leases are onerous immediately before the date of initial application
- Applied the short-term leases exemptions to leases with lease term that ends within 12 months of the date of initial application
- Excluded the initial direct costs from the measurement of the right-of-use asset at the date of initial application
- Used hindsight in determining the lease term where the contract contained options to extend or terminate the lease

6 Property, plant and equipment

i Net book value

	As at March 31, 2020 Rs. Million	As at March 31, 2019 Rs. Million
Plant and equipment	44.04	48.70
Other equipment	-	1.98
Computers	0.63	2.21
Furniture and fixture	0.36	0.88
Vehicles	5.13	14.77
Office equipment	-	0.01
Leasehold improvements	-	0.20
	50.16	**68.75**

Rs. (in million)

ii Gross book value

	Plant and equipment (refer note 48)	Other equipment	Computers	Furniture and fixtures	Vehicles	Office equipment	Leasehold improvements	Total
Cost or valuation								
As at April 1, 2018	**66.56**	**2.79**	**7.06**	**2.36**	**25.04**	**3.66**	**1.30**	**108.77**
Add: Additions	-	-	1.27	-	-	0.33	-	1.60
Less: Disposals/adjustments	-	-	0.44	0.65	1.42	1.96	-	4.47
As at March 31, 2019	**66.56**	**2.79**	**7.89**	**1.71**	**23.62**	**2.03**	**1.30**	**105.90**
Add: Additions	-	-	0.08	-	-	-	-	0.08
Less: Disposals/adjustments	-	-	2.19	-	12.95	0.49	-	15.63
As at March 31, 2020	**66.56**	**2.79**	**5.78**	**1.71**	**10.67**	**1.54**	**1.30**	**90.35**
Depreciation and impairment								
As at April 1, 2018	**9.95**	**0.60**	**4.04**	**1.06**	**4.15**	**3.28**	**0.92**	24.00
Add: Additions	7.91	0.21	2.07	0.29	5.78	0.43	0.18	16.87
Less: Disposals/adjustments	-	-	0.43	0.52	1.08	1.69	-	3.72
As at March 31, 2019	**17.86**	**0.81**	**5.68**	**0.83**	**8.85**	**2.02**	**1.10**	**37.15**
Add: Additions	4.45	0.20	1.20	0.20	2.49	0.01	0.18	8.73
Less: Disposals/adjustments	-	-	1.73	-	5.80	0.49	-	8.02
Add: Impairment	0.21	1.78	-	0.32	-	-	0.02	2.33
As at March 31, 2020	**22.52**	**2.79**	**5.15**	**1.35**	**5.54**	**1.54**	**1.30**	**40.19**
Net book value								
As at March 31, 2020	**44.04**	**-**	**0.63**	**0.36**	**5.13**	**-**	**-**	**50.16**
As at March 31, 2019	**48.70**	**1.98**	**2.21**	**0.88**	**14.77**	**0.01**	**0.20**	**68.75**

Note:

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

7 Intangible assets

i. Net book value

	As at March 31, 2020 Rs. Million	As at March 31, 2019 Rs. Million
Computer softwares	**0.17**	**0.49**
	0.17	**0.49**

ii Gross book value

	Computer softwares Rs. Million	Total Rs. Million
Cost		
As at April 1, 2018	3.82	3.82
Add: Additions	-	-
As at March 31, 2019	**3.82**	**3.82**
Add: Additions	-	-
As at March 31, 2020	**3.82**	**3.82**
Amortisation		
As at April 1, 2018	2.70	2.70
Less: Amortisation expense	0.63	0.63
As at March 31, 2019	**3.33**	**3.33**
Less: Amortisation expense	0.32	-
As at March 31, 2020	**3.65**	**3.33**
Net book value		
As at March 31, 2020	**0.17**	**0.49**
As at March 31, 2019	**0.49**	**0.49**

	As at March 31, 2020		As at March 31, 2019	
	Units	**Rs. Million**	**Units**	**Rs. Million**
8 Investments (refer note 40)				
I Investments - Non-current (Unquoted)				
A Investments at cost - In subsidiaries (direct/indirect)				
i Investment in Equity shares				
a. IL&FS Tamilnadu Power Development Company Limited (Equity share of Rs 10 each) (refer note 1 below)	160,797,509	42,263.32	160,797,509	42,263.32
b. IL&FS Wind Energy Limited (Equity share of Rs 10 each) (formerly known as Mandvi LNG Terminal Limited) (refer note 2)	490,050,000	4,900.50	490,050,000	4,900.50
c. Nana Layja Power Company Limited (Equity share of Rs 10 each) (refer note 3 below)	36,050,000	360.50	36,050,000	360.50
d. Shendra Green Energy Limited (Equity share of Rs 10 each) (refer note 4)	3,665,894	240.40	3,665,894	240.40
e. Maritime International Offshore (Pte) Ltd. (Equity share of SGD 1 each) (refer note 5 below)	67,169	3.15	67,169	3.15
f. Vejas Power Projects Limited (formerly known as IL&FS Wind Projects Development Limited) (Equity share of Rs 10 each) (refer note 5 below)	100,000	1.00	100,000	1.00
g. IL&FS Solar Power Limited (Equity share of Rs 10 each) (refer note 6 below)	50,000	0.50	50,000	0.50
h. Ramagiri Renewable Energy Limited (formerly known as IL&FS Wind Farms Limited) (Equity share of Rs 10 each) (refer note 5 below)	17,297,000	31.80	17,297,000	31.80
i. IL&FS Wind Power Services Limited (Equity share of Rs 10 each) (refer note 5 below)	2,000,000	20.00	2,000,000	20.00
j. Sipla Wind Energy Limited (Equity share of Rs 10 each) (refer note 7 below)	80,000	0.80	80,000	0.80
k. Patiala Bio Power Company Limited (Equity share of Rs 10 each) (refer note 5 below)	50,000	0.50	50,000	0.50
l. Rohtas Bio Energy Limited (Equity share of Rs 10 each) (refer note 5 below)	50,000	0.50	50,000	0.50
m. Mahidad Wind Energy Private Limited (Equity share of Rs 10 each) (refer note 7 below)	10,000	0.10	10,000	0.10
n. Jogihali Wind Energy Private Limited (Equity share of Rs 10 each) (refer note 7 below)	10,000	0.10	10,000	0.10
o. Cuddalore Solar Power Private Limited (Equity share of Rs 10 each) (refer note 5 below)	50,000	0.50	50,000	0.50
p. Mota Layja Gas Power Company Limited (Equity share of Rs 10 each) (refer note 5 below)	50,000	0.50	50,000	0.50
ii Deemed equity				
a. Sipla Wind Energy Limited (refer note 7 below)	-	71.09	-	71.09
b. Wind Urja India Limited (refer note 2 below)	-	15.14	-	15.14
c. Lalpur Wind Energy Private Limited (refer note 2 below)	-	76.93	-	76.93
d. Tadas Wind Energy Private Limited (refer note 2 below)	-	63.09	-	63.09
e. Ratedi Wind Power Private Limited (refer note 2 below)	-	52.17	-	52.17

	As at March 31, 2020		As at March 31, 2019	
	Units	**Rs. Million**	**Units**	**Rs. Million**
iii Investment at amortised cost				
Deemed Equity				
a. Jogihali Wind Energy Private Limited (Debentures of Rs 10 each) (refer note 7 and 8 below)	127,100,000	1,271.00	127,100,000	1,271.00
b. Mahidad Wind Energy Limited (Debentures of Rs 10 each) (refer note 7 and 9 below)	138,900,000	1,389.00	138,900,000	1,389.00
c. Sipla Wind Energy Limited (formerly known as Nakhatrana Biomass Energy Limited) (Debentures of Rs 10 each) (refer note 7 and 10 below)	108,700,000	1,087.00	108,700,000	1,087.00
d. Rohtas Bio Energy Limited (Debentures of Rs. 100,000 each) (refer note 5 and 11 below)	311	31.10	311	31.10
Investment in Convertible Debentures				
a. IL&FS Tamilnadu Power Development Company Limited (Debentures of Rs. 100,000 each) (refer note 1 and 12 below)	240,000	2,400.00	240,000	2,400.00
b. IL&FS Wind Energy Limited (Debentures of Rs. 100,000) (refer note 2 and 13 below)	86,067,800	860.68	86,067,800	860.68
c. Shendra Green Energy Limited (refer note 4 and 14 below)	20,085,130	106.68	20,085,130	106.68
		55,248.05		55,248.05
Impairment in value of investment in subsidiaries		(55,228.05)		(55,227.55)
		20.00		**20.50**
B. Investments at fair value through profit and loss				
i Investment in joint venture and associate companies (refer note 15 below)				
- Investment in Equity shares				
a. ONGC Tripura Power Company Limited (Equity share of Rs 10 each)	134,734,328	1,537.19	134,734,328	1,581.10
b. Saurya Urja Company of Rajasthan Limited (Equity share of Rs 10 each)	64,968,650	421.36	64,968,650	243.60
c. Cross Border Power Transmission Company Limited (Equity share of Rs 10 each)	18,433,615	417.22	18,433,615	335.88
d. Bihar Power Infrastructure Company Private Limited (Equity share of Rs 10 each)	25,000	-	25,000	-
d. Power Transmission Company Nepal Limited (Equity share of Rs. 62.50 each)	450,000	42.16	400,000	64.34
e. Assam Power Project Development Company Limited (Equity share of Rs 10 each)	25,000	-	25,000	-
ii. Investment in other companies (refer note 16 below)				
- Investment in Equity shares				
a. KVK Nilanchal Power Private Limited	5,180,000	-	5,180,000	-
b. SV Power Private Limited	17,778,864	-	17,778,864	47.00
c. Shalivahana Green Energy Limited	20,244,480	-	20,244,480	-
		2,417.93		**2,271.92**

		As at March 31, 2020		As at March 31, 2019	
		Units	**Rs. Million**	**Units**	**Rs. Million**
C.	**Investments at fair value through profit & loss - Other Companies**				
	- Investment in Debentures				
	a. Non convertible debentures (NCD) of Infrastructure Leasing & Financial Services Limited (Debentures of Rs 1,000 each) (refer note 17 below)	68,540	57.07	68,540	57.07
	b. Optionally Fully Convertible Debentures of Punjab Biomass Power Limited (Debentures of Rs 10 each) (refer note 18 below)	33,397,818	198.67	33,397,818	198.67
			255.74		255.74
	Impairment in value of investments		(255.74)		(255.74)
			-		-
	Total (A+B+C)		**2,437.93**		**2,292.42**
II	**Investments - current (Unquoted)**				
A	**Investment in subsidiaries- at amortised cost**				
	a. Shendra Green Energy Limited (Debentures of Rs 10 each) (refer note 4 and 14 below)	31,187,780	165.65	31,187,780	165.65
	b. Patiala Bio Power Company Limited (Debentures of Rs 100,000 each) (refer note 5 and 19 below)	455	45.50	455	45.50
	c. Shendra Green Energy Limited (refer note 4 and 20 below)	25,877,090	59.85	25,877,090	59.85
			271.00		271.00
	Impairment in value of investments		**(271.00)**		(271.00)
			-		-
B	**Assets cassified as held for Sale (refer note 21)**				
	Investment in Equity instruments				
	a. Urjankur Shree Tatyasaheb Kore Warana Power Company Limited (Equity share of Rs 10 each)	28,100,000	281.66	28,100,000	281.66
	Units in trust	31,030	316.08	31,030	316.08
	a. Urjankur Nidhi Trust (unit of Rs 10 each)		**597.74**		**597.74**
	Total (A+B)		**597.74**		**597.74**

III Investments held by the Company on behalf of third parties

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

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

(ii) The Company vide Agreement dated December 31, 2016 with IL&FS Environment Infrastructure and Services Limited ('the buyer') has sold its investments of 16,000 equity shares of Rs. 10 each, 5,956,496 preference shares of Rs. 100 each and 5,000 fully compulsorily debentures of Rs. 10,000 each in one of the erstwhile subsidiaries namely East Delhi Waste Processing Company Limited for a consideration of Rs. 1380.00 million and accordingly, recognised profit on sale of Investment of Rs. 284.19 million during the year ended March 31, 2017. The Company has recognised Rs. 1,380.00 million as receivable from sale of investment (refer note 12). The Company has transferred 2,908,96 unpledged preference shares and 8,167 unpledged equity shares of the said subsidiary in the name of the buyer. However, 7,833 number of equity share and 3,048,400 number of preference shares are pledged with lender therefore these are still registered in the name of the Company. Also, till date the Company has not received the purchase consideration from the buyer, accordingly, the Company has created provision against the said receivables amounting to Rs. 1,380.00 million in these standalone Ind AS financial statements.

Notes:

1 With respect to one of the subsidiaries named IL&FS Tamil Nadu Power Company Limited (“ITPCL”) which is classified under the 'Amber' category (refer note 3), the Company has an exposure of Rs.44,663.32 million, Rs. 6,678.64 million and Rs. 3,844.06 million on account of investments made, loans given and other receivables, respectively aggregating to Rs. 55,186.02 million. During the previous year, the management of ITPCL impaired carrying value of property, plant & equipment by Rs. 33,916.76 million resulting into full erosion of net worth as at March 31, 2019. The statutory auditors of ITPCL has also given Qualified Opinion on the financial statements for the year ended March 31, 2019 and year ended March 31, 2020.

Further, the management of ITPCL is under discussion and negotiation with the banks, to restructure the payables towards the principal and interest payable in respect of the borrowings taken by ITPCL, which is not yet finalised.

As ITPCL is classified in ‘Amber’ category and considering the group instructions around treatment of financial assets, the Company has created an additional provision of Rs. 11.21 million during the year (March 31, 2019: Rs 55,174.81 million) as an impairment allowance in the accompanying standalone Ind AS financial statements.

The management is of the view that the amount recorded in the books, during the current year and previous year, is based on the appropriate assumptions and current market scenario of the whole IL&FS Group and has no impact arising out of earlier years and thus does not require restatement of the earlier years figures. Accordingly, no further adjustments are required in the accompanying standalone Ind AS financial statements in this regard.

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

2 With respect to one of the subsidiaries named as IL&FS Wind Energy Limited (“IWEL”) which is classified under the 'Red' category (refer note 3), the Company has an exposure of Rs. 5,761.18 million, Rs. 1,855.70 million and Rs. 520.83 million on account of investments made, loans given and other receivables respectively, aggregating to Rs. 8,137.71 million.

During the year, IWEL has sold its ownership in 7 Wind SPVs (refer note 44 (c)) and has received consideration of Rs. 5,928.75 million. The Company has also received Rs. 2,164.50 million towards the outstanding loans and interest on those loans as availed by these Wind SPVs directly from the Company in earlier years. As at March 31, 2020, the Company has trade receivables of Rs. 28.92 million recoverable from these Wind SPVs, which the management believes that is fully recoverable in nature.

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

The management of the Company believes that out of receipt of Rs. 5,928.75 million received by IWEL on account of sale of Wind SPVs, IWEL should be able to repatriate Rs. 828.00 million after discharging its liability to financial and operational creditors (considering cut-off date as October 15, 2018). Management believes that as per the Resolution framework approved by the NCLT vide its order dated March 12, 2020, after paying off liabilities of the secured and operational creditors till October 15, 2018, IWEL has no further liability towards them and the balance amount as would be available with IWEL shall be paid to the Company.

Considering all these, the management had recognised impairment expense of Rs. 7,309.71 million as at March 31, 2019 from the total exposure amount of IWEL and has not made any further impairment in the accompanying Ind AS financial statements for the year ended March 31, 2020.

3 With respect to one of the subsidiaries named as Nana Layja Power Company Limited (Nana Layja), which is classified in ‘Red’ category (refer note 3), the Company has an investment of Rs. 360.50 million and receivables of Rs. 856.85 million on account of loans given and interest thereon. Management believes that keeping the current business position of the Company in mind, there is no intention of the Company to incur further capital expenditure for the Nana Layja project. Further, Nana Layja has already impaired the Capital work in progress of Rs. 2,071.20 million in its books during the year ended March 31, 2019 and its net worth is fully eroded as at March 31, 2020. The statutory auditors of Nana Layja has given Disclaimer of Opinion on the financial statements for the year ended March 31, 2020. Based on the group instructions around treatment of financial assets of ‘red’ category, the management has recognized Rs. 1,217.35 million as an impairment allowance during the previous year and believes that no further adjustments are required in current year to be made in these accompanying standalone Ind AS financial statements. Management's approach in this regard does not consider the requirements of the relevant Ind-AS standards in entirety as the Company does not presently have the necessary and/or complete information to support cash flow-based tests over its investments and assumptions and for certain aspects of the expected credit loss model in respect of loans and receivables.

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

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

Management's approach in this regard does not consider the requirements of the relevant Ind-AS standards in entirety as the Company does not presently have the necessary and/or complete information to support cash flow-based tests over its investments and assumptions and for certain aspects of the expected credit loss model in respect of loans and receivables.

5 With respect to seven subsidiaries of which six (namely Ramagiri Renewable Energy Limited, Vejas Power Projects Limited, Rohtas Bio Energy Limited, Patiala Bio Power Company Limited, Cuddalore Solar Power Private Limited and Mota Layja Gas Power Company Limited) are classified under 'Red' category and one foreign subsidiary namely Maritime International Offshore PTE Limited, the Company has an investment of Rs. 114.55 million and receivables of Rs. 1,590.35 million on account of loans given and interest thereon. Till March 31, 2019, the Company has made a provision of Rs. 1560.89 million on account of doubtful recovery of loans and interest thereon and Rs. 114.05 million on account of impairment of investments. The Statutory auditors of the above mentioned six companies which have been categorised under the 'Red' category have issued 'Disclaimer of Opinion' on the financial statements for the year ended March 31, 2019.

Considering the current business situation, during the year, the Company has further provided for impairment of Rs 12.85 million on account of loans and advances and Rs 0.50 million towards investments. Management's approach in this regard does not consider the requirements of the relevant Ind-AS standards in entirety as the Company does not presently have the necessary and/or complete information to support cash flow-based tests over its investments and assumptions and for certain aspects of the expected credit loss model in respect of loans and receivables. The management believes that the assumptions used for the impairment allowance is appropriate and based on the current business position, accordingly, no further adjustments are required in these accompanying standalone Ind AS financial statements in this regard.

With respect to one subsidiary company named as IL&FS Wind Power and Services Limited, which is categorised under the 'Green' category (refer note 3), the Company has an equity investment of Rs. 20.00 million as at March 31, 2020. Under the Resolution Framework, the Company has entered into a Share Purchase Agreement (“the Agreement”) dated January 31, 2020 with ORIX Corporation, for disinvestment from the said subsidiary for an amount of Rs 60.56 million, which is duly approved by NCLT, vide its order dated February 25, 2020. The Company has not recognised any impairment expense on account of this entity.

6 With regard to one of the subsidiaries named as IL&FS Solar Power Limited (“ISPL”) which is classified under ‘Green’ category, the Company has an exposure of Rs. 0.50 million, Rs. 1,112.46 million and Rs. 885.42 million on account of investment made, loans given and other receivables respectively aggregating to Rs. 1,998.38 million. Based on the audited financial statements of ISPL for the year ended March 31, 2020, the net worth of the Company is negative Rs. 671.96 million (March 31, 2019 negative Rs. 258.75 million).

Subsequent to the year ended March 31, 2020, ISPL has obtained revised prepayment offer dated November 18, 2020 from its customer named as Embassy Energy Private Limited (Embassy), wherein Embassy has agreed to repay an amount of Rs. 7,779.70 million to ISPL. After the receipt of money from Embassy, ISPL has paid off the liabilities to its lenders (secured/unsecured) after computing their liabilities till December 31, 2019. Further, subsequent to the year ended March 31, 2020, Embassy has also demanded Rs. 46.50 million on account of low generation of power and some unfinished works which ISPL has demanded from the Company. The management has made a provision of Rs. 46.47 million and the management has not recognised additional liability and have adjusted the same with the amount of trade receivables. Subsequent to year ended March 31, 2020, the Company has received its dues of Rs. 1,952.00 million (also refer note 42).

Based on the receipts from ISPL, the Company has reversed impairment of loans and advances and interest thereon amounting to Rs. 449.46 million (refer note 26) as earlier provided for in the standalone financial statements. The management is of the view that the amount recognised in the financial statements is based on the amount received by the Company subsequent to the year ended March 31, 2020 and this has no impact on the previous year numbers or the previous year accounting done by the management of the Company which was based on the estimates/assumptions taken by the management based on the prevailing market situation at that time.

7 With respect to three subsidiary companies namely- Jogihali Wind Energy Private Limited ("Jogihali"), Mahidad Wind Energy Private Limited ("Mahidad") and Sipla Wind Energy Private Limited ("Sipla"), which are classified under the 'Red' category (refer note 3), the Company has an investment of Rs. 3,748.00 million and receivables of Rs. 7,472.70 million on account of loans and interest on loan. Further, in earlier years, the Company had waived off interest of Rs. 71.09 million receivable from Sipla and has accordingly, shown the same as an investment in deemed equity instruments in Sipla.These companies were incorporated for the development of wind projects having capacity of 228.80MW and total contract was awarded to Wind World India Limited ("WWIL"). Due to some delays in the commissioning of the projects, management had short closed the project of 124.80 MW. Till March 31, 2018, these companies had total CWIP of Rs. 4,967.17 million and receivables of Rs. 4,529.48 million on account of capital advances and interest receivables from WWIL.

During the year ended March 31, 2018, insolvency proceedings had been initiated on the WWIL under the Insolvency and Bankruptcy Code by its lenders and an Interim Resolution Professional (IRP) has been appointed. Pursuant to this, these subsidiaries had also submitted their claims of Rs. 4,822.40 million and based on the meeting of Committee of creditors of WWIL held on November 16, 2018, the management believes that the expected amount that could be recovered from WWIL will be insignificant. Further, these subsidiary companies have also received unencumbered collateral securities in the form of development rights for Wind Power Generation Assets (WPGA). Based on internal assessment, the management believes that these development rights assigned by WWIL has no market value due to recent regime of "Bidding based tariff". Accordingly, the Company has provided for Rs. 11,291.79 million during the year ended March 31, 2019.

During the year, one of the shareholder/promoter of the WWIL has challenged the inclusion of these companies as financial creditor in NCLT which is yet to be heard. Further, the resolution applicant has also withdrawn their offer which has been approved by NCLT, against this an appeal has been made with NCLAT by the committee of creditors and Resolution Professional which is not yet heard.

Management believes that the impairment allowance booked in the previous year was as per the best available information and based on the business position of the Company and the management has not made any further assessment in current year. Further, auditor of these companies has given Disclaimer of Opinion on the financial statements of the year ended March 31, 2020. Accordingly, management is of the view that no adjustment is required in these accompanying Ind AS financial statements and the position taken by the Company in the previous year need not be re-assessed.

Management's approach in this regard does not consider the requirements of the relevant Ind-AS in entirety as the Company does not presently have the necessary and/or complete information to support cash flow-based tests over its investments and assumptions and for certain aspects of the expected credit loss model in respect of loans and receivables.

8 Description: Fully convertible debentures
Rate of interest - 15.50% (March 31, 2019: 15.50%)
Maturity details: September 30, 2024
Each debentures including interest accrued (included in 'other current assets') thereon will be converted into equity share having face value of Rs 10 each.

9 Description: Fully convertible debentures
Rate of interest - 15.50% (March 31, 2019: 15.50%)
Maturity details: September 30, 2024
Each debentures including interest accrued (included in 'other current assets') thereon will be converted into equity share having face value of Rs 10 each.

10 Description: Fully convertible debentures
Rate of interest - 15.50% (March 31, 2019: 15.50%)
Maturity details: September 30, 2024
Each debentures including interest accrued (included in 'other current assets') thereon will be converted into equity share having face value of Rs 10 each.

11 Description: Fully convertible debentures
Rate of interest - 0% (March 31, 2019: 0%)
Maturity details: July 2018 - August 2018
The debentures will be converted into 31,100 equity shares having face value of Rs 10 each issued at a premium of Rs 990 each. The Conversion process of these debentures is still pending as on date

12 Description: Fully compulsorily convertible debentures
Rate of interest - 16% (March 31, 2019: 16%)
Maturity details: September 30, 2024
These debentures shall be converted into equity shares of the issuer at a fair value arrived by an independent valuer appointed mutually by the debenture holder and the issuer. Further, the Company has an option to convert the debentures on an earlier date, than the stated maturity date, based on a fair value as at such earlier date.

13 Description: Optionally fully convertible debentures
Rate of interest - 15.50% p.a. (March 31, 2019: 15.50% p.a.)
Maturity details: March 31, 2019
The Company has the option to convert the debentures into equity shares at par resulting into an equal number of shares as the number of debenture units outstanding at the option of the Company. These debentures have not been repaid till date and not yet converted into equity shares. Further, the management is in the process to locate 86,067,800 debenture certificates.

14 Description: Optionally fully convertible debentures
Rate of interest - 0% (March 31, 2019: 0%)
Maturity details: April 2019 to January 2020
The debentures will be converted into equity shares at par resulting into an equal number of shares as the number of debenture units outstanding at the option of the Company. The Conversion of these debentures is still pending as on date. Further, the management is in the process to locate 20,085,130 debenture certificates.

15 With respect to three Joint ventures (JVs) namely- ONGC Triupra Power Company Limited (OTPC), Cross Border Power Transmission Company Limited (Cross Border) and Power Transmission Company Nepal Limited (PTCN), the Company has carrying value of total exposure of Rs. 1581.10 million, Rs. 335.89 million and Rs. 64.33 million, respectively as at March 31, 2020 on account of investments made and other receivables.

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

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

Further, in respect of the other three joint venture companies named as Saurya Urja Company of Rajasthan Limited ("Saurya Urja"), Bihar Power Infrastructure Company Private Limited ("Bihar Power"), Assam Power Project Development Company Limited ("Assam Power") where, the Company has total exposure of Rs. 399.14 million on account of investment made and other receivables. Keeping current business position of the Company and as per the consequences of the matters mentioned in Note 2 above, the management has computed the recoverable value of the shares based on the Net Assets available in all these 6 companies and has accordingly recognised net asset gain of Rs. 193.02 million in these Ind AS financial statements.

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

16 With respect to three companies namely KVK Nilanchal Power Private Limited ("KVK"), SV Power Private Limited and Shalivahana Green Energy Limited, the Company has carrying amount of Rs. 1,145.44 million in respect of investment made. Based on the uncertainty to find a buyer for these investments and as per the current business position of the Company, the management has provided for Rs. 1,098.44 million in previous year and Rs 47 million in these standalone Ind-AS financial statements as impairment allowance and believes that no further adjustments are required in these financial statements.

Further, in respect of KVK, the Company is in the process of getting 3,533,500 equity shares transferred in its name at at March 31, 2020 (March 31, 2019: 3,533,500). The same is pledged by the erstwhile holder with the lenders for the loan taken by KVK.

17 Description: Non convertible debentures
Rate of interest - 7.50% (March 31, 2019: 7.50%)
Maturity details: April 30, 2020
During the current year, per the consequences as mentioned in Note 2 and 3 above, the management has provided for the full amount in these financial statements and believes that no further adjustments are required in these standalone Ind-AS financial statements in this regard.

18 Description: Optionally fully convertible debentures
Rate of interest - 17.50% to 17.65% (March 31, 2019: 17.50% to 17.65%)
Maturity details: August 2018 to October 2019
The Company has the option to convert the each debentures into 10 equity shares of Rs 1 each on or before maturity.

19 Description: Fully convertible debentures
Rate of interest - 0% (March 31, 2019: 0%)
Maturity details: July 2018 to August 2018
The debentures will be converted into 45,500 equity shares having face value of Rs 10 each issued at a premium of Rs 990 each. The conversion process of these debentures is still pending as on date.

20 Description: Optionally fully convertible debentures
Rate of interest - 1% p.a. (March 31, 2019: 1% p.a.)
Maturity details: March 21, 2019
The debentures will be converted into equity shares at par resulting into an equal number of shares as the number of debenture units outstanding at the option of the Company.

21 The Company (IL&FS Renewable Energy Limited, now amalgamated with the Company) vide Share Purchase Agreement dated March 28, 2017 with Shree Tatyasaheb Kore Warana Sahakari Sakhar Karkhana Limited ('the buyer') has sold its investments in one of the associate namely Urjankur Shree Tatyasaheb Kore Warana Power Company Limited and in trust namely Urjankur Nidhi Trust for a total consideration of Rs. 624.97 million against which the Company recognised gain of Rs. 50.28 million (net of expenses of Rs. 27.20 million) in earlier years. One of the subsidiary of the buyer, namely Warna Sugar Limited has taken loan of Rs. 600.00 million from one of the group companies namely IL&FS Financial Services Limited ('IFIN') for discharging the purchase consideration and the Company has pledged 28,100,000 equity shares in the favour of IFIN against this loan vide Pledge Agreement dated August 18, 2017. Therefore, these investments are not transferred to the buyer and 28,100,000 number of equity shares of said subsidiary and 31,030 number of units of said trust are still registered in the name of the Company. The management is in the process to locate the physical certificates of 31,030 units as earlier alloted to the Company. The Company has classified these investment as held for sale and recognised the same at Rs. 597.74 million (net of share transfer expenses of Rs. 27.20 million), and consideration of Rs. 600.00 million as received by the Company from the buyer is disclosed as Liabilities directly associated with investments classified as held for sale on the face of the balance sheet.

22 In earlier years, the Company has given loan amounting to Rs. 1,212.48 million to IL&FS Employee Welfare Trust ("IEWT") in three different tranches. IEWT has used the amount for investment in the equity shares of the Company. During the previous year, due to consequences of the events as discussed in note 2 above, management has estimated that the amount is not recoverable in nature and has accordingly provided for the amount of loan along with the interest accrued on that aggregating to Rs. 1,521.25 million in previous year. Management believes that no further adjustment is required in these accompanying standalone Ind-AS financial statements based on the current market scenarios and business position of the Group.

23 In earlier year, the Company has also given loans to two of its fellow subsidiary companies which have been classified in 'Red' category, Rs. 400.00 million to Sealand Ports Private Limited and Rs. 50.80 million to Portonova Maritime Limited, further interest amounting to Rs. 440.51 million is accrued on the same. Based on the group instructions around treatment of financial assets of 'red' category, the management has recognized Rs. 891.80 million as an impairment allowance in previous year and believes that no further adjustments are required to be made in these accompanying Ind AS financial statements. Management's approach in this regard does not consider the requirements of the relevant Ind-AS standards in entirety as the Company does not presently have the necessary and/or complete information to support cash flow based tests over its investments and assumptions and for certain aspects of the expected credit loss model in respect of loans and receivables.

24 In respect of East Delhi Waste Processing Company Private Limited and Punjab Biomass Power Limited, the Company has given loan of Rs. 350.00 million and Rs. 215.92 million respectively and has some other receivables of Rs. 114.39 million and Rs.158.15 million respectively in these two entities. Further, with regard to Punjab Biomass Power Limited, the Company has investment of Rs. 198.68 million. Till March 31, 2019, the Company has provided for the whole amount recoverable as doubtful of recovery and the management believes that no further adjustment is required in these accompanying standalone Ind-AS financial statements.

25 In respect of erstwhile associate company named as Himachal Sorang Power Limited ("Himachal Sorang"), the Company has an exposure of Rs. 256.63 million and Rs. 48.75 million on account of loans and other receivables respectively. Till March 31, 2019, the Company has made provision of Rs. 305.38 million on account of doubtful recovery of loans and interest receivables. Management believes that no further adjustment is required in these standalone Ind-AS financial statements. Further, legal case is going on with the Himachal Sorang and the management believes that there are good chances to win the legal case, accordingly, demand of Rs. 713.30 million is not provided for in these standalone Ind-AS financial statements (also refer note 47).

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

	As at March 31, 2020 Rs. Million	As at March 31, 2019 Rs. Million
9 Trade receivables		
Trade receivables*		
a. Considered good, Unsecured (also refer note 50)	374.43	435.25
b. Credit impaired	509.75	462.75
	884.18	898.00
Less: Impairment allowance (allowance for bad and doubtful debts)	509.75	462.75
	374.43	**435.25**
* Includes from related parties (refer note 58)		
a. Considered good, Unsecured	302.03	337.91
b. Credit impaired	232.10	174.13
	534.13	512.04
Less: Impairment allowance (allowance for bad and doubtful debts)	232.10	174.13
	302.03	337.91

Note:

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

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

	As at March 31, 2020 Rs. Million	As at March 31, 2019 Rs. Million
Movement in allowance for trade receivables		
Opening balance	462.75	136.38
Addition/deletion during the year	57.01	326.37
Bad debts written off	(10.02)	-
Closing balance	**509.74**	**462.75**

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

IL&FS Solar Power Limited	272.90	272.90
IL&FS Tamil Nadu Power Company Limited	169.07	157.86
Pirpainti Bijlee Company Private Limited	130.22	130.22
Lakhisarai Bijlee Company Private Limited	127.05	127.05
Energy Efficiency Services Limited	62.08	103.44
	761.32	**791.47**

	As at March 31, 2020 Rs. Million	As at March 31, 2019 Rs. Million
10 Cash and bank balances		
A. Cash and cash equivalents		
a. Balance with banks:		
- on current accounts	99.48	71.06
- deposit with original maturity of less than three months	57.00	170.00
b. Cash in hand	-	-
	156.48	**241.06**
Cash and cash equivalents as per statement of cash flow	**156.48**	**241.06**
B. Other balances with banks		
Balance with bank in earmarked accounts:		
- deposit held as margin money with banks	546.99	442.57
- deposit held for distribution purpose with bank (refer note 47(c))	2,164.50	-
Deposit with original maturity of more than three months but less than twelve months	38.00	-
	2,749.49	**442.57**

Changes in liabilities arising from financing activities

Rs. Million

Particulars	April 1, 2019	Cash Flow		Others	March 31, 2020
		Proceeds	Repayment		
Borrowings (including current maturities)	42,522.73	-	(1.12)	310.73	**42,832.34**
Current borrowings	3,020.27	-	-	-	**3,020.27**
	45,543.00	-	**(1.12)**	**310.73**	**45,852.61**

Particulars	April 1, 2018	Cash Flow		Others	March 31, 2019
		Proceeds	Repayment		
Borrowings (including current maturities)	30,658.32	21,224.37	(10,106.87)	746.92	**42,522.74**
Current borrowings	12,279.53	139.45	(9,142.54)	(256.16)	**3,020.28**
	42,937.85	**21,363.82**	**(19,249.41)**	**490.76**	**45,543.02**

11 Loans

	As at March 31, 2020 Rs. Million	As at March 31, 2019 Rs. Million
I. Non-current (Unsecured)		
a. Loans and advances to related parties		
- Considered good	3.55	3.55
- Credit impaired	131.45	131.45
	135.00	135.00
Less: Allowance for doubtful loans	(131.45)	(131.45)
	3.55	**3.55**
II. Current (Unsecured)		
a. Loans and advances to related parties		
- Considered good	2,068.99	3,133.53
- Credit impaired	15,516.89	15,701.86
Less: Allowance for doubtful loans	(15,516.89)	(15,701.86)
	2,068.99	3,133.53
b. Inter-corporate deposits to related parties		
- Considered good	125.85	125.85
- Credit impaired	933.10	933.10
Less: Allowance for doubtful deposits	(933.10)	(933.10)
	125.85	125.85
c. Loans and advances to others		
- Considered good	0.69	0.80
- Credit impaired	1,702.58	1,702.58
Less: Allowance for doubtful loans	(1,702.58)	(1,702.58)
	0.69	0.80
d. Inter-corporate deposits to others		
- Considered good		
- Credit impaired	16.06	16.06
Less: Allowance for doubtful deposits	(16.06)	(16.06)
	-	-
	2,195.53	**3,260.18**

Note

Consequent to the various matters mentioned in Note 2 and 3 to these financial statement, the normal business operations of the Company as they existed until September 30, 2018 have ceased. The Company is unable to locate loan agreements in respect of 40 loans of Rs. 1,584.48 million extended to group companies and 10 loans of Rs. 1,462.00 million extended to third parties. Further, subsequent to the cut-off date i.e. October 15, 2018, the Company has not renewed 34 loans of Rs. 5,758.09 million as the management believes that these loans were not required to be renewed by the Board of Directors of the Company considering the cut-off date of October 15, 2018. The management is of the view that this will not have any adverse impact on these financial statements. Also refer note 8 and 58 for details of investments made, loans and deposits given to related parties.

	As at March 31, 2020 Rs. Million	As at March 31, 2019 Rs. Million
12 Other financial assets		
I Non-current (Unsecured)		
Considered good		
a. Interest accrued:		
- on deposits	-	4.56
- on loans and advances	-	5.65
b. Security deposits	1.11	1.23
c. Deposit held as margin money with banks	-	100.02
d. Earnest money deposit and other advances	0.81	1.78
	1.92	**113.24**
II Current (Unsecured)		
Considered good		
a. Interest accrued:		
- on deposits	102.51	21.42
- on loans and advances	429.13	863.66
b. Receivable for sale of investment (refer note 47(c))	111.00	111.00
c. Unbilled revenue	-	0.93
d. Contract assets	-	-
e. Retention money under construction contract	230.07	230.07
	872.71	1,227.08
Considered doubtful		
a. Interest accrued on:		
- on investments	4,434.81	4,434.81
- on loans and advances	3,071.57	3,322.76
b. Receivable for sale of investment*	1,780.00	1,780.00
	9,286.38	9,537.57
Less: Allowance for doubtful interest and receivables for sale of investments	(9,286.38)	(9,537.57)
	-	-
	872.71	**1,227.08**

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

	As at March 31, 2020 Rs. Million	As at March 31, 2019 Rs. Million
13 Non-current tax assets *		
Taxes paid (including tax deducted at source)	2,664.98	2,614.79
Less: Provision for taxation	(1,292.66)	(1,288.89)
	1,372.32	**1,325.90**

* net of provision for tax

	As at March 31, 2020 Rs. Million	As at March 31, 2019 Rs. Million
14 Other assets		
i Non-current		
a. Prepaid expenses	0.93	1.93
	0.93	**1.93**
ii Current		
a. Prepaid expenses	13.68	33.95
b. Balances with government authorities (GST recoverable)	147.82	116.41
c. Gratuity fund (net) (refer note 56)	1.01	2.24
	162.51	**152.60**

	As at March 31, 2020	As at March 31, 2019
	Rs. Million	Rs. Million
15 Deferred tax assets (net)		
A. Deferred tax asset	10.91	10.28
B. Deferred tax liability	(10.91)	(10.28)
	-	-

A. Deferred tax assets / (liabilities)

	As at April 1, 2019	Recognised in Statement of profit and loss	Recognised in other comprehensive income	As at March 31, 2020
	Rs. Million	Rs. Million	Rs. Million	Rs. Million
Deferred tax assets				
MAT Credit entitlement	436.48	-	-	436.48
Provision for doubtful debt (including impairement on investments and other financial assets)	30,544.70	109.71	-	30,654.41
Provision for employee benefits	8.31	(4.23)	(0.20)	3.88
Borrowings	441.81	75.72	-	517.53
Provision for expenses	43.32	(39.65)	-	3.67
Other financial liabilities	606.74	(380.77)	-	225.97
Un-utilised income tax losses and unabsorbed depreciation	1,831.36	622.99	-	2,454.35
	33,912.72	**383.77**	**(0.20)**	**34,296.29**
Adjustment on account of deferred tax assets restricted to deferred tax liabilities*	**33,902.44**	382.94	**-**	**34,285.38**
	10.28	**0.83**	**(0.20)**	**10.91**
Deferred tax liabilities				
Property, Plant and Equipment and Intangible Assets	(10.28)	(0.63)	-	(10.91)
	(10.28)	**(0.63)**	**-**	**(10.91)**
Net deferred tax assets/(liabilities)	**-**	**0.20**	**(0.20)**	**-**

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

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

	As at March 31, 2020		As at March 31, 2019	
	Number of shares	Rs. Million	Number of shares	Rs. Million

16 Equity Share capital

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

A Equity share capital

	As at March 31, 2020 Number of shares	As at March 31, 2020 Rs. Million	As at March 31, 2019 Number of shares	As at March 31, 2019 Rs. Million
Authorised				
Equity Shares of Rs. 10 each with voting rights	2,125,000,000	21,250.00	2,125,000,000	21,250.00
Issued, subscribed and fully paid up				
a. Opening balance	1,283,564,664	12,835.65	1,283,564,664	12,835.65
b. Changes during the year	-	-	-	-
c. Closing balance	**1,283,564,664**	**12,835.65**	**1,283,564,664**	**12,835.65**

Terms and rights attached to equity shares

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

B Compulsorily Convertible Preference Share Capital ('CCPS')

	As at March 31, 2020 Number of shares	As at March 31, 2020 Rs. Million	As at March 31, 2019 Number of shares	As at March 31, 2019 Rs. Million
Authorised				
0.0001% Compulsorily Convertible Preference Shares ('CCPS') of Rs. 10 each	125,000,000	1,250.00	125,000,000	1,250.00
Issued, subscribed and fully paid up				
(a) Opening balance	34,660,767	346.61	34,660,767	346.61
(b) Changes during the year	-	-	-	-
(c) Closing balance	**34,660,767**	**346.61**	**34,660,767**	**346.61**

Terms and rights attached to preference shares

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

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

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

C Details of shares held by each shareholder holding more than 5% shares (also refer note below)

Name of the shareholder	As at March 31, 2020 Number of shares held	As at March 31, 2020 % holding in that class of shares	As at March 31, 2019 Number of shares held	As at March 31, 2019 % holding in that class of shares
Equity share of Rs. 10 each, fully paid				
Infrastructure Leasing & Financial Services Limited, the holding company	1,173,426,464	91.42%	1,173,426,464	91.42%
IL&FS Employee Welfare Trust through its trustees, Mr. Vibhav Ramprakash Kapoor, Mr. Karunakaran Ramchand and Mr. Ramesh Chander Bawa	86,000,000	6.70%	86,000,000	6.70%
0.0001% Compulsorily Convertible Preference Share Capital of Rs. 10 each, fully paid				
Standard Chartered IL&FS Asia Infrastructure Growth Fund Company PTE Limited	-	-	24,787,863	71.52%
IL&FS Infrastructure Equity Fund I through its trustee, Vistra ITCL India Limited (formerly known as IL&FS Trust Company Limited)	-	-	9,872,904	28.48%
Deepak Mawandia, Beneficial owner on behalf of Backbay Capital Partners Pte. Ltd.	24,787,863	71.52%	-	-
Backbay Equity Partners LLP	9,872,904	28.48%	-	-

D Details of shares held by the holding company

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

	As at March 31, 2020 Number of shares held	As at March 31, 2020 Amount Rs. Million	As at March 31, 2019 Number of shares held	As at March 31, 2019 Amount Rs. Million
Equity share of Rs. 10 each, fully paid				
Infrastructure Leasing & Financial Services Limited, India, the holding company	1,173,426,464	11,734.26	1,173,426,464	11,734.26

Note:

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

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

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		As at March 31, 2020	As at March 31, 2019
		Rs. Million	**Rs. Million**
17	**Other equity**		
a.	**Equity component of compound financial instruments** (refer note i below)	2,405.86	2,405.86
b.	**Securities premium** (refer note ii below)		
	Opening balance	37,557.27	37,557.27
	Add: Additions during the year	-	-
	Closing balance	**37,557.27**	**37,557.27**
c.	**General reserve** (refer note iii below)	7.60	7.60
d.	**Debenture redemption reserve** (refer note iv below)		
	Opening balance	673.61	673.61
	Add: Transfer during the year	-	-
	Closing balance	**673.61**	**673.61**
e.	**Retained earnings**		
	Opening balance	(94,453.14)	(5,032.49)
	Less: Effect of adoption of Ind AS 116 Leases (refer note 4.25)	(0.95)	-
	Add: Loss for the year	487.25	(89,420.65)
	Closing balance	**(93,966.84)**	**(94,453.14)**
f.	**Other comprehensive income**		
i	**Remeasurement of defined benefit obligations**		
	Opening balance	(1.51)	(4.35)
	Add: Transfer during the year	0.57	4.34
		(0.94)	**(0.01)**
	Less: Tax on the above	0.20	1.50
	Closing balance	**(1.14)**	**(1.51)**
ii	**Cash Flow Hedge**		
	Opening balance	-	(22.62)
	Loss arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges	-	-
	Gain on cancellation of cash flow hedge	-	34.59
		-	**11.97**
	Income tax related to net gains/losses recogonised in other comprehensive income	-	11.97
	Closing balance	-	-
	Total (i + ii)	**(1.14)**	**(1.50)**
	Grand Total (a+b+c+d+e+f)	**(53,323.64)**	**(53,810.31)**

Notes:

i. Equity component of compound financial instrument

The Company has issued 247,000 Fully Compulsorily Convertible Debentures (FCCD) of Rs. 10,000 each to its Holding Company, Infrastructure Leasing & Financial Services Limited ("holder") during the year ended March 31, 2012. Terms of the FCCD have been changed in the financial year ended March 31, 2017. Per the revised terms of FCCD, the Company has agreed to pay an option premium of Rs. 744.00 million to holder on account of early conversion option (as per the original terms) foregone by the holder. Further, as per the revised terms, the Company has an option to convert these FCCD along with the option premium and interest accrued from April 1, 2016 till the date of maturity into fix number of equity shares. Vide memorandum dated February 8, 2017, the Company has opted for the conversion option. The amount represents the equity component of FCCD and the same will be converted into equity share capital and securities at the time of maturity i.e. March 29, 2021.

ii. Securities premium

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

iii. General reserve

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

iv. Debenture redemption reserve

The Company is required by Companies Act, 2013 to create a debenture redemption reserve out of the profits which is available for payment of dividend for the purpose of redemption of debentures. Due to non availability of profits, the Company has not created any additional debenture redemption reserve.

	As at March 31, 2020		As at March 31, 2019	
	Non-current	Current Maturity	Non-current	Current Maturity
	Rs. Million	Rs. Million	Rs. Million	Rs. Million
18 Non-current borrowings				
a. Debentures - unsecured				
i. Others (refer note 'i' below)				
- Zero Coupon Non Convertible debentures (refer note 'i A' below)	-	1,000.00	-	1,000.00
- Zero Coupon Non Convertible debentures (refer note 'i B' below)	-	1,000.00	-	1,000.00
- Non Convertible debentures (refer note 'i C' below)	-	500.00	-	500.00
- Non Convertible debentures (refer note 'i D' below)	-	1,950.00	-	1,950.00
- Non Convertible debentures (refer note 'i E' below)	-	2,050.00	-	2,050.00
b. Term loans from banks				
- secured				
i. Yes Bank Limited (refer note 'ii' below)	-	1,814.55	-	1,814.55
ii. Yes Bank Limited (refer note 'iii' below)	-	306.45	-	306.45
iii. Yes Bank Limited (refer note 'iv' below)	-	2,047.67	-	2,047.67
iv. Karnataka Bank Limited (refer note 'v' below)	-	250.00	-	250.00
v. Syndicate Bank Limited (refer note 'vi' below)	-	3,769.30	-	3,458.57
vi. United Bank of India (refer note 'vii' below)	-	1,000.00	-	1,000.00
vii. Yes bank Limited (refer note 'viii' below)	-	1.80	-	2.14
viii. HDFC Bank Limited (refer note 'ix' below)	-	4.63	-	5.41
- unsecured				
i. Yes Bank Limited (refer note 'iii' below)	-	2,758.09	-	2,758.09
ii Yes Bank Limited (refer note 'iv' below)	-	2,047.67	-	2,047.67
iii. Karnataka Bank Limited (refer note 'v' below)	-	250.00	-	250.00
c. Term loans from financial institutions				
- secured				
from related parties (refer note 59)				
i. IL&FS Limited (refer note 'x' below)	-	335.96	-	335.96
ii. IL&FS Limited (refer note 'xi' below)	-	2,500.00	-	2,500.00
iii. IL&FS Limited (refer note 'xii' below)	-	2,973.50	-	2,973.50
iv. IL&FS Limited (refer note 'xiii' below)	-	4,043.86	-	4,043.86
v. IL&FS Limited (refer note 'xiv' below)	-	3,990.39	-	3,990.38
vi. IL&FS Limited (refer note 'xv' below)	-	2,236.45	-	2,236.45
vii. IL&FS Limited (refer note 'xvi' below)	-	996.85	-	996.85
from other parties				
i. Aditya Birla Finance Limited (refer note 'xvii' below)	-	140.00	-	140.00
ii. IFCI Ltd.(refer note 'xviii' below)	-	1,000.00	-	1,000.00
d. Inter corporate deposit from related parties (refer note 59)				
- unsecured				
i. Patiala Bio Power Company Limited (refer note (xix 'A'))	-	2,260.16	-	2,260.16
ii Rohtas Bio Energy Limited (refer note (xix 'B'))	-	1,605.02	-	1,605.02
	-	**42,832.35**	**-**	**42,522.73**
Less: Reclassified to other financial liabilities		**42,832.35**		**42,522.73**
	-	-	-	-

Notes:

The Company has made various defaults for the repayment of amounts borrowed from different parties as mentioned above (also refer note 2, note 3 and note 36). Due to which the lender has right to demand the full amount of loan borrowed by the Company at any time. In order to comply with the provisions of Ind AS, the Company has shown the amount of loan as its current liability.

i. Details of debentures issued to other party

A
a. Amount - Rs 1,000.00 million
b. Annualised yield - 11.40% p.a. (March 31, 2019: 11.40% p.a.)
c. Terms and conditions: During the year ended March 31, 2017, the Company had issued Redeemable Unlisted Non Convertible Debentures of Rs. 1,000,000 each redeemable at premium of Rs. 382,470 per debenture.
d. Repayment date - June 27, 2019, these debentures are not yet repaid by the Company.

B
a. Amount - Rs 1,000.00 million
b. Annualised yield - 11.50% p.a. (March 31, 2019: 11.50% p.a.)
c. Terms and conditions: During the year ended March 31, 2017, the Company had issued Redeemable Unlisted Non Convertible Debentures of Rs. 1,000,000 each redeemable at premium of Rs. 386,196 per debenture.
d. Repayment date - June 7, 2019, these debentures are not yet repaid by the Company.

C
a. Amount - Rs 500.00 million
b. Rate of Interest - 11% p.a. (March 31, 2019: 11% p.a.)
c. Terms and conditions: During the year ended March 31, 2019, the Company had issued redeemable unlisted non convertible debentures of Rs. 1,000,000 each redeemable at par.
d. Repayment date - April 16, 2021

D
a. Amount - Rs 1,950.00 million
b. Rate of Interest - 9.50% p.a (March 31, 2019: 9.50% p.a.)
c. Terms and conditions: During the current year, the Company has issued redeemable listed non convertible debentures of Rs. 1,000,000 each redeemable at par.
d. Repayment date - Four equal quarterly installments starting from 25th quarter from the issue date i.e. May 14, 2018

E
a. Amount - Rs 1,450.00 million in Series I, Rs 600.00 million in Series II
b. Rate of Interest - 9.50% p.a (March 31, 2019: 9.50% p.a.) for Series I
Rate of Interest - 9.53% p.a (March 31, 2019: 9.53% p.a.) for Series II
c. Terms and conditions: During the current year, the Company has issued redeemable listed non convertible debentures of Rs. 1,000,000 each redeemable at par.
d. Repayment date -
- Four equal quarterly installments starting from 25th quarter from the issue date i.e. May 28, 2018 for Series I
- Four equal quarterly installments starting from 25th quarter from the issue date i.e. May 28, 2018 for Series II

ii Details of repayment terms and security for the term loan from bank
a. Rate of Interest - 1 year MCLR (Marginal cost of funds based lending rate)+ 0.55% Spread - 9.50% p.a (March 31, 2019: 9.50% p.a.)
b. Terms and security
i) Sanctioned and withdrawn amount is Rs. 5,350.00 million
ii) Repayment terms
The loan is repayable in 16 unequal quarterly installments starting after a year of 2 years from the date of first disbursement. (i.e. September 25, 2013).
iii) Security
- 10% Fixed deposit margin or collateral in the form of tangible fixed asset (acceptable to the bank) at least having a value of 10% of the outstanding facility.
- A first pari passu charge over the present and future long term loans and advances and receivables accrued out of such long term loan and advances.

iii. Details of repayment terms and security for the term loan from bank

a. Rate of Interest - 1 year MCLR + 0.93% spread - 10.38% p.a (March 31, 2019: 10.38% p.a.)
b. Terms and security
i) Sanctioned and withdrawn amount is Rs 3,500.00 million
ii) The loan is repayable in 15 structured quarterly installments commencing from 31 January, 2018.
iii) Security
A first pari passu charge over the present and future long term loans and advances and receivables accrued out of such long term loan and advances equivalent to minimum 10% of the loan outstanding amount.

iv. Details of repayment terms and security for the term loan from bank

a. Rate of Interest - 1 year MCLR + 0.50% spread - 9.50% p.a (March 31, 2019: 9.50% p.a.)
b. Terms and security
   i) Sanctioned and withdrawn amount is Rs 4,150.00 million
   ii) The loan is repayable in 12 structured quarterly installments commencing from March 31, 2018.
   iii) Security
   A first pari passu charge over the total Long term loans and advances and receivables accrued out of such long term loan and advances equivalent to minimum 50% of the loan outstanding amount

v. Details of repayment terms and security for the term loan from bank

a. Rate of Interest - 1 year MCLR (Marginal cost of funds based lending rate)+ 2.50% i.e. 11.25% p.a.(March 31, 2019: 11.25% p.a.)
b. Terms and security
   i) Total Sanction and disbursed amount is Rs. 500.00 million.
   ii) Repayment terms
   Bullet repayment at the end of 3 years from the date of disbursement i.e. December 1, 2016.
   iii Security
   - 10% Fixed deposit margin or collateral in the form of tangible fixed asset (acceptable to the bank) at least having a value of 10% of the outstanding loan amount
   - First pari passu charge on present and future long term and short term loans and advances and receivable accrued out of such loan equivalent to 50% of the loan outstanding amount

vi. In earlier years, the Company has availed an External Commercial Borrowings ('ECB') of USD 50 million under the "automatic route". The borrowing has a maturity year of 6 years from the date of disbursement. The Company has taken principal and interest rate swaps against the ECB. (refer note 4.1)

a. Rate of Interest - USD 6 month LIBOR + 310 bps i.e. 10.50% p.a. (March 31, 2019: 10.50%)
b. Terms and security
   i) Total sanction and disbursed amount is USD 50.00 million.
   ii) Repayment terms
   Repayment in 3 structured installments commencing from the end of 4 years from the date of first disbursement date i.e. 24 March, 2017
   iii) Security
   - First pari passu charge on present and future loans and advances equivalent to 110% of the outstanding loan amount.
   - 10% of the outstanding facility to be kept as margin in fixed deposits with the bank throughout the tenure of the loan.

vii. Details of repayment terms and security for the term loan from bank

a. Rate of Interest - one year MCLR+ 2.40% i.e. 11.00% p.a. (March 31, 2019: 11.00% p.a.)
b. Terms and security
   i) Total Sanction and disbursed amount is Rs. 1000.00 million.
   ii) Repayment terms
   Two equal half yearly installments at the end of 30th month and 36th month from the date of disbursement i.e. January 29, 2018
   iii) Security
   - 10% of loan amount by way of Fixed deposit under lien
   - First pari passu charge on present and future long term and short term loans and advances and receivable accrued out of such loan equivalent to 120% of the loan outstanding amount.

viii.. Details of repayment terms and security for the term loan from bank

a. Rate of Interest - 8.15% p.a. (March 31, 2019: 8.15% p.a.)
b. Terms and security
   i) Total Sanction and disbursed amount is Rs. 2.34 million.
   ii) Repayment terms: Payable in 84 equal monthly installments commencing from March 15, 2018.
   iii) Security: First hypothecation charge on vehicle

ix. Details of repayment terms and security for the term loan from bank

a. Rate of Interest - 8.10% p.a (March 31, 2019: 8.10% p.a.)
b. Terms and security
   i) Total Sanction and disbursed amount is Rs. 6.30 million.
   ii) Repayment terms: Payable in 84 equal monthly installments commencing from January 5, 2018.
   iii) Security: First hypothecation charge on vehicle

x Details of secured term loan from others

a. Rate of Interest - 16% p.a. (March 31, 2019: 16%)
b. Terms and security
   i) Total sanction limit of term loan is Rs. 8,800.00 million and outstanding amount is Rs. 335.96 million (March 31, 2019: Rs. 335.96 million)
   ii) Repayment terms: Bullet repayment at the end of 5 years from the date of disbursement date i.e. September 30, 2015
   iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.

xi. Details of Secured term loan from others

a. Rate of Interest - 16% p.a. (March 31, 2019: 16%)
b. Terms and security
   i) Total Sanction limit of revolving line of credit is Rs. 2,500.00 million and outstanding amount is Rs. 2500.00 million (March 31, 2019: Rs 2500.00 million.)

   ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e March 29, 2017.
   iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.

xii. Details of Secured term loan from others

a. Rate of Interest - 16% p.a. (March 31, 2019: 16%)
b. Terms and security
   i) Total Sanction limit is Rs. 3,250.00 million and outstanding is Rs. 2,973.50 million (March 31, 2019: Rs 2,973.50 million.)
   ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e March 31, 2017.
   iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.

xiii. Details of Secured term loan from others

a. Rate of Interest - 16% p.a. (March 31, 2019: 16% p.a.)
b. Terms and security
   i) Total revolving line of credit of Rs 4,250.00 million and outstanding is 4,043.86 million (31, March 2019: Rs. 4043.86 million).
   ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e. August 3, 2018
   iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.

xiv. Details of Secured term loan from others

a. Rate of Interest - 16% p.a. (March 31, 2019: 16% p.a.)
b. Terms and security
   i) Total revolving line of credit of Rs 4,000.00 million and outstanding is 3,990.39 million (March 31, 2019: Rs. 3,990.39 million).
   ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e. April 20, 2018
   iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.

xv. Details of Secured term loan from others

a. Rate of Interest - 16% p.a. (March 31, 2019: 16% p.a.)
b. Terms and security
   i) Total revolving line of credit of 2,500.00 million and outstanding is 2,236.45 million (March 31, 2019: Rs. 2,236.45 million).
   ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e. April 25, 2018
   iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.

xvi. Details of Secured term loan from others

a. Rate of Interest - 16% p.a. (March 31, 2019: 16% p.a.)
b. Terms and security
   i) Total revolving line of credit of 1,000.00 million and outstanding is 996.85 million (March 31, 2019: Rs. 996.85 million).
   ii) Repayment terms: Repayment after 24 months from the date of first disbursement i.e. June 29, 2018
   iii) Security: Second pari passu charge on the Company's investments, moveable assets, current assets, receivables, loans and advances, cash bank, intangible assets including goodwill, but excluding charges on all assets and investments, including negative liens, and lock-ins, created by the Company favouring other lenders/lenders to its project SPVs.

xvii. Details of Secured term loan from others

Aditya Birla Finance Limited

a. Rate of Interest - 11.95% p.a. (March 31, 2019: 11.95% p.a)
b. Repayment terms: Repayment at the end of 24 months from the date of first disbursement i.e. August 22, 2016. Part of the loan has been repaid during the previous year however Rs 140 million is due and outstanding as on March 31, 2020.
c. Security: First pari passu charge on loans and advances and income/receivable accrued out of such loans and advances with minimum security cover of 0.5

xviii. Details of unsecured term loan from others

IFCI Limited

a. Rate of Interest - IFCI Benchmark Rate + 0.75% premium i.e. 13.80% p.a. (March 31, 2019: 13.80% p.a)
b. Repayment terms: Eight semi annual installments of Rs 125 mn each after moratorium year of 24 months
c. Security: First pari passu charge over the present and future loans and advances and receivables accrued out of such loans and advances with minimum security cover of 1.5 times.

xix. Inter-corporate deposit from related parties

A. Patiala Bio Power Energy Limited

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

B. Rohtas Bio Energy Limited

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

	As at March 31, 2020	As at March 31, 2019
	Rs. Million	Rs. Million
19 Other financial liabilities		
I Current		
a. Current maturity of long term borrowings (refer note 18)	42,832.34	42,522.73
b. Interest accrued and due on borrowings (also refer note 42)	1,909.38	1,909.38
c. Margin money payable	577.13	577.13
d. Retention money payable	175.35	175.35
e. Premium payable on redemption of debentures	578.17	578.17
f. Contract Liabilities	-	-
	46,072.37	**45,762.76**
20 Provisions		
I Non-Current		
a. Provision for employee benefits (refer note 56)		
i. Provision for compensated absences	8.03	5.69
	8.03	**5.69**
II Current		
a. Provision for employee benefits (refer note 56)		
i. Provision for compensated absences	4.08	20.56
	4.08	**20.56**

	As at March 31, 2020	As at March 31, 2019
	Rs. Million	**Rs. Million**
22 Current borrowings		
Secured		
Loans from banks:		
A. Repayable on demand		
Yes Bank Limited (refer note 'i' below)	494.06	494.06
B. Term loans from banks		
i. Syndicate bank (refer note 'ii' below)	404.50	404.50
Unsecured		
I. Loans from banks:		
A. Buyer's credit (refer note 'vi' below)	778.27	778.27
B. Term loans		
Syndicate bank (refer note 'ii' below)	44.94	44.94
II. Inter corporate deposit from related parties		
i. IMICL Dighi Maritime Limited (refer note 'iii' below)	1,045.50	1,045.50
ii. IL&FS Cluster Development Initiative Limited (refer note 'iv' below)	200.00	200.00
iii. IL&FS Airport Limited (refer note 'v' below)	53.00	53.00
	3,020.27	**3,020.27**

Notes:

i. Cash credit limit of Rs. 500.00 million is secured by first charge on current assets (excluding current investments of the company). The effective rate of interest is 12.25% p.a. (previous year 12.25% p.a).

ii. Loan of Rs 500.00 million is secured by way of first passu charge over present and future loans and advances equivalent to 90% of loan amount and fixed deposit equivalent to 10% of the loan amount. The rate of interest on loan is 1 year MCLR + 0.80% 9.30% p.a. (March 31, 2018: 9.30% p.a). The loan was due for repayment on September 28, 2018 and has not been repaid till date.

iii. The deposit was repayable at the end of 6 months from the date of disbursement. Rate of interest is linked to IFIN benchmark rate i.e. as on March 31, 2020: 16% (March 31, 2019: 16% p.a.). The deposit was due for repayment on June 30, 2018.

iv. The deposit was repayable at the end of 6 months from the date of disbursement. Rate of interest is linked to IFIN benchmark rate i.e as on March 31, 2020: 16% (March 31, 2019: 16% p.a.). The deposit was due for repayment on September 30, 2018 however it is yet to be repaid.

v. Inter corporate deposit is repayable at the end of 365 days from the date of disbursement. Rate of interest as on March 31, 2020: 15.75%. (March 31, 2019: 15.75%).

vi The Company has utilised the LC limit as sanctioned by Axis bank to IL&FS Limited (holding company). The vendor named Sterling & Wilson has discounted these letter of credits matured till October 15, 2018. The Company has not repaid the amount which were due during the period subsequent to October 15, 2018 to comply with the NCLAT order (also refer note 23). Further, for related party disclosures, the amount is shown as payable to holding company.

		As at March 31, 2020	As at March 31, 2019
		Rs. Million	**Rs. Million**
23	**Trade payables**		
	Trade payables		
	Total Outstanding dues of micro enterprises and small enterprises (refer note 61)*	0.40	0.28
	Total Outstanding dues of creditors other than micro enterprises and small enterprises (also refer note 47(c))#	1,159.13	1,127.96
		1,159.53	**1,128.24**

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

#Based on the balance confirmation from a vender namely M/S Sterling and Wilson Private Limited ("Sterling"), the total amount receivable by Sterling from the Company is Rs. 1,588.31 million as on March 31, 2020. However, as per the records maintained by the Company, the total amount payable to Sterling is Rs. 924.55 million (net) (Rs. 928.30 million included in trade payable and Rs. 3.75 million is included in the trade receivables) and out of balance difference of Rs. 663.76 million, Rs. 641.04 million has been recorded as payable to holding company for Letter of Credit ("LC") devolved but not paid to Sterling and balance Rs. 22.72 million is on account of interest charged by Sterling on account of non-payment of the dues and the same has not been recognised by the Company in these accompanying financial statements.

		As at March 31, 2020	As at March 31, 2019
24	**Other current liabilities**		
a.	Revenue received in advance	9.90	12.43
b.	Statutory dues	224.31	215.86
c.	Advance from customers (refer note 49)	17.61	25.00
		251.82	**253.29**

-------------------------*the above space has been left blank intentionally*-------------------------

		For the year ended March 31, 2020 Rs. Million		For the year ended March 31, 2019 Rs. Million
25	**Revenue from operations (refer note 44)**			
	a. Consultancy income*	181.38		302.62
	b. Construction contract revenue #	-		265.86
	c. Sale of electricity (refer note 48)	9.26		9.05
	d. Trading of power^			
	Sale of power		3,015.61	
	Purchase of power	-	(2,998.44)	17.17
		190.64		**594.70**

* This pertains to consultancy fee charged by the Company for the project advisory services as provided by the Company. This includes revenues as earned by the Company from Energy Efficiency Services Limited (refer note 50), PDCOR Limited, IL&FS Tamil Nadu Power Company Limited ("ITPCL"), Puducherry Urban Development Authority etc.

Vide memorandum dated December 24, 2018, the management of the Company has formally decided that ITPCL is incapable to pay the amount to the Company for the advisory services and has proposed to discontinue the arrangement with ITPCL and stop billing for the advisory services with effect from October 1, 2018 and accordingly the Company has not billed and not recognised the revenue on the same with effect from October 1, 2018. ITPCL has vide its email dated August 24, 2020 has confirmed that it has informed to its audit committee for cancellation of contract.

\# During the previous year ended March 31, 2019, the Company has earned Construction contract revenue from one of its subsidiary companies, IL&FS Solar Power Limited, for development of Solar park. The Contract was completed in the previous year and accordingly, no further revenue earned in the current year ended March 31, 2020.

^ Vide agreement dated March 30, 2016 as amended by memorandum dated December 27, 2017, the Company has entered into a contract for purchase of power from ITPCL and vide agreement dated December 15, 2015, the Company has entered into a contract with PTC India Limited ("PTC") for sale of power on exchange. Accordingly, the Company earned revenue by trading of power till March 31, 2019. During the year, vide application dated May 20, 2019, the Company has surrender its category I trading license with effect from April 1, 2019 and has not earned revenue in this respect for the current year March 31, 2020.

		For the year ended March 31, 2020	For the year ended March 31, 2019
26	**Other income**		
	A a. Interest income on:		
	i. Bank deposits at amortised cost	98.42	33.48
	ii. Financial assets carried at amortised cost (refer note 42)	275.30	2,595.75
	iii.On other assets	0.04	-
	b. Interest income on income tax refund	6.22	51.45
	c. Guarantee fees	3.76	62.84
		383.74	**2,743.52**
	B Dividend income on:		
	- Equity instruments	139.69	263.41
		139.69	**263.41**
	C Other gains and losses		
	a. Net gain on sale of property, plant and equipment	-	0.02
	b. Net gain arising on financial assets (investment in joint ventures) designated at Fair value through profit or loss (refer note 55)	193.02	-
	c. Reversal of impairment of financial assets designated as at amortised cost (refer note 8(6))	449.46	-
	d. Excess provisions written back	0.15	28.00
		642.63	**28.02**
		1,166.06	**3,034.95**
27	**Employee benefits expense**		
	a. Salaries, wages and incentives *	130.52	276.47
	b. Contribution to provident and other funds (refer note 56)	12.32	24.77
	c. Staff welfare expenses	1.77	6.58
		144.61	**307.82**

* includes Rs. 3.50 million (previous year Nil) paid as key resource payment to six key resource employees, which has been approved by the Board of Directors of the Company in their meeting held on December 21, 2020.

		For the year ended March 31, 2020	For the year ended March 31, 2019
		Rs. Million	Rs. Million
28	**Finance costs**		
a	Interest expenses:		
	i. On borrowings (refer note 42)	1.08	4,002.97
	ii. On delayed payment of direct & indirect taxes	0.80	11.68
	iii. On lease liabilities	0.50	-
b	Other borrowing cost	5.03	6.66
		7.41	**4,021.31**
29	**Other expenses**		
a.	Power and fuel	1.80	1.95
b.	Rent	33.82	42.81
c.	Repairs and maintenance		
	i. Plant and machinery	0.55	1.20
	ii. Others	15.67	22.60
d.	Insurance	5.82	11.73
e.	Rates and taxes	4.99	6.07
f.	Communication	0.94	1.74
g.	Commision on sale	-	1.14
h.	Travelling and conveyance	6.74	17.48
i.	Printing and stationery	0.53	0.91
j.	Advertisement and business promotion *	1.96	1.16
k.	Legal and professional expenses (refer note 51) #	100.73	132.23
l.	Brand subscription fees	-	5.92
m.	Office maintenance expenses	2.10	0.98
n.	Outsource contract	74.58	68.89
o.	Director sitting fees	0.36	3.18
p.	Payments to auditors (refer note (i) below)	5.83	5.20
q.	Impairment loss on financial assets		
	- On trade receivables^	57.02	326.37
r.	Impairment loss of Property, Plant and Equipment	2.33	-
s.	Net loss on sale of Property, Plant and Equipment	1.74	-
t.	Net loss on foreign currency transactions and translation	310.73	187.32
u.	Corporate social responsibility expenses (refer note (ii) below)	-	-
v.	Bad debts written off	10.96	1.21
w	Compensation for delay in commissioning of wind projects (refer note 47)	-	111.00
x	Miscellaneous expenses	1.31	10.38
		640.51	**961.47**
	Notes		
i.	Payments to the auditors comprises (net of GST/Service tax input credit)		
	a. Audit Fees	5.75	5.20
	b. Other services	0.08	-
	c. Reimbursement of expenses	-	-
		5.83	**5.20**

ii Gross amount of expenditure on CSR activities spent during the current year is Nil (previous year Nil)

* net of reimbursement of Rs. 1.27 million (previous year Nil)
\# net of reimbursement of Rs. 20.71 million (previous year Nil)
^ net of impairment loss on bad and doubtful debts written back amounting to Rs. 11.86 million (previous year Nil)

		For the year ended March 31, 2020	For the year ended March 31, 2019
30	**Depreciation and amortisation expense**		
a.	Depreciation of property, plant and equipment	8.74	16.87
b.	Amortisation of intangible assets	0.31	0.64
c.	Depreciation of Right of use assets	3.52	-
		12.57	**17.51**
31	**Impairment (refer note 40)**		
a.	Financial assets designated as at amortised cost	13.29	33,129.75
b.	Financial assets designated as at cost	0.50	48,080.59
c.	Financial assets (in respect of other companies) designated at fair value through profit or loss (refer note 55)	47.00	3,925.38
d.	Other financial assets	-	1,780.00
		60.79	**86,915.72**

			For the year ended March 31, 2020	For the year ended March 31, 2019
32	**Tax expense**		**Rs. Million**	**Rs. Million**
a.	**Income tax recognised in profit or loss**			
	i.	**Current tax**		
		Current income tax charge	-	-
		Adjustments in respect of current income tax of previous years	3.76	52.10
	ii.	**Deferred tax**		
		In respect of the current year	(0.20)	514.33
			3.56	**566.43**
b.	**Income tax recognised in other comprehensive income**			
	i.	Remeasurement of defined benefit plans	0.20	1.50
	ii.	Effective portion of gains and loss on designated portion of hedging instruments in cash flow hedge	-	11.97
			0.20	**13.47**
			3.76	**579.90**
c.	**The income tax expenses for the year can be reconciled to the accounting profit as follows:**			
	i.	Profit/(loss) before tax from continuing operations	487.25	(88,854.23)
	ii.	Statutory tax rate in India	34.944%	34.608%
	iii.	Income tax expenses calculated at enacted tax rate	170.26	(30,750.67)
	iv.	Effect of income that is exempt from taxation - Dividend income on equity instruments	(48.81)	(87.61)
	v.	Current tax expense pertaining to prior years	-	52.10
	vi.	Impact of Ind AS adjustments	(305.05)	1,245.10
	vii.	Effect of unused tax losses and tax assets not recognised as deferred tax asset	183.60	30,121.72
	viii.	Impact of MAT credit not recognised in current year	3.76	-
	ix.	Other	-	(0.74)
		Income tax expenses recognised in profit or loss	**3.76**	**579.90**

33	**Earning per share**	**Unit**	**Year ended March 31, 2020**	**Year ended March 31, 2019**
a.	Net Profit/(loss) after tax from continuing operations	Rs. (in million)	487.25	(89,420.66)
b.	Weighted average number of equity shares	Number of shares	1,283,564,664	1,283,564,664
c.	Weighted average number of compulsorily convertible preference shares		34,660,767	34,660,767
d.	**Total shares considered for the computation of Basic earnings per share (b+c)***		1,318,225,431	1,318,225,431
e.	**Basic earnings per share (a/d)**	**Rupees**	**0.37**	**(67.83)**
f.	Potential dilutive equity shares on compulsorily convertible debentures*	Number of shares	41,215,847	41,215,847
g.	Weighted average number of equity shares used in computing diluted earnings per share*	Number of shares	1,359,441,278	1,318,225,431
h.	**Diluted earnings per share (a/e)**	**Rupees**	**0.36**	**(67.83)**

* The Company has issued Fully Compulsorily Convertible Debentures (FCCD) to its holding company. Per the terms of these FCCD, the Company has an option to convert these FCCD into pre-defined number of equity shares or to pay the same. For the purpose of accounting of these FCCD as per the applicable Ind AS, the Company has opted that these FCCD shall be converted into equity shares (refer note 17) but due to the option available as per the terms of these FCCD, the management has not considered these FCCD in the computation of number of the equity shares to compute basic earnings per share and has considered the same to compute the number of potential dilutive equity shares.

Further, during the previous year, to compute the diluted earning per share, these FCCD had not been considered as these were considered to be anti-dilutive in nature.

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

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

The Company had entered into transactions with IL&FS and other group companies during the above-mentioned years. The process of such re-opening and re-casting of financial statements is currently in progress, pending which, it is not possible to determine the consequential effects arising therefrom, including their effects on the financial statements, in respect of (a) the business transactions in those financial years; (b) the balance sheets as at March 31, 2019 (comparative period end date) and the current year ended March 31, 2020; and (c) the Statement of Profit and Loss for the years ended March 31, 2019 and March 31, 2020.

35 Status of New Board of Directors initiated investigations

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

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

36 Claim management and reconciliation of claims received

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

The CMA has submitted its report on the status of the claims received and its admission status, indicating a total value of claims received of Rs. 61,795.29 million (including contingent claim of Rs. 8,703.58 million) in respect of the Company. The report is subject to update based on additional information / clarification that may be received from the creditors in due course. Further, there is a claim of Rs. 713.70 million made by a party, Himachal Sorang Power Limited, which has not been included in the said report of CMA.

Management of the Company is in the process of reviewing the claims and reconciliation of such claims with the corresponding amounts as per the Company's books of account (as at March 31, 2020, the Company has liabilities and provisions aggregating Rs 51,126.61 million) is going on. Having regard to the nature, volume and value of claims received, management is of the view that due process will need to be applied to all such claims, in order to finally determine the level of present obligations that would need to be recognised by the Company as liabilities. Accordingly, no adjustments have currently been made in this regard to these standalone Ind-AS financial statements, and these claims have been disclosed as part of contingent liabilities (refer note 47).

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

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

38 Non-compliance with laws and regulations

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

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

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

Due to the aforesaid reasons, the financial results for the year ended March 31, 2019 and March 31, 2020 also could not be furnished on time as per requirement of listing agreement / regulations. Further, the financial results for the year ended March 31, 2020 and March 31, 2019 did not include results for the six-months ended March 31, 2020 and March 31, 2019 respectively and related comparatives for the six-months ended March 31, 2019 and March 31, 2018 respectively.

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

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

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

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

- The financial statements (standalone and consolidated) being proposed to be presented before the shareholders at the AGM/EGM, shall not be published or uploaded unless consolidated financial statements of IL&FS is ready for publication and same is reflecting recasted accounts with auditors report and directors report including qualifications in the recasted financial statements of FY 2013-14 to FY 2017-18 for IL&FS, ITNL and IFIN, whenever the same are finalized."

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

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

39 Assessment of various legal cases, suits, etc.

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

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

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

Management has, in consultation with the New Board and based on instruction received from IL&FS, assessed and determined that the amounts of investments in and loans to entities classified as "Red" and "Amber" are not recoverable substantially (also refer Note 2). Management's approach in this regard does not consider the requirements of the relevant Ind-AS standards in entirety as the Company does not presently have the necessary and/or complete information to support cash flow based tests over its investments, and assumptions and for certain aspects of the expected credit loss model in respect of loans and receivables and in respect of financial statements of 7 subsidiaries, 2 joint ventures and 6 other investee companies for the year ended March 31, 2020 (3 subsidiaries, 1 joint venture and 4 other investee companies for the year ended March 31, 2019), entire assessment is based on draft management unaudited financial statements. On this basis, provision has been made in respect of the financial assets (comprising of loans, receivables and investments) aggregating to Rs. 129.66 million during the current year (Rs. 87,242.09 million in previous year), of which provision of Rs. 118.76 million (Rs. 85,342.44 million in previous year) is made in relation to various group companies and provision of Rs. 10.90 million (Rs. 1,899.65 million in previous year) is made in relation to third parties balances, except in respect of certain entities where certain assets are marketable or there is cash surplus, and management expects realization of those assets and the Company continue to classify these investments as Non-current Assets and have not carried out assessment that whether the Company should re-classify the same as held for sale in terms of Ind AS 105. Further, in respect of the joint ventures, the Company has recognised gain of Rs. 193.02 million on the basis of the net assets of those joint ventures as at March 31, 2020 and in respect of a third party, the Company has also reversed provision of Rs. 11.86 million as recognised by the Company in respect of bad and doubtful debts in earlier years.

The management is of the view that the impairment allowance, fair value gain and reversal of provision in respect of bad and doubtful debts as recognized in these standalone Ind-AS financial statements is based on the best judgement, internal assessment, current scenarios and change in business position of the investee companies. Accordingly, the same has no impact on the carrying amount of the investments, loans and receivables as at March 31, 2019 and for earlier years and does not require any restatement. In the view of the management, the impairment provision/gains as recognised in the current year and previous year is prudent and represents the economic substance of the amounts recoverable as of March 31, 2020.

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

41 Accounting for guarantees to group companies

The Company has issued various financial guarantees to its group companies. Based on information available with management, the total value of such financial guarantees as at March 31, 2020 is Rs. 14,255.00 million (March 31, 2019: Rs. 14,162.20 million). Management is in the process of reconciling the completeness and status of various claims against financial guarantees issued, devolved, claimed and recorded/ to be recorded in the books of accounts, including those guarantees in respect of which claims have been received as part of the claim management process (refer note 36). Pending such reconciliation, management has not accounted for any such liabilities in relation to these guarantees in these standalone Ind AS financial statements. Also refer Note 47 for contingent liability disclosures.

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

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

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

Accordingly, with respect to interest expense, the management has not recognized finance costs on borrowings (including from third parties) for the year, except for the specific car loans which was approved by the Board considering the same was required for ongoing operations of the Company. No such finance costs have been recognized for the period from October 16, 2018 to March 31, 2020, which approximates Rs. 9,646.40 million.

Further, with respect to interest income, the management has not recognized interest income on loans given and investments made in the companies which are categorized in the 'Red' and 'Amber' category (refer note 3). The interest income which has not been recognized for the period from April 01, 2019 to March 31, 2020, which approximates Rs. 5,992.63 million. These amounts exclude penal/other interest and charges.

With respect to subsidiaries classified as "Green" category (refer note 3), the Company has accrued interest income for the period from April 1, 2019 to March 31, 2020 or till the date of receipt of loan as the case may be except for IL&FS Solar Power Limited (ISPL)- one of the subsidiary company, which is categorized under the 'Green category, interest of Rs. 59.78 million pertaining to the period from January 1, 2020 to March 31, 2020 has not been recorded in these accompanying Ind AS financial statements. The management is of the view that the Company has recognised interest income in respect of ISPL based on an expert legal opinion and overall terms of the voluntary prepayment proposal finalized with the one of the customers of ISPL who has bought over the assets of the ISPL subsequent to the year ended March 31, 2020.

The Company has also not-recognised interest expenses for the current year amounting to Rs. 20.88 million and Rs. 17.05 million on account of non-deposit of tax deducted at source and Goods and services tax respectively.

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

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

The Company has not appointed a firm of Chartered Accountants as its internal auditor for conducting internal audit for the year ended March 31, 2020. Secretarial audit is expected to conclude shortly and cost audit is expected to commence shortly.

44 Assessment under Ind AS 115 Revenue from Contract with customer

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

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

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

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

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

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

The Company and the IL&FS group in general are undergoing substantial financial stress as at March 31, 2020. The Company has accumulated losses of Rs. 93,967.98 million as at March 31, 2020 (March 31, 2019: Rs 94,454.65 million) for the year ended March 31, 2020 and has net liabilities of Rs 44,003.08 million (March 31, 2019: Rs. 44,428.64 million) as at March 31, 2020. The Company also suffered consistent downgrades in its credit ratings since September 2018, and the same was reduced to 'default grade' subsequent to the defaults in repayment of loans taken by the Company, details of which are discussed in Note 2. As a result of the foregoing, the Company's ability to raise funds has been substantially impaired, with normal business operations being substantially curtailed.

As indicated in Note 3, there has been a resolution process run by the holding company's Board of Directors. The resolution plan seeks a transparent resolution keeping in mind larger public interest, financial stability, legality, various stakeholders' interest and commercial feasibility. The resolution plan of management includes sale of entities / assets wherever possible and the Company is taking active steps to monetize its assets and is in discussions with multiple parties to sell its assets. The Company is a committed to taking necessary steps to meet its financial commitments to the extent possible. During the year, IL&FS Wind Energy Limited, one of the subsidiaries, has divested from 7 operational wind SPVs and the Company has received dues of Rs. 2,164.50 million during the year in respect of those 7 wind SPVs (refer note 47 (c)). The Company has also invited Expression of Interest to sell/assign/transfer certain revenue generating contracts subsequent to year ended March 31, 2020 (refer note 62).

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

47 Contingent liabilities and commitments

	As at March 31, 2020 Rs. Million	**As at March 31, 2019 Rs. Million**
a. **Contingent liabilities**		
i. Guarantees given on behalf of the IEDCL's subsidiaries and its associates to their lenders (see note 'i' below)	14,255.00	14,162.20
ii. Claims against the Company not acknowledged as debt towards demand raised by Income Tax authorities (see note 'ii' below)	581.71	431.85
iii. Other claims against the Company not acknowledged as debts (see note 'iii below')	713.70	713.70
b. **Capital commitment**		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances paid)	-	-

Notes:

i. The Company has provided various corporate guarantees as well as bank guarantees on behalf of its subsidiaries and joint venture companies to meet their contractual obligations. The subsidiaries have defaulted in payment of the obligations however no liability is recorded by the Company pending finalization of the claims made as per the claim management report (refer note 36).

ii. The Income Tax Assessing Officer has disallowed certain expenses, primarily on account of Section 36(i)(iii) of the Income tax Act, 1961 and certain other matters with respect to assessment year 2013-14 to assessment year 2016-17 and the Company has filed appeals before the Appellate Authorities against those orders. The management has, based on the view given by an independent tax expert, computed the amount of expected contingent liabilities (excluding the impact of penalties and interest thereon) that may arise. Further, the amount as mentioned above, does not include the expected liabilities that may be arise in the cases where the management believes that the chances to lose the tax litigation is remote in nature. Considering the tax expert's view, the management believes that the outcome of the pending cases will be in favour of the Company and accordingly, the amount of expected liabilities has been shown under the contingent liabilities and no further liabilities have been recognised in these accompanying financial statements.

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

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

c. **Other commitment**

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

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

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

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

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

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

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

Despite terminating PPA, the Company has continued to supply electricity to Amity and has invoiced an amount of Rs. 9.59 million. As at March 31, 2020, the Company has total receivable of Rs. 13.02 million and has also claimed Rs. 49.02 million from Amity as Buy Out Price against the solar plant having net block of Rs. 44.04 million as at March 31, 2020 as per the books of the Company. The management based on the expert legal opinion is of the view that the Company has fair chances to win the case and has accordingly, not impaired the solar plant having carrying value of Rs. 44.04 million (refer note 6) in these accompanying standalone Ind-AS financial statements. The management believes that the amount as recognised in these Ind AS financial statements are based on the appropriate assumptions/best and reasonable estimates, accordingly, no further adjustments are required to be made in this regard.

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

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

The Company has not received any correspondence from SB Energy with regard to the clearance of the reports submitted by the Company. Expenses as incurred by the Company have been adjusted from the advance amount received by the Company. Pending discussion/approval from SB Energy, the Company has shown advance of Rs. 17.61 million as its liabilities and shown the same under other current liabilities and on conservative basis has not recognised any income in these accompanying Ind AS financial statements Accordingly, the management believes that no further adjustments are required to be made in respect of the above transactions.

50 Subsequent to the year ended March 31, 2020, the Company has received an email dated June 29, 2020 from one of its customers named Energy Efficiency Services Limited ("EESL") wherein EESL has given its direction for the exclusion of O&M cost from the project cost for its GHMC project for the complete duration of the project. Due to change in the project cost computation, the revenue recognised by the Company has changed. The management, based on its best estimates, has computed the amount of O&M cost of the said project till March 31, 2020 amounting to Rs. 801.16 million and has computed the amount of revenue @2% p.a. amounting to Rs. 29.21 million (excluding taxes) for the period from May 1, 2018 to March 31, 2020. The said amount computed by the Company has been reversed from the current year's total revenue, which is not confirmed by EESL. As at March 31, 2020, the Company has receivables of Rs. 62.08 million (after taking the impact of above-mentioned reversal), which the management believes that fully recoverable in nature. The management is of the view that the revenue as reversed by the Company is as per the best available information with the Company, pending EESL approval and no further adjustments are required to be made in this regard.

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

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

Based on the above said ratio, the New Board has allocated the expenses of the consultants/advisors in the above said groups and the consultants/advisors have billed the amount as per the said allocated to the respective vertical. Further, in respect of the some of the consultants where agreements have been entered into by the Company directly and entity wise fee break-up is given in the said agreement but the management has decided to recognise the full expense pertaining to the subsidiaries of the Company. Accordingly, the Company has recognised expenses of Rs. 60.78 million under legal & professional expenses in these accompanying Ind AS financial statements.

Considering the financial position of the subsidiaries/joint ventures, the management has not further allocated the above-mentioned expenses to its subsidiaries/joint ventures and is of the view that these expenses shall be recovered from the group companies once the resolution process of those companies finalized.

52 As per Sub-section 11 of Section 186 of Companies Act, 2013 read with Schedule VI to Companies Act 2013, the provisions of Section 186 except Sub-section 1 are not applicable on a company engaged in the business of providing infrastructural facilities which includes generation of power through renewable sources. The Company has 1MW rooftop solar power plant which depicts the Company is engaged in the business of generation of power through renewable source. Accordingly, provisions of Section 186 are not applicable on the Company.

53 In earlier years, the Company had entered into a contract with Energy Efficiency Services Limited (“EESL”) for providing consultancy services related to the street lighting projects of EESL in different states of India. The Company charged fixed percentage as its revenue based on the project cost of the street light project in respective state and is also utilizing the services of the third-party consultants along with its employees who are specifically working for the EESL projects. The management is in process making a detailed assessment of profitability of the said contract, accordingly, no adjustments have been made in respect of the foreseeable losses, if any, in respect of the said contract (also refer note 62). However, the Company did not have any derivative contracts for which there were any material foreseeable losses. The management believes that none of its contract is onerous in nature and accordingly, no adjustments are required to be made in this regard.

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

55 Financial Instruments

1. Capital management

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

The capital structure of the Company consists of net debt of Rs. 42,946.63 million (March 31, 2019 Rs 44,759.36 million) (borrowing as detailed in notes 18, 19 and 22 off set by cash and bank balances as detailed in note 10 and 12) and total equity of Rs. (40,141.38) million (March 31, 2019 Rs (40,628.05) million).

Gearing ratio

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

		Amount (Rs. in Mn)	
		As at March 31, 2020	**As at March 31, 2019**
A	Debt (see note (i) below)	45,852.61	45,543.01
B	Cash and bank balances (see note (ii) below)	2,905.98	783.65
C	Net debt (A-B)	42,946.63	44,759.36
D	Total Equity	(40,141.38)	(40,628.05)
E	Total Capital	2,805.25	4,131.30
F	Net debt to Total Capital (C/E)	1,530.94%	1,083.42%

Notes:

(i) Debt is defined as long term and short-term borrowings (excluding derivatives, financial guarantee contracts and contingent consideration) as described in note 18, 19 and 22

(ii) Cash and bank balance include cash and cash equivalents, bank balance and deposits held as margin money with lenders as described in note 10 and 12.

2. Categories of Financial Instruments **Amount (Rs. in Mn)**

Particulars	As at March 31, 2020	As at March 31, 2019
Financial assets		
Mandatory measured at FVTPL		
a) Investments in other entities	316.08	363.08
Designated measured at FVTPL		
a) Investments in joint ventures	2,417.93	2,224.91
Measured at amortised cost		
a) Investments	-	-
b) Loans	2,199.08	3,263.73
c) Trade receivables	374.43	435.25
d) Cash and cash equivalents	156.48	241.06
e) Bank balances	2,749.50	542.59
f) Other financial assets	874.63	1,240.30
Financial liabilities		
Measured at amortised cost		
a) Borrowings (including current maturity of long-term borrowings)	45,852.61	45,543.01
b) Trade payables	1,159.53	1,128.24
c) Other financial liabilities (excluding current maturity of long-term borrowings) (including lease liabilities)	3,250.54	3,240.02

3. Financial risk management objectives

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

4. Market Risk

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

4.1 Foreign currency risk management

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

Amounts (Rs. in Mn)

Currency	Assets		Liabilities	
	As at March 31, 2020	As at March 31, 2019	As at March 31, 2020	As at March 31, 2019
USD ($)	0.05	0.05	50.17	50.17
Equivalent INR	3.15	3.15	3,780.79	3,470.06

Foreign currency sensitivity analysis

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

Amount (Rs. in Mn)

	As at March 31, 2020	**As at March 31, 2019**
Impact on profit or loss for the year	189.04/ (189.04)	173.50/ (173.50)
Impact on total equity as at the end of reporting date	189.04/ (189.04)	173.50/ (173.50)

Currency swap contract

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

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

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

4.2 **Interest Rate Risk Management**

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

<u>Interest rate sensitivity analysis:</u>
As during the current year, the Company has not accrued any interest as mentioned in note 42 hence no interest sensitivity analysis has been done by the Company.

<u>Interest rate swap contracts:</u>
No interest swap contract is entered in the current year.

4.2 Other price risk

The Company is exposed to equity price risks arising from equity investments. As detailed in note 40 the management has, in consultation with the New Board and based on instruction received from IL&FS, assessed and determined that the amounts of investments in entities classified as "Red" and "Amber" are not recoverable fully (also refer Note 2). Management's approach in this regard does not consider the requirements of the relevant Ind-AS standards in entirety as the Company does not presently have the necessary and/or complete information to support cash flow-based tests over its investments. In the view of the management, the fair value arrived at is prudent and represents the economic substance of the amounts recoverable as of March 31, 2020.

5. Credit risk management

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. As a consequence of the matters described in note 2 the receivables of the Company have been substantially impaired.

6. Liquidity risk management

During the year ended March 31, 2019, the Company has defaulted on its interest and principal obligations which are continued in current year also. Accordingly, in terms of the loan agreements all the liability on account of interest and principal is classified as current liability.

Liabilities

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

Rs. Million

Particulars	within 1 year	1 year to 5 years	More than 5 years	Total	Carrying amount
As at March 31, 2020					
Payable to Non-group parties:					
• Borrowings (see note 18,19 and 22)	22,833.66	-	-	22,833.66	22,833.66
• Trade payables	908.94	-	-	908.94	908.94
• Other financial liabilities	993.44	6.60	-	1,000.04	1,000.04
Payable to Group companies	25,520.05	-	-	25,520.05	25,520.05
Grand Total	**50,256.09**	**6.60**	**-**	**50,262.69**	**50,262.69**
As at March 31, 2019					
Payable to Non-group parties:					
• Borrowings (see note 18,19 and 22)	22,524.05	-	-	22,524.05	22,524.05
• Trade payables	894.29	-	-	894.21	894.21
• Other financial liabilities	989.52	-	-	989.52	989.52
Payable to Group companies	25,503.41	-	-	25,503.41	25,503.41
Grand Total	**49,911.27**	**-**	**-**	**49,911.27**	**49,911.27**

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

7. Fair value measurement

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

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

A. Investment in joint ventures

Rs. Million

S. No.	Name of the Joint Venture	March 31, 2020	March 31, 2019
1	ONGC Tripura Power Company Limited	1,537.19	1,581.10
2	Saurya Urja Company of Rajasthan Limited	421.36	243.60
3	Cross Border Power Transmission Company Limited	417.22	335.89
4	Power Transmission Company Nepal Limited	42.16	64.33
5	Bihar Power Infrastructure Company Private Limited	-	-
6	Assam Power Project Development Company Limited	-	-
	Total	**2,417.93**	**2,224.91**

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

Rs. Million

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Opening balance	2,224.91	5,012.05
Purchases during the year	-	39.81
Sold during the year	-	-
Gain/(loss) recognized in statement of profit and loss account (refer note 26)	193.02	(2,826.95)
	2,417.93	**2,224.91**

Basis of valuation

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

B. Investment in other companies

Rs. million

S. No.	**Name of the Joint Venture**	**March 31, 2020**	**March 31, 2019**
1	KVK Nilanchal Power Private Limited	-	-
2	SV Power Private Limited	-	47.00
3	Shalivana Green Energy	-	-
4	Units in Urjankur Nidhi Trust	316.08	316.08
		321.08	**363.08**

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

Rs. Million

Particulars	**As at March 31, 2020**	**As at March 31, 2019**
Opening balance	363.08	1,461.52
Purchases during the year	-	-
Sold during the year	-	-
Gain/(loss) recognized in statement of profit and loss account (refer note 31)	(47.00)	(1,098.44)
	316.08	**363.08**

Basis of valuation

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

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56 Employee benefits

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

a. Defined contribution plan

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

On account of defined contribution plans, a sum of Rs. 10.71 million (March 31, 2019 Rs. 18.87 million) has been charged to Statement of Profit and Loss.

b. Defined benefit plan

(i) Gratuity plan

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

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

(ii) Compensated absences plan

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

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

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

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

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

In respect of gratuity, the actuarial valuation was carried out as at March 31, 2020 by member firm of the Institute of Actuaries of India. The present value of the defined benefit obligation, and the related current service cost and past service cost, were measured using the projected unit credit method.

Rs. Million

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
I	**Movement in the present value of defined benefit obligations:**		
	Benefit obligations at the beginning	45.96	51.65
	Service Cost	1.96	5.56
	Interest Cost	3.06	3.63
	Remeasurement - Actuarial (gains)/losses		
	- Due to Change in Demographic assumptions	-	0.69
	- Due to Change in financial assumptions	0.60	(0.98)
	- Due to experience	(2.72)	(3.74)
	Liability Transferred In	4.33	-
	Liability Transferred Out	-	(1.61)
	Benefits paid	(32.68)	(9.24)
	Benefit obligations at the end	**20.51**	**45.96**
II	**Movement in the fair value of plan assets:**		
	Fair value of plan assets at the beginning	48.20	44.50
	Interest Income	3.21	3.09
	Transfer of assets	4.33	-
	Transfer out assets	-	(1.61)
	Remeasurement - Return on plan assets excluding amounts included in interest income	(1.54)	0.30
	Contributions	-	11.15
	Adjustment		-
	Benefits paid	(32.68)	(9.24)
	Fair value of plan assets at the end	**21.51**	**48.20**
III	**Amount recognized in Statement of profit and loss account under employee benefit expenses:**		
	Service Cost	1.96	5.56
	Other adjustment		-
	Net interest on net defined benefit liabilities	(0.15)	0.54
		1.81	**6.10**
IV	**Amount recognized in other comprehensive income:**		
	Remeasurement of the net defined benefit liability/(asset)		
	Actuarial (gains)/losses	-	-
	- Due to Change in Demographic assumptions	(2.12)	(4.04)
	- Due to Change in financial assumptions	-	
	- Due to experience	-	
	(Return)/loss on plan assets excluding amounts included in the net interest on the net defined benefit liability/(asset)	(1.54)	0.30
		(0.58)	**(4.34)**

	Particulars	Year ended March 31, 2020	Year ended March 31, 2019
			Rs. Million
V	**The amount included in the balance sheet arising from Obligations in respect of defined benefit plan is as follows:**		
	Present value of funded obligation	20.51	45.96
	Fair value of plan assets	(21.51)	(48.20)
	Unfunded status	(1.01)	(2.24)
	Net liability/(assets) arising from defined benefit obligations (refer note 14)	**(1.01)**	**(2.24)**
VI	The fair value of the plan assets at the end of the reporting period of each category are as follows:		
	Fair value of plan assets of gratuity		
	Stable Managed Fund – Managed by HDFC Life	16.34	48.20
VII	**Assumptions**		
	Discount Rate	5.45%	6.66%
	Rate of return on plan assets	5.45%	6.66%
	Salary escalation	3.00%	3.00%
	Mortality	Indian Assured Lives Mortality (2006-08) Ult.	Indian Assured Lives Mortality (2006-08) Ult.
VIII	**Category of assets**		
	Government of India Assets	-	-
	State Government Securities	-	-
	Special Deposits Scheme	-	-
	Debt Instruments	-	-
	Corporate Bonds	-	-
	Cash and Cash Equivalents	5.17	-
	Insurance fund	16.34	48.20
	Asset-Backed Securities	-	-
	Structured Debt	-	-
	Other	-	-
	Total	**21.51**	**48.20**
IX	**Maturity Analysis of the Benefit Payments: from the fund Projected Benefits Payable in Future Years from the date of reporting**		
	1 year	4.61	33.61
	2-5 years	13.34	13.05
	6-10 years	4.65	4.56
	More than 10 years	1.31	1.54
	Total	**23.91**	**52.76**
X	Average Expected Future Service	3	2

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

Particular	As at March 31, 2020	As at March 31, 2019
Effect of +1% change in rate of discounting	(0.50)	(0.43)
Effect of -1% change in rate of discounting	0.53	0.47
Effect of +1% change in rate of salary increase	0.54	0.48
Effect of -1% change in rate of salary increase	(0.52)	(0.46)
Effect of +1% change in rate of employee turnover	0.04	0.07
Effect of -1% change in rate of employee turnover	(0.07)	(0.08)

Notes:

i. The discount rate is based on the prevailing market yields of Indian Government securities as at the Balance Sheet date for the estimated term of obligations.
ii. The expected return is based on the expectation of the average long term rate of return expected on the investments of the fund during the estimated term of the obligations.
iii. Estimate of amount of contribution in the immediate next year is Rs. 1.30 million (March 31, 2018 Rs. 1.80 million)
iv. The estimate of future salary increase considered takes into account the inflation, seniority, promotion and other relevant factors.

Actuarial assumptions for long-term compensated absences

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Discount rate	5.45%	6.66%
Salary escalation	3.00%	3.00%
Attrition	23.00%	23.00%

57 Segment reporting

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

58 Leases

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

The Company has used the following practical expedients when applying Ind AS 116 to leases previously classified as Operating leases under Ind AS 17:

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

The Company also has certain leases of offices with lease terms of 12 months or less. The Company applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.
Set out below are the carrying amounts of right-of-use assets recognised and the movements during the year

Particulars	Amount (Rs. in million)
As at April 1, 2019	12.87
Additions	-
Less: Depreciation expense	3.52
As at March 31, 2020	**9.35**

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

Particulars	Amount (Rs. in million)
As at April 1, 2019	13.65
Additions	-
Accretion of interest	0.50
Payments	3.64
As at March 31, 2020	**10.51**
Current	3.91
Non-current	6.60

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

Particulars	Amount (Rs. in million)
Depreciation expense of right-of-use assets	3.52
Interest expense on lease liabilities	0.50
Expense relating to short-term leases with a remaining maturity of less than 12 months (included in Rent)	15.88
Expense relating to leases having short term maturity	15.04
Total	**34.94**

The Company has shifted its office premises in a new leased building with effect from March 6, 2020 based on the lease agreement entered into by the holding company (IL&FS Limited) with the respective lessor. However, till date no agreement entered into between the Company and its holding company. Accordingly, the management has not made assessment under Ind AS 116 in respect of the said premises.

Further, the management has made an assessment and accounted for Right to Use Asset under Ind AS 116 related to offices which are being specifically used for the services provided by the Company in respect of contracts related to Energy Efficiency Services Limited, PDCOR Limited, Puducherry Urban Development Agency and Oil and Natural Gas Corporation based on a lease period of 5 years since the inception of lease. Subsequent to the year ended March 31, 2020, the management has invited Expression of Interest for sale of the assets and liabilities related to these said contracts. Pending finalization of the said transaction, the management has not made any adjustments in this regard on its assessment under Ind AS 116 and is of the view that the impact of the on-going sale/transfer/assignment of the Contracts on the Right to Use asset will be given in the subsequent years.

59 Related Party Disclosure

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

Holding Company
Infrastructure Leasing & Financial Services Limited

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

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

Joint Venture/Associates/Affiliates

Saurya Urja Company of Rajasthan Limited

Bihar Power Infrastructure Company Private Limited

Urjankur Shree Tatyasaheb Kore Warana Power Company Limited

Cross Border Power Transmission Company Limited

Power Transmission Company Nepal Limited

ONGC Tripura Power Company Limited

PDCOR Limited

Noida Toll Bridge Company Limited

Mangalore SEZ Limited

Jharkhand Infrastructure Development Corporation Limited

Key Managerial Personnel

Mr. Ashwani Kumar (Chief Executive Officer with effect from August 02, 2017 till September 6, 2019)

Mr. Feby Koshy (Chief Executive Officer with effect from October 13, 2020)

Mr. Anand Nair (Chief Financial Officer) (with effect from May 22, 2018 till October 11, 2019)*

Mr. Jignesh Nagda (Company Secretary) (with effect from August 14, 2018 till May 10, 2019)

Ms. Shilpa Parekh (Company Secretary) (with effect from May 23, 2019)

*Erstwhile Chief Financial Officer (CFO) of the Company resigned on October 11, 2019. As per the provision of the Companies Act, 2013, the new CFO is to be appointed within 6 months of the earlier CFO leaving the Company. The Company is in process of appointing the new CFO for the Company.

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b) Details of transactions entered during the current year and previous year

Particulars	March 31, 2020 Rs. Million	March 31, 2019 Rs. Million
<u>A) Holding Company</u>		
Infrastructure Leasing & Financial Services Limited		
Interest Income	-	2.79
Finance costs	-	1,139.38
Rent	26.89	23.16
Legal & Professional Expenses	2.64	31.72
Brand Subscription Fees	-	5.92
Office Maintenance expenses	1.16	8.82
General Office Expenses	-	26.29
Salaries, wages and incentives - charged by Holding Company	6.88	25.29
Other borrowing cost	-	4.72
Loans/ICD/Margin Received (Liability)	-	17,195.37
Loans/ICD/Margin Money Repaid (Liability)	-	5,920.73
Total	**37.57**	**24,384.18**
<u>B) Subsidiary companies</u>		
Consultancy income:		
IL&FS Tamil Nadu Power Company Limited	-	105.26
Total	**-**	**105.26**
Guarantee fees		
IL&FS Tamil Nadu Power Company Limited	-	25.00
Total	**-**	**25.00**
Interest income		
Shendra Green Energy Limited	-	3.02
Lalpur Wind Energy Private Limited	26.40	54.52
Jogihali Wind Energy Private Limited	-	234.94
Ramagiri Renewable Energy Limited	-	10.43
Mahidad Wind Energy Private Limited	-	255.00
Vejas Power Projects Limited	-	25.10
IL&FS Solar Power Limited	167.06	190.96
IL&FS Tamil Nadu Power Company Limited	-	897.41
Wind Urja India Private Limited	-	11.04
Tadas Wind Energy Private Limited	46.81	83.98
IL&FS Wind Energy Limited	-	193.36
Rohtas Bio Energy Private Limited	-	79.24
Kaze Energy Limited	9.20	19.48
Etesian Urja Limited	0.00	-
Cuddalore Solar Power Limited	-	0.01
Patiala Bio Power Company Limited	-	10.29
Sipla Wind Energy Limited	-	249.70
Mota Layja Gas Power Company Limited	-	0.83
Nana Layja Power Company Limited	-	62.22
Total	**249.47**	**2,381.52**
Finance costs		
Rohtas Bio Energy Private Limited	-	132.56
Patiala Bio Power Company Private Limited	-	190.04
Khandke Wind Energy Private Limited	-	16.65
IL&FS Tamil Nadu Power Company Limited	-	9.76
Total	**-**	**349.01**

Particulars	March 31, 2020 Rs. Million	March 31, 2019 Rs. Million
Construction Contract Revenue		
IL&FS Solar Power Limited	-	265.86
Total	**-**	**265.86**
Purchase of power		
IL&FS Tamil Nadu Power Company Limited		2,998.44
Total	**-**	**2,998.44**
Reimbursement of expenses		
IL&FS Tamil Nadu Power Company Limited	-	0.76
IL&FS Wind Energy Limited	21.98	-
IL&FS Solar Power Limited	-	45.88
Total	**21.98**	**46.64**
Deposits Paid (Assets)		
Ramagiri Renewable Energy Limited	-	0.20
Jogihali Wind Energy Private Limited	-	0.10
IL&FS Wind Energy Limited	2.07	-
Sipla Wind Energy Private Limited	-	0.20
IL&FS Wind Power Services Limited	-	0.10
Total	**2.07**	**0.60**
Deposits Received Back (Assets)		
Ramagiri Renewable Energy Limited	-	0.20
Jogihali Wind Energy Private Limited	-	0.10
IL&FS Wind Energy Limited	2.07	-
Sipla Wind Energy Private Limited	-	0.20
IL&FS Wind Power Services Limited	-	0.10
Total	**2.07**	**0.60**
Loan/Inter Corporate Deposits given during the Year (Assets)		
IL&FS Wind Energy Limited	-	1,258.30
Patiala Bio Power Company Private Limited	-	352.57
Cuddalore Solar Power Private Limited	-	0.40
IL&FS Solar Power Limited	-	54.00
Mahidad Wind Energy Private Limited	-	2,058.00
Tadas Wind Energy Private Limited	-	70.00
Rohtas Bio Energy Private Limited	-	1,373.83
Shendra Green Energy Limited	-	1.00
IL&FS Tamil Nadu Power Company Limited	-	497.70
Nana Layja Power Company Limited	-	325.15
Mota Layja Gas Power Company Limited	-	8.07
Sipla Wind Energy Limited	-	3,422.86
Vejas Power Projects Limited	-	17.50
Jogihali Wind Energy Private Limited	-	14.00
Total	**-**	**9,453.37**

Particulars	March 31, 2020 Rs. Million	March 31, 2019 Rs. Million
Loan/Inter Corporate Deposits received back during the Year (Assets)		
Rohtas Bio Energy Limited	-	275.24
Wind Urja India Private Limited	-	202.30
Ratedi Wind Power Private Limited	-	-
Lalpur Wind Energy Private Limited	407.59	102.70
Khandke Wind Energy Private Limited	-	-
Mota Layja Power Company Limited	-	7.00
Tadas Wind Energy Private Limited	664.34	-
IL&FS Tamil Nadu Power Company Limited	-	250.00
Vejas Power Projects Limited	-	1,213.70
Jogihali Wind Energy Private Limited	-	-
IL&FS Solar Power Limited	-	-
Sipla Wind Energy Private Limited	-	2,109.08
Mahidad Wind Energy Private Limited	-	1,588.17
IL&FS Wind Energy Limited	-	-
Kaze Energy Limited	177.57	83.02
Etesian Urja Limited	0.03	-
Nana Layja Power Company Limited	-	160.60
Patiala Bio Power Company Limited	-	175.58
Total	**1,249.53**	**6,167.39**
Borrowing/Inter Corporate Deposits/Margin Money received during the Year (Liability)		
Rohtas Bio Energy Limited	-	29.00
Total	**-**	**29.00**
Borrowing/Inter Corporate Deposits/Margin Money repaid during the Year (Liability)		
Khandke Wind Energy Private Limited	-	305.00
Total	**-**	**305.00**
C) Fellow Subsidiaries		
Interest income		
IL&FS Financial Services Limited	-	0.04
IL&FS Financial Services Limited	-	-
East Delhi Waste Processing Company Private Limited	-	29.43
Porto Novo Maritime Limited	-	5.56
Sealand Ports Private Limited	-	76.62
Total	**-**	**111.65**
Finance costs		
IL&FS Securities Services Limited	-	219.95
IL&FS Airport Limited	-	4.53
IL&FS Deghi Maritime Limited	-	90.74
IL&FS Cluster Developemnet Initiative Limited	-	17.36
Total	**-**	**332.58**
Salaries, Wages & Incentives		
IL&FS Financial Services Limited	-	3.40
Total	**-**	**3.40**

Particulars	March 31, 2020 Rs. Million	March 31, 2019 Rs. Million
Repair & Maintenance		
Livia India Limited	-	6.78
Total	**-**	**6.78**
Other borrowing cost		
IL&FS Financial Services Limited		48.68
Total	**-**	**48.68**
Bank Demat Charges		
IL&FS Securities Services Limited	0.00	1.01
Total	**0.00**	**1.01**
Rent		
IL&FS Transportation Networks Limited	-	0.14
Total	**-**	**0.14**
Loan/Inter Corporate Deposit given during the year (Assets)		
IL&FS Financial Services Limited	-	5.53
Total	**-**	**5.53**
Loan/Inter Corporate Deposit received back during the year (Assets)		
IL&FS Financial Services Limited	-	11.03
Total	**-**	**11.03**
Loan/Inter Corporate Deposit/Margin Money repaid during the year (Liability)		
IL&FS Securities Services Limited	-	6,500.00
Total	**-**	**6,500.00**
Reimbursement of Expenses		
IL&FS Engineering & Construction Company Limited	0.22	-
Total	**0.22**	**-**
D) Joint Venture / Affiliates		
Consultancy Fee Income:		
ONGC Tripura Power Company Limited	-	0.76
Power Transmission Company Nepal Limited	-	1.33
PDCOR Limited	2.84	5.96
Total	**2.84**	**8.05**
Guarantee Fees Income		
Saurya Urja Company of Rajasthan Limited	1.25	4.50
Total	**1.25**	**4.50**
Interest Income		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	25.83	23.82
Total	**25.83**	**23.82**
Dividend Income		
ONGC Tripura Power Company Limited	121.26	161.68
Saurya Urja Company of Rajasthan Limited	-	91.48
Power Transmission Company Nepal Limited	-	10.25
Cross Border Power Transmission Company Limited	18.43	-
Total	**139.69**	**263.41**
Finance costs		
Saurya Urja Company of Rajasthan Limited		10.88
Total	**-**	**10.88**

Particulars	March 31, 2020 Rs. Million	March 31, 2019 Rs. Million
Reimbursement of expenses :		
Cross Border Power Transmission Company Limited	0.88	0.34
Saurya Urja Company of Rajasthan Limited	8.57	8.63
Total	**9.45**	**8.97**
Interest Accrued converted into Margin Money		
Saurya Urja Company of Rajasthan Limited	-	27.80
Total	**-**	**27.80**
Margin Money Received (Liability)		
Saurya Urja Company of Rajasthan Limited		22.19
Total	**-**	**22.19**
Investment in Equity Shares		
Saurya Urja Company of Rajasthan Limited	-	39.81
Total	**-**	**39.81**
Director Sitting Fees		
Mr. Hari Sankaran	-	0.32
Total	**-**	**0.32**
E) Managerial Remuneration:		
Salaries, Wages and Incentives		
Hemant Thanvi	-	5.66
Anand B Nair	7.42	14.74
Rajpal Ahuja	-	3.59
Jignesh Nagda	0.37	2.22
Shilpa Parekh	1.38	-
Ashwani Kumar	7.50	0.04
Total	**16.67**	**26.25**
Short Term Benefit - Leave Encashment Provision		
Anand B Nair	-	0.78
Jignesh Nagda	-	0.15
Total	**-**	**0.93**
Post Employment Benefit		
Anand B Nair	-	2.30
Jignesh Nagda	-	0.73
Total	**-**	**3.03**

c) Balances outstanding as at March 31, 2020 and March 31, 2019

Particulars	March 31, 2020 Rs. Million	March 31, 2019 Rs. Million
A) Holding Company		
Infrastructure Leasing & Financial Services Limited		
Share Capital	11,734.26	11,734.26
Current – Borrowings (including current maturity of non-current borrowings)	17,855.28	17,855.28
Trade Payables	126.80	121.82
Other equity	2,405.86	2,405.86
Current - Interest accrued and due on borrowings	995.60	995.60
Other Receivable	0.19	0.19
Interest accrued and due on Investment	190.64	190.64
Investment in Debentures	57.07	57.07
Total	**33,365.70**	**33,360.72**
B) Subsidiary Companies		
Current - Borrowings		
Patiala Bio Power Company Private Limited	2,260.16	2,260.16
Rohtas Bio Energy Limited	1,605.02	1,605.02
Total	**3,865.18**	**3,865.18**
Current - Interest accrued and due on borrowings		
Vejas Power Projects Limited		
Patiala Bio Power Company Private Limited	328.25	328.25
Rohtas Bio Energy Limited	166.56	166.56
IL&FS Solar Power Limited	1.76	1.76
Khandke Wind Energy Private Limited	-	16.59
IL&FS Tamil Nadu Power Company Limited	24.18	24.18
Lalpur Wind Energy Private Limited	-	6.27
Total	**520.75**	**543.61**
Current - Margin money payable		
IL&FS Tamil Nadu Power Company Limited	327.13	327.13
Trade payables		
Sipla Wind Energy Private Limited	0.02	-
IL&FS Wind Power Services Limited	0.34	0.34
Total	**0.36**	**0.34**
Current - Loans and advances		
Lalpur Wind Energy Private Limited	-	407.59
Kaze Energy Limited	-	177.57
Tadas Wind Energy Private Limited	-	664.34
Shendra Green Energy Limited	298.94	298.94
IL&FS Solar Power Limited	1,112.46	1,112.46
Etesian Urja Limited	-	0.03
IL&FS Tamil Nadu Power Company Limited	6,678.64	6,678.64
Jogihali Wind Energy Private Limited	1,163.01	1,163.01
Sipla Wind Energy Limited	2,450.75	2,450.75
Rohtas Bio Energy Limited	1,111.59	1,111.59
Cuddalore Solar Power Private Limited	3.33	3.33
Patiala Bio Power Company Limited	179.49	179.49
Mahidad Wind Energy Private Limited	2,104.47	2,104.47
Ramagiri Renewable Energy Limited	124.10	124.10
Nana Layja Power Company Limited	792.65	792.65
IL&FS Wind Energy Limited	1,073.80	1,073.80
Total	**17,093.23**	**18,342.76**

Particulars	March 31, 2020 Rs. Million	March 31, 2019 Rs. Million
Inter corporate deposits		
IL&FS Wind Energy Limited	481.90	481.90
Cuddalore Solar Power Limited	0.40	0.40
Mota Layja Gas Power Company Limited	9.47	9.47
Total	**491.77**	**491.77**
Trade receivables		
Ratedi Wind Power Private Limited	-	5.34
Wind Urja India Private Limited	-	13.35
IL&FS Tamil Nadu Power Company Limited	169.12	169.07
Khandke Wind Energy Private Limited	-	3.80
Lalpur Wind Energy Private Limited	-	6.56
Tadas Wind Energy Private Limited		0.27
IL&FS Wind Energy Limited	21.30	21.30
Cuddalore Solar Power Limited	0.00	
IL&FS Solar Power Limited	502.97	272.90
IL&FS Wind Power Services Limited	0.07	0.07
Total	**693.46**	**492.66**
Current - Interest accrued on loans and investments		
IL&FS Tamil Nadu Power Company Limited	3,675.02	3,675.02
Cuddalore Solar Power Limited	0.14	0.14
Mahidad Wind Energy Private Limited	618.99	618.99
Nana Layja Power Company Limited	64.22	64.22
IL&FS Wind Energy Limited	499.53	499.53
Jogihali Wind Energy Private Limited	607.29	607.29
Etesian Urja Limited	-	31.76
Kaze Energy Limited	-	35.87
Patiala Bio Power Company Private Limited	24.49	24.49
Rohtas Bio Energy Limited	89.36	89.36
Ratedi Wind Power Private Limited	-	0.93
Wind Urja India Private Limited	-	73.93
Sipla Wind Energy Limited	528.20	528.20
Tadas Wind Energy Private Limited	-	320.94
Lalpur Wind Energy Private Limited	-	377.40
Shendra Green Energy Limited	93.88	93.88
Mota Layja Gas Power Company Limited	0.80	0.80
IL&FS Solar Power Limited	418.25	251.19
Ramagiri Renewable Energy Limited	47.55	47.55
Total	**6,667.72**	**7,341.49**
Current - Retention money		
IL&FS Solar Power Limited	-	230.07
Total	**-**	**230.07**
Current - Receivable for sale of investments		
IL&FS Wind Energy Limited	300.00	300.00
Total	**300.00**	**300.00**
Investment in Equity/deemed equity Instruments		
Nana Layja Power Company Limited	360.50	360.50
Ramagiri Renewable Energy Limited	31.80	31.80
Sipla Wind Energy Limited	0.80	0.80
IL&FS Tamil Nadu Power Company Limited	42,263.32	42,263.32
Vejas Power Projects Limited	1.00	1.00
Mota Layja Gas Power Company Limited	0.50	0.50
IL&FS Wind Energy Limited	4,900.50	4,900.50
Maritime International Offshore PTE Limited	3.15	3.15

Particulars	March 31, 2020 Rs. Million	March 31, 2019 Rs. Million
Patiala Bio Power Company Private Limited	0.50	0.50
Rohtas Bio Energy Limited	0.50	0.50
Jogihali Wind Energy Private Limited	0.10	0.10
Mahidad Wind Energy Private Limited	0.10	0.10
IL&FS Wind Power Services Limited	20.00	20.00
Cuddalore Solar Power Private Limited	0.50	0.50
IL&FS Solar Power Limited	0.50	0.50
Shendra Green Energy Limited	240.40	240.40
Total	**47,824.17**	**47,824.16**
Investment in Deemed Equity (On Account of Interest Waiver)		
Sipla Wind Energy Limited	71.09	71.09
Wind Urja India Private Limited	-	15.14
Ratedi Wind Power Private Limited	-	52.17
Tadas Wind Energy Private Limited	-	63.09
Lalpur Wind Energy Private Limited	-	76.93
Total	**71.09**	**278.42**
Investment in debentures		
IL&FS Tamilnadu Power Company Limited	2,400.00	2,400.00
Sipla Wind Energy Limited	1,087.00	1,087.00
Rohtas Bio Energy Private Limited	31.10	31.10
Patiala Bio Power Company Limited	45.50	45.50
Jogihali Wind Energy Private Limited	1,271.00	1,271.00
Mahidad Wind Energy Private Limited	1,389.00	1,389.00
Shendra Green Energy Limited	771.50	332.18
IL&FS Wind Energy Limited	860.68	860.68
Total	**7,855.78**	**7,416.46**
Guarantee Outstanding		
IL&FS Wind Energy Limited	2,546.58	2,546.58
IL&FS Solar Power Limited	6,139.34	6,131.65
IL&FS Tamil Nadu Power Company Limited	5,233.98	5,233.98
Total	**13,919.90**	**13,912.21**
Sundry Advances		
IL&FS Wind Energy Limited	**0.30**	-
Total	**0.30**	-
C) Fellow Subsidiaries		
Short Term Borrowings		
IL&FS Cluster Development Initiative Limited	200.00	200.00
IL&FS Airport Limited	53.00	53.00
IMICL Dighi Maritime Limited	1,045.50	1,045.50
Total	**1,298.50**	**1,298.50**
Current - Interest accured and due on borrowings		
IL&FS Securities Services Limited		
IL&FS Airport Limited	4.08	4.08
IMICL Deghi Maritime Limited	81.67	81.67
IL&FS Cluster Development Initiative Limited	15.62	15.62
IL&FS Financial Services Limited	26.53	26.53
Total	**127.90**	**127.90**

Particulars	March 31, 2020 Rs. Million	March 31, 2019 Rs. Million
Trade Payables		
IL&FS Financial Services Limited	120.83	120.83
IL&FS Investment Managers Limited	0.02	0.02
IL&FS Engineering & Construction Company Limited	0.02	-
Livia India Limited	3.48	3.48
IL&FS Securities Services Limited	0.72	0.72
IL&FS Transportation Networks Limited	2.80	2.80
Total	**127.87**	**127.86**
Payable Related to Sale of Investment		
IL&FS Investment Managers Limited	22.20	20.00
Total	**22.20**	**22.20**
Current - Loans and Advances		
East Delhi Waste Processing Company Limited	349.99	349.99
Total	**349.99**	**349.99**
Current - Inter corporate deposit		
Porto Novo Maritime Limited	50.80	50.80
Sealand Ports Private Limited	400.00	400.00
Total	**450.80**	**450.80**
Trade receivables		
IL&FS Maritime Infrastructure Company Limited	5.27	5.27
IL&FS Engineering & Construction Company Limited	0.26	-
Noida Toll Bridge Company Limited	0.23	0.23
Mangalore SEZ Limited	0.46	0.46
East Delhi Waste Processing Company Private Limited	3.62	3.62
Total	**9.84**	**9.58**
Current - Receivable for sale of investment		
IL&FS Environmental Infrastructure & Service Limited	1,380.00	1,380.00
Total	**1,380.00**	**1,380.00**
Current - Interest accrued on loans and investments		
Porto Novo Maritime Limited	17.28	17.28
East Delhi Waste Processing Company Private Limited	110.77	110.77
Sealand Ports Private Limited	423.23	423.23
Total	**551.28**	**551.28**
<u>Affiliates / Joint Ventures</u>		
Current - Margin money payable		
Saurya Urja Company of Rajasthan Limited	250.00	250.00
Total	**250.00**	**250.00**
Current - Interest accrued on borrowings		
Saurya Urja Company of Rajasthan Limited	6.27	6.27
Total	**6.27**	**6.27**
Non Current - Loans and advances		
Assam Power Projects Development Company Limited	10.00	10.00
Bihar Power Infrastructure Company Private Limited	125.00	125.00
Total	**135.00**	**135.00**
Current - Interest accrued on loans and investments		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	47.26	23.39
Total	**47.26**	**23.39**

Particulars	March 31, 2020 Rs. Million	March 31, 2019 Rs. Million
Current - Loans and advances		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	142.70	**142.70**
Total	**142.70**	**142.70**
Current - Inter Corporate deposit		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	116.38	**116.28**
Total	**116.38**	**116.28**
Revenue Received in Advance		
Saurya Urja Company of Rajasthan Limited	-	1.13
Total	**-**	**1.13**
Trade receivables		
Bihar Power Infrastructure Company Private Limited	1.97	1.97
Cross Border Power Transmission Company Limited	0.67	0.43
Power Transmission Company Nepal Limited	0.72	0.72
ONGC Tripura Power Company Limited	-	0.45
Saurya Urja Company of Rajasthan Limited	18.57	8.34
PDCOR Limited	6.14	6.02
Jharkhand Infrastructure Development Corporation Limited	3.46	3.46
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	0.49	0.49
Total	**32.02**	**21.88**
Investment - Equity Instruments		
Cross Border Power Transmission Company Limited	417.22	335.88
ONGC Tripura Power Company Limited	1537.19	1581.10
Power Transmission Company Nepal Limited	42.16	64.33
Saurya Urja Company of Rajasthan Limited	421.36	243.60
Total	**2,417.93**	**2,224.91**
Investment - Equity Instruments - Held for Sale		
Urjankur Shree Tatyasaheb Kore Warana Power Company Limited	281.66	281.66
Total	**281.66**	**281.66**
Guarantees Given		
Saurya Urja Company of Rajasthan Limited	250.00	250.00
Total	**250.00**	**250.00**

60 Non-cash transaction

During the year ended March 31, 2019, the Company has entered into following non-cash transaction:

- Amount of Rs 305.00 million recoverable towards loan/ICD was adjusted against the borrowings.
- Equity shares of Ratedi Wind Power Private Limited and Lalpur Wind Energy Private Limited has been transferred to IL&FS Wind Energy Limited pursuant to settlement of the Covered Warrants.

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

Particulars	March 31, 2020 Rs. Million	March 31, 2019 Rs. Million
The principal amount and interest due thereon remaining unpaid to any supplier as at the end of each accounting period.	0.40	0.28
The amount of interest paid by the buyer in terms of Section 16, of the Micro Small and Medium Enterprise Development Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under Micro Small and Medium Enterprise Development Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period; and	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under Section 23 of the Micro Small and Medium Enterprise Development Act, 2006	-	-

62 Under the Resolution Framework (refer note 3) of the Company, the holding company has invited Expression of Interest ("EoI") for sale/transfer/assignment of its revenue generating contracts related to Energy Efficiency Services Limited, PDCOR Limited, Puducherry Urban Development Agency and Oil and Natural Gas Corporation, of the Company along with all the assets and liabilities related to these contracts on a Slump sale basis. Pending finalization of EoI till date, the management has not made any adjustments in relation to the above-mentioned expected transaction. Accordingly, the carrying value of the assets and liabilities as recognised in these accompanying Ind AS financial statements is not adjusted as at March 31, 2020 pending finalisation of the said transaction. The management believes that the carrying amount of the assets and liabilities as at March 31, 2020 is recognised after making all the necessary adjustments and no further adjustments are required to be made in these Ind-AS financial statements.

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

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

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

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

64 These financial statements were approved for issue by the Board of directors on December 21, 2020.

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

per Amit Gupta
Partner
Membership Number: 501396

Place: Gurugram
Date: December 21, 2020

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

G C Chaturvedi
Director
DIN: 0110996

C S Rajan
Director
DIN: 0126063

Feby Koshy
Chief Executive Officer

Santosh Swamy
Head- Finance

Shilpa Parekh
Company Secretary
Membership Number: F9232

Place: New Delhi
Date: December 21, 2020