

# MEDIA RELEASE



In case of any enquiry / clarification, please contact Mr. Jayesh Desai on +91 9824501396

## TORRENT POWER REPORTS Q4 FY 2019-20 RESULTS

### Major Highlights

#### Revenue from Operations

₹ 2,984 crs in Q4 FY 2019-20 compared to ₹ 2,925 crs in Q4 FY 2018-19  
₹ 13,641 crs in FY 2019-20 compared to ₹ 13,151 crs in FY 2018-19

#### EBITDA

₹ 864 crs in Q4 FY 2019-20 compared to ₹ 750 crs in Q4 FY 2018-19, up 15%  
₹ 3,734 crs in FY 2019-20 compared to ₹ 3,389 crs in FY 2018-19, up 10%

#### Total Comprehensive Income

₹ (290) crs in Q4 FY 2019-20 compared to ₹ 18 crs in Q4 FY 2018-19  
₹ 1,150 crs in FY 2019-20 compared to ₹ 898 crs in FY 2018-19, up 28%

**May 18, 2020:** Torrent Power Limited (the "Company") today announced financial results for the quarter and year ended March 31, 2020.

The major drivers of increase in the reported Total Comprehensive Income (TCI) for the year are:

- ↑ Increase in contribution from gas-based power plants, due to operationalisation of long term PPA for 278 MWs capacity from Q2 19-20 & higher merchant power sales after offsetting loss in contribution due to reduction in tariffs in new CERC Tariff Regulations;
- ↑ Improved performance of licensed & franchised distribution businesses, primarily driven by volume growth (net of COVID-19 impact), reduction in T&D losses and favourable settlement of past regulatory dispute on carrying cost, partially set off by initial costs on takeover of Shil-Mumbra-Kalwa operations and additional provision for doubtful debts in its franchised distribution business due to COVID 19 impact;
- ↑ Increase in contribution from Renewable generation due to new capacity addition;
- ↑ Recognition of net deferred tax credit mainly due to reduction in MAT rate vide Taxation Laws (Amendment) Act, 2019, provision for impairment in the carrying value of DGEN Power Plant, provision for certain onerous contracts and reassessment of management's reasonable estimate for the future taxable profits, which would be available to utilize such accumulated MAT Credit in future years;
- ↓ The TCI includes non-recurring charges on account of, (a) provision for impairment loss (non-cash book adjustment under applicable accounting standard) on carrying value of Property, Plant & Equipment pertaining to 1,200 MW DGEN Mega Power Project; and (b) provision towards potential damages and other project related costs arising from expected delays or cancellation of 2 wind power projects won under competitive bidding process in an earlier year due to reasons beyond the control of the Company;
- ↓ Increase in depreciation and interest cost, reflecting additional capex in distribution and renewable projects.

Despite the above one-off impairment charge and provisions, the Total Comprehensive Income during FY 2019-20 increased by 28% to ₹ 1,150 crs from ₹ 898 crs in FY 2018-19.

The Company's financial position strengthened during the year and the Company enjoys some of the best financial ratios amongst private players in the Power sector with Debt : Equity ratio of 0.92 as at March 31, 2020 and Net Debt to EBITDA ratio of 2.18 during FY 2019-20.

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The Company further cemented its leadership position in the Power Distribution business during FY 20 with the takeover of distribution operations of Shil-Mumbra-Kalwa area in Maharashtra under a distribution franchise agreement for 20 years wef March 01, 2020. The Company also increased its generation capacity from 3,703 MW to 3,879 MW during the year, with the entire addition in capacity coming from Renewable energy.

Commenting on the results, the Company's Chairman, Mr Samir Mehta said "Despite the significant stress in the Power sector, Torrent Power continued to deliver industry leading returns in the private sector on account of the Company's strategy to pursue risk-adjusted profitable opportunities, strong execution capabilities and focus on operational excellence. We welcome the Government's recent announcements for the Power sector; in particular the decision to privatise distribution circles in Union territories. With our strong balance sheet, the Company will continue to pursue profitable growth opportunities across the entire value chain of the Power sector."

The Company had announced an Interim dividend (including Special dividend) for FY 2019-20 of ₹ 11.60 per equity share (including ₹ 5.00 per equity share as a special dividend), which was paid in February 2020. In view of the same, the Board has not considered any further dividends for FY 2019-20.

### **About Torrent Power:**

Torrent Power Limited, the ₹ 13,641 Crs integrated power utility of the ₹ 22,000 Crs Torrent Group, is one of the largest companies in the country's power sector with presence across the entire power value chain – generation, transmission and distribution.

### **Generation:**

- ❖ The Company has an aggregate installed generation capacity of 3,879 MW comprising of 2,730 MW of gas-based capacity, 362 MW of coal-based capacity and 787 MW of renewable capacity.

### **Distribution:**

- ❖ The Company distributes nearly 16.66 billion units to over 3.65 million customers in the cities of Ahmedabad, Gandhinagar, Surat, Dahej SEZ and Dholera SIR in Gujarat, Bhiwandi, Shil, Mumbra and Kalwa in Maharashtra and Agra in Uttar Pradesh.
- ❖ Torrent Power is widely considered to be the leading power distributor in India and in its licensed areas in Gujarat has the distinction of having the lowest AT&C losses and best reliability indices.