

Price Waterhouse Chartered Accountants LLP

Review Report

To
The Board of Directors
Torrent Power Limited
'Samanvay', 600, Tapovan,
Ambawadi,
Ahmedabad - 380015

1. We have reviewed the consolidated unaudited financial results of Torrent Power Limited (the "Parent"), its subsidiaries (the Parent and its subsidiaries hereinafter referred to as the "Group"), and its share of the net profit after tax and total comprehensive income of its associate company (refer Note 1 on the Statement) for the quarter ended June 30, 2022 which are included in the accompanying 'Statement of Consolidated Financial Results for the quarter ended June 30, 2022' (the "Statement"). The Statement is being submitted by the Parent pursuant to the requirement of Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations"), which has been initialled by us for identification purposes.
2. This Statement, which is the responsibility of the Parent's Management and has been approved by the Parent's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of the Companies Act, 2013, and other accounting principles generally accepted in India. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity", issued by the Institute of Chartered Accountants of India. This Standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the circular issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, to the extent applicable.

4. The Statement includes the results of the following entities:
 - a) Torrent Power Limited
 - b) Torrent Power Grid Limited
 - c) Torrent Pipavav Generation Limited
 - d) Torrent Solargen Limited
 - e) Jodhpur Wind Farms Private Limited
 - f) Latur Renewable Private Limited
 - g) TCL Cables Private Limited
 - h) Torrent Solar Power Private Limited
 - i) Torrent Saurya Urja 2 Private Limited



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Price Waterhouse (a Partnership Firm) converted into Price Waterhouse Chartered Accountants LLP (a Limited Liability Partnership with LLP identity no: LLPIN AAC-5001) with effect from July 25, 2014. Post its conversion to Price Waterhouse Chartered Accountants LLP, its ICAI registration number is 012754N/N500016 (ICAI registration number before conversion was 012754N)

Price Waterhouse Chartered Accountants LLP

- j) Torrent Saurya Urja 3 Private Limited
 - k) Torrent Saurya Urja 4 Private Limited
 - l) Torrent Saurya Urja 5 Private Limited
 - m) Visual Percept Solar Projects Private Limited
 - n) Surya Vidyut Limited
 - o) LREHL Renewables India SPV 1 Private Limited
 - p) Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (Refer Paragraph 6 below)
 - q) Sunshakti Solar Power Projects Private Limited
 - r) Wind Two Renergy Private Limited (Refer paragraph 7 below)
5. Based on our review conducted and procedures performed as stated in paragraph 3 above and based on the consideration of the review report of the other auditor referred to in paragraph 7 below, nothing has come to our attention that causes us to believe that the accompanying Statement has not been prepared in all material respects in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India and has not disclosed the information required to be disclosed in terms of Regulation 33 and Regulation 52 of the Listing Regulations, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw your attention to Note 7 to the Statement which describes acquisition of controlling stake in 'Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited' made by the Company during the quarter ended June 30, 2022 and initial accounting of the same based on provisional amounts on the acquisition date as certain information, records and reconciliation pertaining to balances as on the acquisition date are yet to be made available to the Group by the erstwhile management. As explained in the note, any adjustments to the provisional amounts required to be made on receipt of the complete information, will be recognized during the measurement period of one year, in accordance with Ind AS 103 'Business Combinations'. Our conclusion is not modified in respect of this matter.
7. The consolidated unaudited financial results also includes the Group's share of net profit after tax of Rs. Nil and total comprehensive income of Rs. Nil for the quarter ended June 30, 2022, as considered in the consolidated unaudited financial results, in respect of one associate, whose interim financial results have not been reviewed by us. These interim financial results have been reviewed by other auditor, on which they have issued an unmodified conclusion, which have been furnished to us by the Management and our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on the report of the other auditor and the procedures performed by us as stated in paragraph 3 above. Our conclusion on the Statement is not modified in respect of the above matter.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016


Priyanshu Gundana

Partner

Membership Number: 109553

UDIN: 22109553AONERD3409

Place: Ahmedabad

Date: August 08, 2022

TORRENT POWER LIMITED

Registered Office: "Samanvay", 600, Tapovan, Ambawadi, Ahmedabad - 380 015, Ph.: 079-26628000

CIN: L31200GJ2004PLC044068; Website: www.torrentpower.com; E-mail: cs@torrentpower.com

STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2022

Particulars	₹ in Crore except per share data)			
	For the quarter ended			For the year ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	Un-audited	Refer note 9	Un-audited	Audited
Income				
Revenue from operations	6,510.31	3,743.65	3,098.91	14,257.61
Other income	108.31	96.94	36.32	235.04
Total income	6,618.62	3,840.59	3,135.23	14,492.65
Expenses				
Electrical energy purchased	3,824.65	1,617.83	947.46	5,116.39
Fuel cost	899.77	623.13	955.20	3,403.40
Cost of materials consumed	119.40	54.83	32.10	262.64
Purchase of stock-in-trade	189.29	117.42	14.74	305.99
Changes in inventories of finished goods and work-in-progress	(9.11)	(5.79)	(11.19)	(11.11)
Employee benefits expense	141.84	107.99	147.34	533.54
Finance costs	185.98	151.23	162.85	628.21
Depreciation and amortisation expense	311.69	339.68	328.63	1,333.86
Other expenses	284.05	237.60	285.17	1,055.76
Total expenses	5,947.56	3,243.92	2,862.30	12,628.68
Profit before exceptional items and tax	671.06	596.67	272.93	1,863.97
Exceptional items (Refer note 2)	-	1,300.00	-	1,300.00
Profit / (Loss) before tax	671.06	(703.33)	272.93	563.97
Tax expense				
- Current tax	117.31	138.18	45.96	372.48
- Deferred tax	51.74	(354.14)	19.19	(267.21)
Total tax expense	169.05	(215.96)	65.15	105.27
Profit / (Loss) for the period	502.01	(487.37)	207.78	458.70
Other comprehensive income :				
Items that will not be reclassified to profit or loss	1.80	5.06	1.62	2.89
Tax relating to other comprehensive income	0.64	1.82	0.55	1.04
Other comprehensive income (net of tax)	1.16	3.24	1.07	1.85
Total comprehensive income	503.17	(484.13)	208.85	460.55
Profit for the period attributable to :				
Owners of the company	502.11	(488.04)	206.59	453.98
Non-controlling interests	(0.10)	0.67	1.19	4.72
Total comprehensive income attributable to :				
Owners of the company	503.27	(484.80)	207.66	455.83
Non-controlling interests	(0.10)	0.67	1.19	4.72
Paid up equity share capital (F.V. ₹ 10/- per share)	480.62	480.62	480.62	480.62
Reserves excluding revaluation reserves as per balance sheet of previous accounting year				9,462.56
Earnings per share (EPS)				
Earnings per share (of ₹ 10/- each) (not annualised)				
(a) Basic (₹)	10.45	(10.15)	4.30	9.45
(b) Diluted (₹)	10.45	(10.15)	4.30	9.45



Notes:

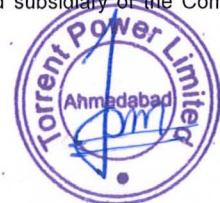
- 1 The consolidated financial results include the financial results of Torrent Power Limited (the "Company") and sixteen subsidiaries: Torrent Power Grid Limited, Torrent Pipavav Generation Limited, Torrent Solargen Limited, Jodhpur Wind Farms Private Limited, Latur Renewable Private Limited, TCL Cables Private Limited, Torrent Solar Power Private Limited, Torrent Saurya Urja 2 Private Limited, Torrent Saurya Urja 3 Private Limited, Torrent Saurya Urja 4 Private Limited, Torrent Saurya Urja 5 Private Limited, Visual Percept Solar Projects Private Limited, Surya Vidyut Limited, LREHL Renewables India SPV 1 Private Limited, Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited (w.e.f. April 01, 2022) and SunShakti Solar Power Projects Private Limited (w.e.f. June 13, 2022) (the "Group"). The Company has not invested equity in its associate Wind Two Renergy Private Limited and accordingly, share of profit of the associate is not included in the consolidated financial results. (Refer note 8)

- 2 Net carrying value of Property, Plant & Equipment ("PPE") as at June 30, 2022 includes ₹ 1,362.66 Crore pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, Gujarat ("DGEN"). DGEN started commercial operations with effect from November 2014 and thereafter has operated only intermittently / partially due to various factors such as unavailability of domestic gas, high prices of imported gas and non-availability of power selling arrangement.

Company had carried out an impairment assessment of DGEN as at March 31, 2022 and had recorded an additional impairment charge of ₹ 1,300.00 Crore under the heading 'Exceptional items' towards the shortfall in the recoverable amount (being the higher of 'fair value less cost to sell' and 'value in use') of DGEN over its carrying amount, in accordance with Indian Accounting Standard 36 'Impairment of Assets' ("Ind AS 36"). The Company has reviewed the key assumptions underlying the above assessment as on June 30, 2022 and has concluded that no further impairment provision is considered necessary as at June 30, 2022.

Assessment of 'value-in-use' involves several key assumptions including expected demand, future price of fuel, expected tariff rates for electricity, discount rate, exchange rate and electricity market scenario, based on past trends and the current and likely future state of the industry. Management reviews such assumptions periodically to factor updated information based on events or changes in circumstances in order to make fresh assessment of impairment, if any.

- 3 Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company and a joint venture between the Company and Gujarat Power Corporation Limited ("GPCL"), had made payments in nature of compensation for acquisition of private land as per the court orders in Amreli, Gujarat for the purpose of developing a coal-based power plant of 1,000+ MW. Due to non-availability of fuel linkage, Government of Gujarat ("GoG") vide its letter dated December 06, 2017, communicated that the said project may not be developed and accordingly, the joint venture is intended to be dissolved. Further, as per the said letter, the cost of land would be reimbursed after the disposal of land. With reference to this, in the month of March 2019, GPCL has written a letter to Collector, Amreli stating that the land is surrendered to the Government of Gujarat and requested Energy and Petroleum Department, GoG to take further action in the matter. It is learnt that the Government of Gujarat is exploring the possibility of usage of Land for industrial purpose. The management has made an impairment assessment of the amount recoverable from Government of Gujarat and concluded that there is no impairment in the carrying amount of the land. The timing of the recoverability of the amounts invested in land would depend upon the availability of the buyer. Considering the above facts, assets and liabilities are reflected at their net realisable values or cost whichever is lower and the financial results of TPGL for the quarter ended June 30, 2022 have been prepared on a non-going concern basis.
- 4 Chief operating decision maker evaluates the Group's performance and allocates resources to the whole of Group's business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Further, the Group's cable business is not a reportable segment in terms of revenue, profit, assets and liabilities. Hence the Group does not have any reportable segment as per Ind AS - 108 "Operating Segments". Group's operations are wholly confined within India and as such there is no reportable geographical information.
- 5 The immovable and movable assets of the Company, both present and future, are mortgaged and hypothecated by way of first pari passu charge in favour of holders of secured Non Convertible Debentures (NCD) along with lenders of term loans, fund-based working capital facilities and non-fund based credit facilities, availed by the Company (except assets detailed in (i), (ii) & (iii) below which are not provided as security to NCD holders / term loan lender as mentioned there in).
- (i) Assets not given as security to NCD holders of Series no. 5
- immovable assets, movable fixed assets and debt service reserve accounts pertaining to the Renewable Projects;
 - leasehold land bearing plot nos. B15 to B28 situated in the Atali Industrial Estate in Taluka Vagra, District Bharuch;
- (ii) Assets not given as security to NCD holders of Series no. 6 to 10
- immovable and movable assets of Renewable Projects;
 - debt service reserve accounts maintained for the benefit of lenders of term loans;
 - investments / deposits made out of Non-Convertible Debenture Reserve;
 - leasehold land bearing plot nos. B15 to B28 situated in the Atali Industrial Estate in Taluka Vagra, District Bharuch;
 - non-agricultural plot of land at village Kamatghar, Taluka Bhiwandi, District Thane bearing survey no.119, Hissa no. 2/3 along with building thereon;
 - immovable property located at no. 2, Dharam Marg, Chanakya Puri, New Delhi.
- (iii) Assets not given as security to lender of ₹ 250.00 Crore term loan availed in March 2022
- immovable assets of Renewable Projects;
 - leasehold land bearing plot nos. B15 to B28 situated in the Atali Industrial Estate in Taluka Vagra, District Bharuch;
- 6 On April 23, 2022, the Company has entered into a Securities Purchase Agreement (SPA) with SkyPower Southeast Asia III Investments Limited, SkyPower Southeast Asia Holdings 2 Limited (the Sellers) for the acquisition of 100% of the share capital of Sunshakti Solar Power Projects Private Limited (SSPPPL), which operates 50 MW solar power plant, situated in the state of Telangana. On completion of the conditions precedent to SPA, SSPPPL has become wholly owned subsidiary of the Company w.e.f. June 13, 2022



- 7 On March 15, 2022, the Company has entered into a Share Purchase Agreement (SPA) and Shareholders Agreement (SHA) with 'The Hon'ble Administrator of the Union Territory of Dadra and Nagar Haveli and Daman and Diu' (the 'Holding Entity') and 'Dadra and Nagar Haveli and Daman and Diu Power Distribution Corporation Limited' (the 'DNHDDPDCL') for purchase of 51% shares of the DNHDDPDCL from the Holding Entity for a consideration of ₹ 555.00 crore.

Basis the Share Purchase Agreement read with The Dadra and Nagar Haveli and Daman and Diu Electricity (Reorganisation and Reforms) Transfer Scheme, 2022 (the "transfer scheme"), the effective date of transfer has been notified by the UT Administrator, Union Territory of Dadra and Nagar Haveli and Daman and Diu as April 1, 2022 ('Acquisition date') for the purpose of implementing the transfer scheme.

DNHDDPDCL shall be the licensee to carry out the function of distribution and retail supply of electricity in the Dadra and Nagar Haveli District of the Union Territory of Dadra and Nagar Haveli and Daman and Diu for a period of 25 years effective from the acquisition date.

As on June 30, 2022, acquisition of DNHDDPDCL by the Group has been recognised on a provisional basis in accordance with Ind AS 103 'Business Combinations' in the Consolidated financial results for the quarter ended June 30, 2022.

Certain information, records and reconciliation pertaining to balances as on acquisition date of DNHDDPDCL are yet to be made available to the Group by the erstwhile management. Any adjustments to the provisional amounts required to be made on receipt of the complete information, will be recognized during the measurement period of one year, in accordance with Ind AS 103 'Business Combinations'. The Group believes that the resolution of the above matters will not have any material impact on the financial performance of the Group for the quarter ended June 30, 2022.

- 8 Subsequent to quarter end, on July 30, 2022, the Company has acquired 100% of paid-up capital of Wind Two Renergy Private Limited ("WTRPL") from Inox Green Energy Services Limited (formerly known as Inox Wind Infrastructure Services Limited) at a face value of ₹ 32.51 Crore. WTRPL operates 50 MW Wind power plant, situated in the state of Gujarat. On acquisition of shares, WTRPL has become wholly owned subsidiary of the Company w.e.f. July 30, 2022 which was Associate of the Company till that date.
- 9 Figures for the quarter ended March 31, 2022 are the balancing figures between audited figures for the full financial year ended March 31, 2022 and the published year to date figures upto the third quarter of the said financial year.
- 10 Audit Committee has reviewed the above results and the same have been subsequently approved by the Board of Directors in their respective meetings held on August 08, 2022.
- 11 Refer Annexure I for disclosure required pursuant to Regulation 52(4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).
- 12 Summary of key standalone financial results of the Company is as follows:

(₹ in crore)

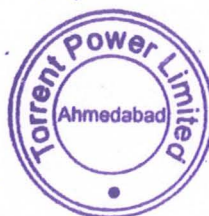
Particulars	For the quarter ended			For the year ended
	30.06.2022	31.03.2022	30.06.2021	31.03.2022
	Un-audited	Refer note 9	Un-audited	Audited
Revenue from operations	4,651.15	3,633.45	2,998.93	13,715.74
Profit before exceptional items and tax	639.99	560.72	257.52	1,814.38
Profit / (Loss) before tax	639.99	(739.28)	257.52	514.38
Profit / (Loss) after tax	480.77	(525.76)	199.01	409.71
Total comprehensive income	481.95	(522.21)	199.90	411.68

Note : The standalone financial results of the Company for the above mentioned periods are available in the investors section in www.torrentpower.com and also with the stock exchanges where it is listed. The information above has been extracted from the published standalone financial results.

For, TORRENT POWER LIMITED


Jinal Mehta
Managing Director

Place : Ahmedabad
Date : August 08, 2022



ANNEXURE I:

Disclosures pursuant to Regulation 52(4) & 54(3) of Securities and Exchange Board of India (Listing Obligations and Disclosures Requirement) Regulations, 2015 (as amended) (Consolidated) :-

Regulation No.	Particulars	For the quarter ended			For the year ended
		30.06.2022	31.03.2022	30.06.2021	31.03.2022
52(4)(c)	Debt equity ratio	0.99	0.83	0.67	0.83
52(4)(f)	Debt service coverage ratio	1.68	2.41	1.19	1.95
52(4)(g)	Interest service coverage ratio	6.12	6.52	4.79	5.87
52(4)(h)	Outstanding redeemable preference shares (quantity and value)	NA	NA	NA	NA
52(4)(i)	Capital redemption reserve / Debenture redemption reserve (₹ in Crore)	139.60	139.60	187.26	139.60
52(4)(j)	Net worth (₹ in Crore)	10,857.13	9,979.11	10,429.45	9,979.11
52(4)(k)	Net Profit after tax (other than other comprehensive income) (₹ in Crore)	502.01	(487.37)	207.78	458.70
52(4)(l)	Earnings per share (₹) (not annualised)	10.45	(10.15)	4.30	9.45
52(4)(m)	Current ratio	1.49	1.16	1.51	1.16
52(4)(n)	Long term debt to working capital	2.53	4.23	3.02	4.23
52(4)(o)	Bad debts to account receivable (not annualised)	-0.16%	-0.69%	1.31%	0.81%
52(4)(p)	Current liability ratio	0.30	0.30	0.24	0.30
52(4)(q)	Total debts to total assets	0.38	0.36	0.31	0.36
52(4)(r)	Debtors turnover (not annualised)	3.01	2.29	2.07	9.43
52(4)(s)	Inventory turnover (not annualised)	8.09	6.89	6.36	28.86
52(4)(t)	Operating margin (%)	16.29%	26.46%	23.50%	25.19%
52(4)(u)	Net profit margin (%)	7.71%	-13.02%	6.70%	3.22%

Formulae for the computation of the Ratios :

- Debt equity ratio** = (All long term debt outstanding (including unamortised expense)+ contingent liability pertaining to corporate / financial guarantee given + short term debt outstanding in lieu of long term debt) / (Equity share capital + Preference share capital + all reserves (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – Intangible assets - Intangible assets under development)
- Debt service coverage ratio** = (Total comprehensive income + Deferred tax + Depreciation and amortisation + Interest on debt) / (Principal repayment of debt (excluding voluntary prepayments if any) + Interest on debt + Lease payment)
- Interest service coverage ratio** = (Profit after tax + Deferred tax + Depreciation and amortisation + Interest on debt) / (Interest on debt)
- Current ratio** = Current assets / (Current liabilities- Security deposits from consumers - Service line deposits from consumers- Deferred revenue)
- Long term debt to working capital ratio** = (All long term debt outstanding (including unamortised expense)+ contingent liability pertaining to corporate / financial guarantee given) / (Current assets- (Current Liabilities- Security deposits from consumers - Service line deposits from consumers- Deferred revenue -Current maturity of long term debt))
- Bad debts to account receivable ratio** = (Bad debts written off (net of recovery) + Allowance for doubtful debts (net))/ (Average gross trade receivables)
- Current liability ratio** = (Current liabilities- Security deposits from consumers - Service line deposits from consumers- Deferred revenue) / (Total liabilities)
- Total debts to Total assets ratio** = (All long term debt outstanding (including unamortised expense)+ contingent liability pertaining to corporate / financial guarantee given + Short term debt) / (Total assets)
- Debtors turnover ratio** = (Revenue from operations) / (Average trade receivables)
- Inventory turnover ratio** = (Revenue from operations) / (Average inventories)
- Operating margin** = (Profit before tax + Finance costs + Depreciation and amortisation - Other income) / (Revenue from operations)
- Net profit margin** = (Profit after tax) / (Revenue from operations)

