

# 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 standalone unaudited financial results of Torrent Power Limited (the "Company") for the quarter ended December 31, 2022 and the year to date results for the period April 1, 2022 to December 31, 2022, which are included in the accompanying Statement of Standalone financial results for the quarter and nine months ended December 31, 2022 (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 and Regulation 52 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been initialled by us for identification purposes. This Statement, which is the responsibility of the Company's Management and approved by the 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.
2. We conducted our review in accordance with the Standard on Review Engagement (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.
3. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provides less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the 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, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.

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

  
Priyanshu Gundana  
Partner

Membership Number: 109553

UDIN: 23109553BGWNMT6724

Place: Ahmedabad

Date: February 14, 2023

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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)

# 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 STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED DECEMBER 31, 2022

Particulars	(₹ in Crore except per share data)					
	For the quarter ended			For the nine months ended		For the year ended
	31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Audited
<b>Income</b>						
Revenue from operations (Refer note 3)	4,867.24	5,016.71	3,635.46	14,535.10	10,082.29	13,715.74
Other income	94.75	116.69	87.43	321.13	205.41	296.09
<b>Total income</b>	<b>4,961.99</b>	<b>5,133.40</b>	<b>3,722.89</b>	<b>14,856.23</b>	<b>10,287.70</b>	<b>14,011.83</b>
<b>Expenses</b>						
Electrical energy purchased	1,981.11	2,431.09	1,442.39	6,661.84	3,498.56	5,116.39
Fuel cost	429.41	598.31	768.74	1,927.49	2,780.27	3,403.40
Purchase of stock-in-trade	728.81	563.44	145.28	1,481.54	188.57	305.99
Employee benefits expense	122.08	128.85	121.49	376.76	410.24	514.07
Finance costs	177.13	176.22	145.24	509.86	443.12	581.56
Depreciation and amortisation expense	265.22	262.62	308.57	788.13	918.46	1,233.79
Other expenses	272.12	258.29	265.98	769.93	794.82	1,042.25
<b>Total expenses</b>	<b>3,975.88</b>	<b>4,418.82</b>	<b>3,197.69</b>	<b>12,515.55</b>	<b>9,034.04</b>	<b>12,197.45</b>
<b>Profit before exceptional items and tax</b>	<b>986.11</b>	<b>714.58</b>	<b>525.20</b>	<b>2,340.68</b>	<b>1,253.66</b>	<b>1,814.38</b>
Exceptional items (Refer note 1)	-	-	-	-	-	1,300.00
<b>Profit before tax</b>	<b>986.11</b>	<b>714.58</b>	<b>525.20</b>	<b>2,340.68</b>	<b>1,253.66</b>	<b>514.38</b>
Tax expense						
- Current Tax	234.92	179.60	103.24	525.96	231.51	367.45
- Deferred tax	56.25	42.04	41.78	146.07	86.68	(262.78)
<b>Total tax expense</b>	<b>291.17</b>	<b>221.64</b>	<b>145.02</b>	<b>672.03</b>	<b>318.19</b>	<b>104.67</b>
<b>Profit for the period</b>	<b>694.94</b>	<b>492.94</b>	<b>380.18</b>	<b>1,668.65</b>	<b>935.47</b>	<b>409.71</b>
<b>Other comprehensive income :</b>						
Items that will not be reclassified to profit or loss	0.34	0.05	(0.66)	2.21	(2.41)	3.03
Tax relating to other comprehensive income	0.12	0.02	(0.23)	0.78	(0.83)	1.06
<b>Other comprehensive income (net of tax)</b>	<b>0.22</b>	<b>0.03</b>	<b>(0.43)</b>	<b>1.43</b>	<b>(1.58)</b>	<b>1.97</b>
<b>Total comprehensive income</b>	<b>695.16</b>	<b>492.97</b>	<b>379.75</b>	<b>1,670.08</b>	<b>933.89</b>	<b>411.68</b>
Paid up equity share capital (F.V. ₹ 10/- per share)	480.62	480.62	480.62	480.62	480.62	480.62
Reserves excluding revaluation reserves as per balance sheet of previous accounting year						9,485.40
Earnings per share (of ₹ 10/- each) (not annualised)						
(a) Basic (₹)	14.46	10.26	7.91	34.72	19.46	8.52
(b) Diluted (₹)	14.46	10.26	7.91	34.72	19.46	8.52





## Notes:

- 1 Net carrying value of Property, Plant & Equipment ("PPE") as at December 31, 2022 includes ₹ 1,330.20 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 December 31, 2022 and has concluded that no further impairment provision is considered necessary as at December 31, 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.

- 2 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 and nine months ended December 31, 2022 have been prepared on a non - going concern basis. The recovery of carrying amount of loan and equity ₹ 93.69 Crore is also dependent on the availability of buyer for above mentioned land. The Company has invested equity and loan aggregating to ₹ 111.69 Crore in TPGL and impairment in value of investment is of ₹ 18.00 Crore as at December 31, 2022.
- 3 Revenue from operations for the quarter and nine months ended December 31, 2022 includes sale of RLNG aggregating ₹ 1,348.65 Crore and ₹ 2,562.60 Crore respectively.
- 4 The Board of Directors has approved interim dividend of ₹ 22.00 per equity share (including ₹ 13.00 per equity share as a special dividend) of ₹ 10/- each fully paid up for the financial year 2022-23 in its meeting held on February 14, 2023. The aggregate amount of interim dividend to be distributed is ₹ 1,057.36 Crore.
- 5 Chief operating decision maker evaluates the Company's performance and allocates resources to the whole of Company's business viz. "Generation, Transmission and Distribution of Power" as an integrated utility. Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments". Company's operations are wholly confined within India and as such there is no reportable geographical information.
- 6 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 some assets which, in terms of respective financing documents, are carved out of security provided to lenders.
- 7 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). 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.
- 8 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.



- 9 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.

The Company has taken formal takeover of power distribution operations in the Union Territory of Dadra & Nagar Haveli and Daman & Diu (DNH&DD) from April 1, 2022.

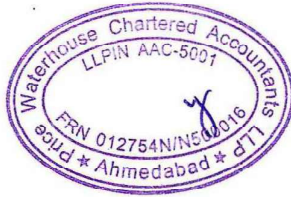
Accordingly, the amount of purchase consideration transferred for acquiring the shares of the distribution company has been shown as "Advance against equity investment" as at March 31, 2022 in the standalone financial results which has been converted into "investment in subsidiary" on the date of acquisition i.e April 1, 2022.

- 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 February 14, 2023.
- 11 Refer Annexure I for disclosure required pursuant to Regulation 52(4) & 54(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended).

For, TORRENT POWER LIMITED

  
Jinal Mehta  
Managing Director

Place : Ahmedabad  
Date : February 14, 2023





## ANNEXURE I:

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

Regulation No.	Particulars	For the quarter ended			For the nine months ended		For the year ended
		31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
52(4)(c)	Debt equity ratio	NCD Series wise details given hereunder					
52(4)(f)	Debt service coverage ratio	4.60	2.24	3.36	2.45	1.83	1.96
52(4)(g)	Interest service coverage ratio	7.20	5.91	6.40	6.54	5.82	6.01
52(4)(h)	Outstanding redeemable preference shares (quantity and value)	NA	NA	NA	NA	NA	NA
52(4)(i)	Capital redemption reserve / Debenture redemption reserve (₹ in Crore)	108.30	108.30	187.26	108.30	187.26	108.30
52(4)(j)	Net worth (₹ in Crore)	11,636.10	10,940.94	10,920.78	11,636.10	10,920.78	9,966.02
52(4)(k)	Net Profit after tax (other than other comprehensive income) (₹ in Crore)	694.94	492.94	380.18	1,668.65	935.47	409.71
52(4)(l)	Earnings per share (₹) (not annualised)	14.46	10.26	7.91	34.72	19.46	8.52
52(4)(m)	Current ratio	2.17	2.11	1.92	2.17	1.92	1.36
52(4)(n)	Long term debt to working capital	1.80	2.07	2.16	1.80	2.16	3.09
52(4)(o)	Bad debts to account receivable (not annualised)	-0.06%	0.08%	-0.10%	-0.21%	1.69%	0.39%
52(4)(p)	Current liability ratio	0.24	0.24	0.23	0.24	0.23	0.30
52(4)(q)	Total debts to total assets	0.36	0.37	0.32	0.36	0.32	0.36
52(4)(r)	Debtors turnover (not annualised)	2.73	2.60	2.51	9.95	7.46	10.39
52(4)(s)	Inventory turnover (not annualised)	7.13	6.05	7.77	27.10	23.12	33.29
52(4)(t)	Operating margin (%)	27.40%	20.67%	24.52%	22.82%	23.90%	24.31%
52(4)(u)	Net profit margin (%)	14.28%	9.83%	10.46%	11.48%	9.28%	2.99%
54(3)	Security cover available	NCD Series wise details given hereunder					

## Non-convertible debenture series wise debt equity ratio :

Sr No.	Particulars	For the quarter ended			For the nine months ended		For the year ended
		31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
1	Series 1 (10.35%, 550 Secured Redeemable Non-Convertible Debentures)	NA	NA	0.65	NA	0.65	0.76
2	Series 2 (10.35%, 200 Secured Redeemable Non-Convertible Debentures)	0.78	0.84	0.65	0.78	0.65	0.76
3	Series 3 (8.95%, 165 Secured Redeemable Non-Convertible Debentures)	0.78	0.84	0.65	0.78	0.65	0.76
4	Series 4 (10.25%, 2,700 Unsecured Redeemable Non-Convertible Debentures)	0.70	0.75	0.59	0.70	0.59	0.68
5	Series 5 (7.65%, 1,000 Secured Redeemable Non-Convertible Debentures)	0.70	0.75	0.59	0.70	0.59	0.68
6	Series 6 (7.30%, 3,000 Secured Redeemable Non-Convertible Debentures)	0.70	0.75	0.59	0.70	0.59	0.68
7	Series 7 (6.50%, 6.90%, 7.25%, 2,500 Secured Redeemable Non-Convertible Debentures)	0.70	0.75	NA	0.70	NA	0.68
8	Series 8 (6.20%, 6.70%, 7.10%, 7.45%, 6,000 Secured Redeemable Non-Convertible Debentures)	0.70	0.75	NA	0.70	NA	NA
9	Series 9 (7.45%, 8.05%, 6,000 Secured Redeemable Non-Convertible Debentures)	0.70	0.75	NA	0.70	NA	NA
10	Series 10 (8.30%, 8.35%, 8.55%, 8.65%, 2,000 Secured Redeemable Non-Convertible Debentures)	0.70	0.75	NA	0.70	NA	NA

## Non-convertible debenture series wise security cover available :

Sr No.	Particulars	For the quarter ended			For the nine months ended		For the year ended
		31.12.2022	30.09.2022	31.12.2021	31.12.2022	31.12.2021	31.03.2022
1	Series 1 (10.35%, 550 Secured Redeemable Non-Convertible Debentures) \$	NA	NA	2.49	NA	2.49	2.24
2	Series 2 (10.35%, 200 Secured Redeemable Non-Convertible Debentures) \$	2.05	1.99	2.49	2.05	2.49	2.24
3	Series 3 (8.95%, 165 Secured Redeemable Non-Convertible Debentures) #	2.05	1.99	2.09	2.05	2.09	1.82
4	Series 4 (10.25%, 2,700 Unsecured Redeemable Non-Convertible Debentures)	NA	NA	NA	NA	NA	NA
5	Series 5 (7.65%, 1,000 Secured Redeemable Non-Convertible Debentures) #	1.91	1.84	1.90	1.91	1.90	1.65
6	Series 6 (7.30%, 3,000 Secured Redeemable Non-Convertible Debentures) #	1.89	1.83	1.87	1.89	1.87	1.62
7	Series 7 (6.50%, 6.90%, 7.25%, 2,500 Secured Redeemable Non-Convertible Debentures) #	1.89	1.83	NA	1.89	NA	1.62
8	Series 8 (6.20%, 6.70%, 7.10%, 7.45%, 6,000 Secured Redeemable Non-Convertible Debentures) #	1.89	1.83	NA	1.89	NA	NA
9	Series 9 (7.45%, 8.05%, 6,000 Secured Redeemable Non-Convertible Debentures) #	1.89	1.83	NA	1.89	NA	NA
10	Series 10 (8.30%, 8.35%, 8.55%, 8.65%, 2,000 Secured Redeemable Non-Convertible Debentures) #	1.89	1.83	NA	1.89	NA	NA

\$ Fixed Asset Coverage ratio till June 30, 2022 computed based on definition as per Debenture Trust Deed and Security Cover ratio from September 30, 2022 computed based on SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022.

# Total Asset Coverage Ratio till June 30, 2022 computed based on definition as per Debenture Trust Deed and Security Cover ratio from September 30, 2022 computed based on SEBI/HO/MIRSD/MIRSD\_CRADT/CIR/P/2022/67 dated May 19, 2022.

## Formulae for the computation of the Ratios :

- Debt equity ratio = Ratios are computed as per financial covenants provided in respective Information Memorandum.
- 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 = (Total comprehensive income + 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 exceptional items and tax + Finance costs + Depreciation and amortisation - Other income) / (Revenue from operations) \*
- Net profit margin = (Profit after tax) / (Revenue from operations)
- Security cover available = Ratios are computed as per financial covenants provided in respective Information Memorandum.

