

**INDEPENDENT AUDITOR'S REPORT  
TO THE BOARD OF DIRECTORS OF  
TORRENT POWER LIMITED**

Tel: +91 79 6682 7300  
Fax: +91 79 6682 7400

1. We have audited the accompanying Statement of Standalone Financial Results of **TORRENT POWER LIMITED** ("the Company"), for the year ended 31<sup>st</sup> March, 2017 ("the Statement"), being submitted by the Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.

This Statement, which is the responsibility of the Company's Management and approved by the Board of Directors, has been compiled from the related standalone Ind AS financial statements which has been prepared in accordance with the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued thereunder ('Ind AS') and other accounting principles generally accepted in India. Our responsibility is to express an opinion on the Statement based on our audit of such standalone financial statements.

2. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Statement is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Statement. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Statement, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the Statement in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Management, as well as evaluating the overall presentation of the Statement.

3. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) is presented in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as modified by Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016; and
  - (ii) gives a true and fair view in conformity with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India of the net profit and Total comprehensive income and other financial information of the Company for the year ended 31<sup>st</sup> March, 2017.



4. The Statement includes the results for the Quarter ended 31<sup>st</sup> March, 2017 being the balancing figure between audited figures in respect of the full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For DELOITTE HASKINS & SELLS  
Chartered Accountants  
(Firm's Registration No. 117365W)



Hemendra L. Shah  
Partner  
(Membership No. 33590)

Ahmedabad, 23<sup>rd</sup> May, 2017



## 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

Part I (₹ in Crore except per share data)

### STATEMENT OF STAND-ALONE AUDITED FINANCIAL RESULTS FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	For the quarter ended			For the year ended	
	31.03.2017	31.12.2016	31.03.2016	31.03.2017	31.03.2016
	Refer note 2	Un-audited	Refer note 2	Audited	Audited
<b>Income</b>					
Revenue from operations	2,440.80	2,314.42	2,477.26	10,014.58	11,661.59
Other income	45.26	51.37	49.56	192.31	283.06
<b>Total income</b>	<b>2,486.06</b>	<b>2,365.79</b>	<b>2,526.82</b>	<b>10,206.89</b>	<b>11,944.65</b>
<b>Expenses</b>					
Electrical energy purchased	904.06	793.08	691.26	3,634.17	3,306.16
Fuel cost	488.41	606.74	845.98	2,525.76	3,862.08
Purchase of stock-in-trade	0.45	-	-	0.45	0.05
Cost of materials consumed	47.52	47.48	46.66	196.56	235.49
Changes in inventories of finished goods, work-in-progress and stock-in-trade	5.13	(4.80)	7.85	(4.30)	6.83
Employee benefits expense	112.05	94.69	115.56	415.72	389.68
Finance costs	266.06	258.61	251.25	1,046.56	1,116.24
Depreciation and amortisation expense	284.96	250.54	231.82	989.42	899.29
Other expenses	196.88	201.31	241.64	818.61	848.33
<b>Total expenses</b>	<b>2,285.52</b>	<b>2,247.65</b>	<b>2,432.02</b>	<b>9,622.95</b>	<b>10,664.15</b>
<b>Profit before exceptional items and tax</b>	<b>200.54</b>	<b>118.14</b>	<b>94.80</b>	<b>583.94</b>	<b>1,280.50</b>
Exceptional items	-	-	(3.80)	-	7.41
<b>Profit before tax</b>	<b>200.54</b>	<b>118.14</b>	<b>98.60</b>	<b>583.94</b>	<b>1,273.09</b>
Tax expense					
- Current Tax	53.20	11.22	4.59	128.30	261.16
- Deferred tax	14.21	0.79	16.45	29.63	109.61
- Short / (-) excess provisions for current tax of earlier years	(1.39)	-	3.21	(6.35)	3.21
<b>Profit for the period from continuing operations</b>	<b>134.52</b>	<b>106.13</b>	<b>74.35</b>	<b>432.36</b>	<b>899.11</b>
<b>Other comprehensive income :</b>					
Items that will not be reclassified to profit or loss	7.11	(3.90)	(7.48)	(9.73)	(10.50)
Tax relating to other comprehensive income	2.46	(1.35)	(2.60)	(3.37)	(3.65)
<b>Other comprehensive income (net of tax)</b>	<b>4.65</b>	<b>(2.55)</b>	<b>(4.88)</b>	<b>(6.36)</b>	<b>(6.85)</b>
<b>Total comprehensive income</b>	<b>139.17</b>	<b>103.58</b>	<b>69.47</b>	<b>426.00</b>	<b>892.26</b>
Paid up equity share capital (F.V. ₹ 10/- per share)	480.62	480.62	480.62	480.62	480.62
Paid up Debt capital (NCD)	1,095.00	850.00	850.00	1,095.00	850.00
Reserves excluding revaluation reserves as per balance sheet of previous accounting year				6,403.86	5,977.86
<b>Net worth</b>				<b>6,884.48</b>	<b>6,458.48</b>
Debenture redemption reserve				129.46	95.24
Earnings per share (before and after extraordinary items) (of ₹ 10/- each) (not annualised)					
(a) Basic (₹)	2.80	2.21	1.55	9.00	18.71
(b) Diluted (₹)	2.80	2.21	1.55	9.00	18.71
Debt equity ratio				1.05	1.09
Debt service coverage ratio				1.92	1.62
Interest service coverage ratio				2.52	2.86

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**Notes:**

**1 Transition to Ind AS**

From 1st April, 2016, the Company has adopted accounting standards notified under Companies (Indian Accounting Standards) Rules, 2015 ("Ind AS"). Accordingly the relevant quarterly and annual financial results for the previous periods are restated as per Ind AS. The reconciliation of net profit and reserves as per Ind AS and previous GAAP ("Accounting Standard") for the relevant periods of the previous year is as follows:

Particulars	Profit reconciliation		Reserve reconciliation
	Quarter ended	Year ended	As at
	31.03.2016	31.03.2016	31.03.2016
Net Profit after tax / Reserve as per previous Indian GAAP	17.06	815.96	6,991.32
Restatement of result due to scheme of arrangement wef 1st April, 2015 (note 3)	13.84	48.49	48.49
Net gain / (loss) arising on financial assets measured at fair value	0.05	(8.00)	1.40
Net gain / (loss) arising on financial liabilities measured at amortised cost	2.24	(6.86)	34.10
Amortisation of borrowing cost	50.46	50.46	50.46
Actuarial (gain) / loss on employee defined benefit funds recognised in other comprehensive income	7.47	10.50	-
Deferred tax impact on Ind AS adjustments	(16.77)	(11.44)	(339.39)
Reclassification from Reserves :			
- Service line contribution			(776.08)
- Grant in Aid under Accelerated Power Development Fund Reform Programme (APDRP)			(32.44)
<b>Net Profit after tax as per Ind AS / Reserve as per Ind AS</b>	<b>74.35</b>	<b>899.11</b>	<b>5,977.86</b>
Add : Other comprehensive income (after tax)	(4.88)	(6.85)	
<b>Total comprehensive income as per Ind AS</b>	<b>69.47</b>	<b>892.26</b>	

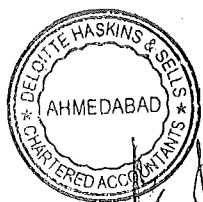
- 2 Figures for the quarter ended March 31, 2017 and March 31, 2016 are the balancing figures between audited figures for the full financial year ended March 31, 2017 and March 31, 2016 and the published year to date figures upto the third quarter of the respective financial years; figures would need to be interpreted / analysed accordingly.
- 3 The Honourable Gujarat High Court has approved the Scheme of Arrangement ("Scheme") for transfer and vesting of the Solar Energy Undertaking as well as Wind Energy Undertaking of Torrent Solargen Limited ("TSL" or "Transferor Company") to Torrent Power Limited ("TPL" or "Transferee Company") pursuant to the provisions of Sections 391 to 394 and other relevant provisions of the Companies Act, 1956/Companies Act, 2013 vide order dated 14th October, 2016. The copy of the said Order was filed with the Registrar of the Companies on 1st December 2016 ("Effective Date"). The Scheme of Arrangement shall have legal effect from 1st April 2015 ("Appointed Date"). The Scheme has accordingly been given effect to in the financial statement with effect from the Appointed Date.

The Transfer of the Undertakings of the TSL and vesting of the same to TPL, pursuant to the Scheme are with effect from the Appointed Date on a going concern basis by way of Slump Sale as defined in Section 2(42C) of the Income Tax Act, 1961. As the Honourable High Court Order dated 14th October, 2016 was received during the current year, the above figures are after giving effect to the said Scheme in the books of accounts. As this is a common control transaction, as per the requirement of Appendix C of Ind AS 103 on Business Combination, the figures for all the earlier periods as disclosed above are after giving effect to the said Scheme so as to make them comparable with current year figures.

- 4 As per the consistent policy followed by the Company, it accounts for the truing-up adjustment claims as and when billed to the consumers. Hon'ble Gujarat Electricity Regulatory Commission (GERC) vide its Tariff Order dated 31st March 2016 has approved recovery of Regulatory Charge of 45 paisa/kWh to address the gap of earlier years for the Company's distribution areas at Ahmedabad and Surat, against which, review petitions were filed. Subsequently, Hon'ble GERC had issued a Order dated 1st July 2016 revising the Regulatory Charge to 18 paisa/kWh and 17 paisa/kWh for Ahmedabad and Surat license area, respectively, with effect from 1st July, 2016 against which the Company had filed an appeal before Hon'ble Appellate Tribunal for Electricity (APTEL). The Hon'ble APTEL, vide judgement dated 30th March, 2017, has remanded back the matter to Hon'ble GERC for review of Tariff Order dated 31st March 2016 and directed to hear the review Petitions afresh and to pass appropriate order thereon. Pending further orders from Hon'ble GERC, the Company has continued to bill to the consumers the Regulatory Charge of 18 paisa/kWh and 17 paisa/kWh for Ahmedabad and Surat license area, respectively.
- 5 The Company has implemented the 1200 MW gas based power plant at Dahej (DGEN), which started its commercial operations from November 2014. In FY 15-16, the Company could operate the plant for intermittent periods and for the current period it did not operate the plant but maintained it in cold standby mode for immediate start-up, when required.

On account of supply exceeding the demand, there has been substantial reduction in the LNG prices all-over the world. The over-supply position in the world market is expected to continue as more LNG plants are being commissioned in coming 2 to 3 years and as global demand for LNG is expected to be subdued. With this scenario, both the issues relating to gas based power plants in terms of availability and affordability of gas are expected to be resolved to a large extent. Considering the above, the estimated value in use do not indicate any requirement for impairment provision in the carrying amount of the fixed assets of ₹ 4,861.81 Crore of DGEN plant as at 31st March, 2017.

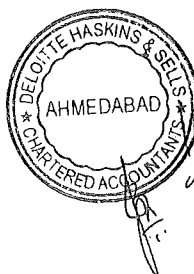
- 6 The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first pari passu charge in favour of Non Convertible Debentures of ₹ 850.00 Crore. Company has issued further Non Convertible Debentures of ₹ 245.00 Crore on 31st March, 2017 & will create charge for the same in favour of Debenture Trustee within permitted timeline.



- 7 The company mainly operates in one segment i.e. "Electricity". The Company's Cables Business, in terms of revenue, results, assets & liabilities is not a reportable segment, as per Indian Accounting Standard 108 'Operating Segment' (Ind AS 108), as it is insignificant.
- 8 The Board of Directors has approved final dividend of ₹ 2.20 per equity share of ₹ 10/- each fully paid up for the financial year 2016-17 in its meeting held on 23rd May, 2017. The aggregate amount of final dividend to be distributed is ₹ 127.26 Crores including ₹ 21.53 Crores as tax on profit distributed.
- 9 The figures for the previous periods have been regrouped / recast, wherever necessary, to make them comparable with the figures for the current periods.
- 10 The Audit & Risk Management Committee has reviewed the above results and the same have been subsequently approved by the Board of Directors in their respective meetings held on 23rd May, 2017.
- 11 Formulas for the computation of the Ratios :
- a) Debt Equity Ratio = (All long term debt outstanding + 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 reserve (excluding revaluation reserve) + deferred tax liabilities – deferred tax assets – intangible assets)
- b) Debt Service Coverage Ratio = (Profit after tax + deferred tax + depreciation & amortisation + Interest on term & working capital debt) / (Principal repayment of debt less pre-payments + Interest on term & working capital debt)
- c) Interest Service Coverage Ratio = (Profit after tax + deferred tax + depreciation & amortisation + Interest on term & working capital debt) / (Interest on term & working capital debt)

#### Standalone Statement of Assets and Liabilities

Particulars	₹ in Crore)	
	As at 31st March, 2017 Audited	As at 31st March, 2016 Audited
<b>ASSETS</b>		
<b>Non-current assets</b>		
Property, plant and equipment	16,591.07	14,900.78
Capital work-in-progress	320.37	201.08
Investment property	0.53	0.53
Goodwill	-	-
Other intangible assets	7.40	6.71
Intangible assets under development	2.61	3.10
<b>Financial assets</b>		
Investments	200.80	209.17
Loans	-	-
Other financial assets	15.70	15.73
Other non-current assets	500.60	793.24
<b>Sub total - Non-current assets</b>	<b>17,639.08</b>	<b>16,130.34</b>
<b>Current assets</b>		
Inventories	368.88	419.59
<b>Financial assets</b>		
Investments	552.92	485.32
Trade receivables	968.91	1,048.92
Cash and cash equivalents	260.34	541.48
Other bank balances	8.56	236.91
Loans	54.89	53.66
Other financial assets	677.30	406.02
Current tax assets (net)	-	11.06
Other current assets	90.08	167.27
<b>Sub total - Current assets</b>	<b>2,981.88</b>	<b>3,370.23</b>
<b>Total - Assets</b>	<b>20,620.96</b>	<b>19,500.57</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>		
Share capital	480.62	480.62
Other equity	6,403.86	5,977.86
<b>Sub total - Equity</b>	<b>6,884.48</b>	<b>6,458.48</b>
<b>Liabilities</b>		
<b>Non-current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	8,111.74	8,096.39
Trade payables	53.36	216.17
Other financial liabilities	863.76	779.78
Provisions	95.91	80.06
Deferred tax liabilities (net)	1,312.39	1,286.13
Other non-current liabilities	820.70	760.26
<b>Sub total - Non-current liabilities</b>	<b>11,257.86</b>	<b>11,218.79</b>
<b>Current liabilities</b>		
<b>Financial liabilities</b>		
Borrowings	76.62	-
Trade payables	851.20	734.96
Other financial liabilities	1,181.52	739.60
Other current liabilities	317.79	309.46
Provisions	44.15	39.28
Current tax liabilities (net)	7.34	-
<b>Sub total - Current liabilities</b>	<b>2,478.62</b>	<b>1,823.30</b>
<b>Total - Equity and liabilities</b>	<b>20,620.96</b>	<b>19,500.57</b>



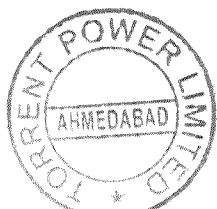
Place : Ahmedabad  
Date : 23rd May, 2017

For, TORRENT POWER LIMITED

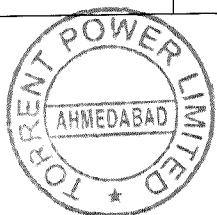
Samir Mehta  
Vice Chairman

**ANNEXURE**

Sr. No.	Particulars	Torrent Power 10.35% 550 Secured Redeemable Non-Convertible Debentures of Rs. 550 Crores (TOPO22)	Torrent Power 10.35% 300 Secured Redeemable Non-Convertible Debentures of Rs.300 Crores			Torrent Power 8.95% 245 Secured Redeemable Non-Convertible Debentures of Rs.245 Crores		
			Series 2A 10.35% 2021 Rs. 100 Crores (TOPO21)	Series 2B 10.35% 2022 Rs. 100 Crores (TOPO22A)	Series 2C 10.35% 2023 Rs. 100 Crores (TOPO23)	Series 3A 8.95% 2021 Rs. 80 Crores (TOPO21)	Series 3B 8.95% 2022 Rs. 85 Crores (TOPO22)	Series 3C 8.95% 2023 Rs. 80 Crores (TOPO23)
	ISIN	INE813H07010	INE813H07051	INE813H07069	INE813H07077	INE813H07085	INE813H07093	INE813H07101
1.	Credit Rating and change in credit rating (if any)	CRISIL AA-/Stable	CRISIL AA-/Stable			CRISIL AA-/Stable		
2.	Asset Cover Available	1.99	1.99			1.99		
3.	Debt Equity Ratio	1.05	1.05			1.05		
4.	Previous due date for the payment of Interest/principal of non convertible debt securities and whether the same has been paid or no2t.	Interest was due on 26 <sup>th</sup> March, 2017 and was paid on 27 <sup>th</sup> March, 2017 <sup>#</sup> .  No payment toward principal was due during half year ended 31 <sup>st</sup> March, 2017	Interest was due on 25 <sup>th</sup> March 2017, and was paid on 27 <sup>th</sup> March, 2017 <sup>#</sup> .  No payment towards principal was due during half year ended 31 <sup>st</sup> March, 2017	Interest was due on 25 <sup>th</sup> March, 2017, and was paid on 27 <sup>th</sup> March, 2017 <sup>#</sup> .  No payment towards principal was due during half year ended 31 <sup>st</sup> March, 2017	Interest was due on 25 <sup>th</sup> March, 2017, and was paid on 27 <sup>th</sup> March, 2017 <sup>#</sup> .  No payment towards principal was due during half year ended 31 <sup>st</sup> March, 2017	Interest was due on 6 <sup>th</sup> April, 2017 and was paid on 6 <sup>th</sup> April, 2017  No payment towards principal was due during half year ended 31 <sup>st</sup> March, 2017	Interest was due on 6 <sup>th</sup> April, 2017 and was paid on 6 <sup>th</sup> April, 2017  No payment towards principal was due during half year ended 31 <sup>st</sup> March, 2017	Interest was due on 6 <sup>th</sup> April, 2017 and was paid on 6 <sup>th</sup> April, 2017  No payment towards principal was due during half year ended 31 <sup>st</sup> March, 2017
		#Since the interest payment was falling due on the non-business day, the actual interest payment was made on next business day as per the terms of Debenture Trust Deed.						



Sr. No.	Particulars	Torrent Power 10.35% 550 Secured Redeemable Non-Convertible Debentures of Rs. 550 Crores (TOPO22)	Torrent Power 10.35% 300 Secured Redeemable Non-Convertible Debentures of Rs.300 Crores			Torrent Power 8.95% 245 Secured Redeemable Non-Convertible Debentures of Rs.245 Crores		
			Series 2A 10.35% 2021 Rs. 100 Crores (TOPO21)	Series 2B 10.35% 2022 Rs. 100 Crores (TOPO22A)	Series 2C 10.35% 2023 Rs. 100 Crores (TOPO23)	Series 3A 8.95% 2021 Rs. 80 Crores (TOPO21)	Series 3B 8.95% 2022 Rs. 85 Crores (TOPO22)	Series 3C 8.95% 2023 Rs. 80 Crores (TOPO23)
	ISIN	INE813H07010	INE813H07051	INE813H07069	INE813H07077	INE813H07085	INE813H07093	INE813H07101
	Next due dates for the payment of interest/ /principal	Next Interest will be due on 26 <sup>th</sup> September, 2017.  First Principal payment will be due on 26 <sup>th</sup> September, 2020	Next Interest will be due on 25 <sup>th</sup> September, 2017.  Principal will be due on 25 <sup>th</sup> March, 2021.	Next Interest will be due on 25 <sup>th</sup> September, 2017.  Principal will be due on 25 <sup>th</sup> March, 2022.	Next Interest will be due on 25 <sup>th</sup> September, 2017.  Principal will be due on 25 <sup>th</sup> March, 2023.	Next Interest will be due on 6 <sup>th</sup> April, 2018  Principal will be due on 6 <sup>th</sup> April, 2021.	Next Interest will be due on 6 <sup>th</sup> April, 2018  Principal will be due on 6 <sup>th</sup> April, 2022.	Next Interest will be due on 6 <sup>th</sup> April, 2018  Principal will be due on 6 <sup>th</sup> April, 2023.
5.	Debt Service Coverage ratio	1.92	1.92			1.92		
6.	Interest Service Coverage Ratio	2.52	2.52			2.52		
7.	outstanding redeemable preference shares (quantity and value);	NIL	NIL			NIL		
8.	capital redemption reserve/Debt Redemption Reserve	Rs. 129.46 crore	Rs. 129.46 crore			Rs. 129.46 crore		
9.	Net Worth	Rs. 6884.48 crore	Rs. 6884.48 crore			Rs. 6884.48 crore		
10.	Net Profit after tax (other than comprehensive income)	Rs. 432.36 crore	Rs. 432.36 crore			Rs. 432.36 crore		
11.	Earnings per Share	Rs.9.00	Rs.9.00			Rs. 9.00		



For TORRENT POWER LIMITED

*Jayshree*  
COMPANY SECRETARY

