

INDEPENDENT AUDITOR'S REVIEW REPORT ON REVIEW OF INTERIM FINANCIAL RESULTS

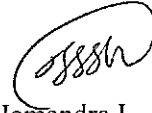
TO THE BOARD OF DIRECTORS OF TORRENT POWER LIMITED

1. We have reviewed the accompanying Statement of Consolidated Unaudited Financial Results of **TORRENT POWER LIMITED** ("the Parent") and its subsidiaries (the Parent and its subsidiaries together referred to as "the Group"), for the quarter and six months ended September 30, 2016 and the Consolidated Unaudited Balance Sheet as at September 30, 2016 ("the Statement"), being submitted by the Parent 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 Parent'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 read with relevant rules issued thereunder and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. 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 is limited primarily to inquiries of Parent's 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.
3. The Statement includes the results of the following entities:
 - a. Torrent Power Grid Limited.
 - b. Torrent Solargen Limited.
 - c. Torrent Pipavav Generation Limited.



4. Based on our review conducted as stated above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the aforesaid Indian Accounting Standards and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms 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, including the manner in which it is to be disclosed, or that it contains any material misstatement.

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



Hemendra L. Shah
Partner
(Membership No. 33590)

Ahmedabad, October 27, 2016



TORRENT POWER LIMITED

Registered Office: Torrent House, Off Ashram Road, Ahmedabad - 380 009, Ph.: 079-26585090

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

Part I

(₹ in Crore except per share data)

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED 30TH SEPTEMBER, 2016

Particulars	For the quarter ended			For the half year ended		For the year ended
	30.09.2016	30.06.2016	30.09.2015	30.09.2016	30.09.2015	31.03.2016
	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited	Un-audited
Income from operations						
(a) Net sales / income from operations	2,627.93	2,541.85	3,056.95	5,169.78	5,987.61	11,243.24
(b) Other operating income	49.66	54.63	55.97	104.29	206.23	473.63
Total income from operations	2,677.59	2,596.48	3,112.92	5,274.07	6,193.84	11,716.87
Expenses						
(a) Power purchase	923.38	1,013.65	741.73	1,937.03	1,882.59	3,306.16
(b) Fuel cost	732.89	697.72	1,192.89	1,430.61	2,007.07	3,862.08
(c) Cost of materials consumed	38.62	57.44	61.46	96.06	123.71	221.75
(d) Purchase of stock-in-trade	-	-	-	-	-	0.05
(e) Changes in inventories of finished goods, work-in-progress and stock-in-trade	2.22	(6.85)	2.98	(4.63)	(3.07)	6.83
(f) Employee benefits expense	106.92	102.56	87.54	209.48	181.76	390.71
(g) Depreciation and amortisation expense	240.99	241.15	222.58	482.14	450.76	915.73
(h) Other expenses	215.69	212.16	236.89	427.85	433.40	866.61
Total expenses	2,260.71	2,317.83	2,546.07	4,578.54	5,076.22	9,569.92
Profit from operations before other income, finance costs & exceptional items	416.88	278.65	566.85	695.53	1,117.62	2,146.95
Other income	49.21	42.98	115.87	92.19	182.63	280.99
Profit from ordinary activities before finance costs & exceptional items	466.09	321.63	682.72	787.72	1,300.25	2,427.94
Finance costs	264.26	263.61	318.58	527.87	608.02	1,130.78
Profit from ordinary activities after finance costs but before exceptional items	201.83	58.02	364.14	259.85	692.23	1,297.16
Exceptional items	-	-	-	-	-	7.41
Profit from ordinary activities before tax	201.83	58.02	364.14	259.85	692.23	1,289.75
Tax expense						
- Current tax	51.87	11.99	79.49	63.86	149.81	265.63
- Deferred tax	9.79	4.60	36.58	14.39	70.26	118.59
- Short / (excess) provisions for current tax of earlier years	-	(4.96)	(0.01)	(4.96)	(0.01)	3.21
Net Profit for the period	140.17	46.39	248.08	186.56	472.17	902.32
Share of Profit / (Loss) of associates	-	-	-	-	-	-
Non controlling interest	(0.76)	0.77	1.07	0.01	2.00	2.06
Net Profit after tax, non controlling interest and share of profit / (loss) of associates	140.93	45.62	247.01	186.55	470.17	900.26
Other comprehensive income (after tax)	(6.25)	(2.23)	(0.12)	(8.48)	(1.52)	(6.89)
Total comprehensive income	134.68	43.39	246.89	178.07	468.65	893.37
Paid up equity share capital (F.V. ₹ 10/- per share)	480.62	480.62	# 480.62	480.62	# 480.62	480.62
Paid up Debt capital (NCD)	850.00	850.00	850.00	850.00	850.00	850.00
Reserves excluding revaluation reserves as per balance sheet of previous accounting year						5,989.83
Net worth				6,647.56		6,470.45
Earnings per share (EPS)						
Earnings per share (before and after extraordinary items) of ₹ 10/- each (not annualised)						
(a) Basic (₹)	2.93	0.95	5.14	3.88	9.78	18.73
(b) Diluted (₹)	2.93	0.95	5.14	3.88	9.78	18.73

includes 81,68,476 shares allotted on 23rd October, 2015 consequent to the amalgamation of Torrent Energy Limited & Torrent Cables Limited with Torrent Power Limited with effect from appointed date i.e. 1st April, 2014.

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	Half year ended	Year ended	As at
	30.09.2015	30.09.2015	31.03.2016	31.03.2016
				(₹ in Crore)
Net Profit after tax / Reserve as per previous Indian GAAP	246.27	467.80	867.21	7,054.55
Net gain / (loss) arising on financial assets measured at fair value	(5.11)	(1.21)	(7.37)	1.86
Net gain / (loss) arising on financial liabilities measured at amortised cost	5.79	3.09	(6.86)	34.10
Amortisation of borrowing cost	-	-	50.46	50.46
Actuarial (gain) / loss on employee defined benefit funds recognised in other comprehensive income	0.17	2.29	10.55	-
Deferred tax impact on Ind AS adjustments	0.96	0.20	(11.67)	(339.55)
Reclassification from Reserves :				
- Service line contribution				(780.10)
- Grant in Aid under Accelerated Power Development Fund Reform Programme (APDRP)				(32.44)
Corporate Dividend tax on dividend				0.95
Net Profit after tax as per Ind AS / Reserve as per Ind AS	248.08	472.17	902.32	5,989.83
Less : Non controlling interest	1.07	2.00	2.06	
Add : Other comprehensive income (after tax)	(0.12)	(1.52)	(6.89)	
Total comprehensive income as per Ind AS	246.89	468.65	893.37	

- 2 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 allowed 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 the said GERC Tariff Order, review petitions were filed and GERC vide its Order dated 22nd April 2016, had restrained the Company from recovering the Regulatory Charge of 45 paisa/kWh. Subsequently, GERC has issued a common 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. Accordingly, the Company has billed the same to the consumers from the said effective date. However, the Company has appealed before APTEL against the said GERC Order for which hearings are going on.

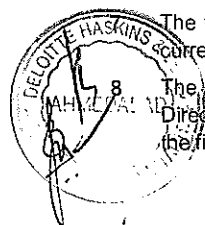
- 3 The Company has implemented the 1200 MW gas based power plant at Dahej (DGEN), which started its commercial operations from November 2014. In FY 15-16, the Company could operate the plant for intermittent periods and for the current period it was under preservative mode.

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 is expected to be subdued on account of European and other countries' economic slowdown. Current bottleneck in the Re-gas terminal availability in India will be substantially eased in the early part of FY 2017-18. 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 ₹ 4,777.93 Crore of DGEN plant as at 30th September, 2016.

- 4 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.
- 5 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 Statement' (Ind AS 108), as it is insignificant.
- 6 The consolidated financial results include the financial results of three subsidiaries: Torrent Power Grid Limited, Torrent Pipavav Generation Limited and Torrent Solargen Limited.

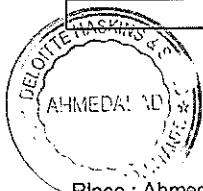
The figures for the previous periods have been regrouped / recast, wherever necessary, to make them comparable with the figures for the current periods.

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 27th October, 2016. The statutory auditors of the Company have carried out a Limited Review of the financial results for the quarter ended 30th September, 2016, 30th September, 2015 & year ended 31st March, 2016.



Consolidated Statement of Assets and Liabilities

Particulars	(₹ in Crore)	
	As at 30th Sept., 2016 Un-audited	As at 31st March, 2016 Un-audited
ASSETS		
Non-current assets		
Property, plant and equipment	14,839.19	15,122.21
Capital work-in-progress	392.15	213.02
Goodwill	10.00	10.00
Investment property	0.53	0.53
Other intangible assets	7.29	6.71
Intangible assets under development	1.30	3.10
Financial assets		
Investments	6.63	5.00
Loans	0.05	0.02
Other financial assets	15.84	15.73
Other non-current assets	1,018.59	887.54
Sub total - Non-current assets	16,291.57	16,263.86
Current assets		
Inventories	370.18	417.41
Financial assets		
Investments	970.73	505.94
Trade receivables	1,129.17	1,056.98
Cash and cash equivalents	286.16	542.73
Other bank balances	469.20	236.92
Loans	23.68	25.27
Other financial assets	380.99	383.99
Current tax assets (net)	-	11.32
Other current assets	74.30	167.29
Sub total - Current assets	3,704.41	3,347.85
Total - Assets	19,995.98	19,611.71
EQUITY AND LIABILITIES		
Equity		
Share capital	480.62	480.62
Other equity	6,166.94	5,989.83
Sub total - Equity	6,647.56	6,470.45
Non-controlling interests	28.11	30.07
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	8,020.78	8,198.41
Trade payables	106.72	216.17
Other financial liabilities	0.30	0.67
Provisions	88.96	80.10
Deferred tax liabilities (net)	1,316.02	1,306.12
Other non-current liabilities	788.29	765.28
Sub total - Non-current liabilities	10,321.07	10,566.75
Current liabilities		
Financial liabilities		
Borrowings	50.01	-
Trade payables	896.93	735.85
Other financial liabilities	1,613.95	1,374.51
Other current liabilities	386.87	394.74
Provisions	45.84	39.34
Current tax liabilities (net)	5.64	-
Sub total - Current liabilities	2,999.24	2,544.44
Total - Equity and liabilities	19,995.98	19,611.71



Place : Ahmedabad
Date : 27th October, 2016

For, TORRENT POWER LIMITED

Samir Mehta
Vice Chairman