

April 28, 2023

To,
The Secretary
Gujarat Electricity Regulatory Commission
6th Floor, GIFT City,
Gandhinagar

Sub: Request to grant approval for recovery of FPPPA

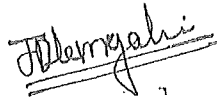
Dear Sir,

The incremental FPPPA for Q4 FY 2022-23 for TPL-D(Dahej) works out to Rs. 3.93 per kWh in addition to base FPPPA. Certificate of Auditor for FPPPA for Q4 FY 22-23 is enclosed at Annexure-A.

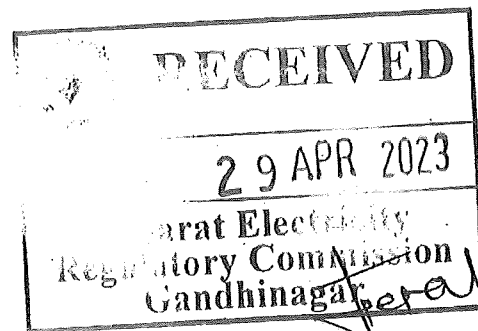
It may kindly be noted that Cost of power purchase has increased exorbitantly in recent past due to shortfall in supply of domestic coal, increased cost of imported coal and increased rates in the Power Markets. It may kindly be noted that Ministry of Power has vide its letter dated 9th Jan, 2023 directed all domestic coal based thermal generating station to ensure availability of imported coal at least 6% till sept, 2023. Thus, prices in the Power Market has also remained on higher side owing to overall impact of coal prices and inflationary pressure.

In view of above, we request to consider necessary increase in FPPPA to effect timely recovery of Power Purchase Cost. However, considering the interest of all stakeholders, we request Hon'ble Commission to allow recovery of FPPPA at Rs. 3.10 per unit from Billing Month of April 2023 and balance recovery shall be adjusted in subsequent quarters.

Thanking you,
Yours faithfully
For **Torrent Power Limited**



Authorized Signatory



Price Waterhouse Chartered Accountants LLP

For the kind attention of the Board of Directors

Torrent Power Limited
"Samanvay", 600, Tapovan, Ambawadi,
Ahmedabad - 380 015.

Auditor's certificate on Fuel and Power Purchase Price Adjustment (FPPPA) for the quarter ended March 31, 2023

1. This certificate is issued in accordance with the terms of our engagement.
2. The accompanying Annexures containing details of Fuel and Power Purchase Price Adjustment (FPPPA) for Dahej distribution business of Torrent Power Limited (the 'Company') which shows the calculation of FPPPA for quarter ended March 31, 2023 (the "Statement") have been prepared by the Management for submission to Gujarat Electricity Regulatory Commission (GERC) pursuant to order no. 1309 and 1313 of 2013 dated October 29, 2013 read with order no. 2035/2021 for Dahej distribution dated March 31, 2022 (the "Tariff Orders"), as communicated to us vide request letter (the 'Request'). We have digitally signed the Statement for identification purposes only.

Managements' Responsibility for the Statement

3. The preparation of the Statement is the responsibility of the Management of the Company including the creation and maintenance of all accounting and other records supporting its contents. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the Statement and applying an appropriate basis of preparation.
4. The Management is responsible for computation of FPPPA as per the formula approved by GERC vide its order no. 1309 and 1313 of 2013 dated October 29, 2013 read with order no. 2035/2021 for Dahej distribution dated March 31, 2022.

Auditors' Responsibility

5. Pursuant to the Request, it is our responsibility to examine the Statement with the underlying books and records of the Company for the quarter January 01, 2023 to March 31, 2023 and certify whether:
 - a) The financial information used in the computation of the PPCA (Average Actual Cost of Power Purchase) as set out in Annexure 2 of the Statement is in agreement with the books and records of the Company for the quarter ended March 31, 2023 and the computation of the PPCA is arithmetically accurate;
 - b) The rate considered as PPCB (Average Base Cost of Power Purchase), Approved T&D Losses in % and the computation of FPPPA per unit in Annexure 1 of the Statement is as set out in order no. 1309 and 1313 of 2013 dated October 29, 2013 read with order no. 2035/2021 for Dahej distribution dated March 31, 2022 and is arithmetically accurate.
6. The financial statements relating to the books and records referred to in paragraph 5 above, are subject to our audit pursuant to the requirements of Companies Act, 2013.

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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

7. We conducted our examination, on a test check basis, in accordance with the Guidance Note on Reports or Certificates for Special Purposes issued by the Institute of Chartered Accountants of India. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the Institute of Chartered Accountants of India.
8. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Conclusion

9. Based on our examination and the information and explanations given to us, we certify that:
 - a) The financial information used in the computation of the PPCA (Average Actual Cost of Power Purchase) as set out in Annexure 2 of the Statement is in agreement with the books and records of the Company for the quarter ended March 31, 2023 and the computation of the PPCA is arithmetically accurate;
 - b) The rate considered as PPCB (Average Base Cost of Power Purchase), Approved T&D Losses in % and the computation of FPPPA per unit in Annexure 1 of the Statement is as set out in order no. 1309 and 1313 of 2013 dated October 29, 2013 read with order no. 2035/2021 for Dahej distribution dated March 31, 2022 and is arithmetically accurate.

Restrictions on Use

10. Our work was performed solely to assist you in meeting the requirements of the Tariff Orders. Our obligations in respect of this report are entirely separate from, and our responsibility and liability is in no way changed by any other role we may have as auditors of the Company or otherwise. Nothing in this report, nor anything said or done in the course of or in connection with the services that are the subject of this report, will extend any duty of care we may have in our capacity as auditors of the Company.
11. This report has been issued solely at the request of the Board of Directors of the Company to whom it is addressed, for onward submission to GERC and should not be used for any other purpose. We do not accept or assume any liability or duty of care for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

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

PRIYANSHU
DINESHKUMAR
GUNDANA

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Place: Mumbai
Date: April 28, 2023
UDIN: 23109553BGWNMU5590

Priyanshu Gundana
Partner
Membership Number.: 109553

Annexure-1

Fuel and Power Purchase Price Adjustment (FPPPA) computation of Dahej Distribution Business of Torrent Power Limited (the 'Company') for the quarter ended 31st March, 2023 (Q4-FY 2022-23)

DAHEJ DISTRIBUTION BUSINESS			
	FPPPA Computation for Q4 (FY 2022-23)		
I			
1	PPCA (Average Actual Cost of Power Purchase)	Rs. / kwh	7.8585
2	PPCB (Average Base Cost of Power Purchase)	Rs. / kwh	4.0600
3	PPCA -PPCB	Rs. / kwh	3.7985
II	T&D Losses in %	%	3.27%
III	FPPPA per Unit	Rs. / kwh	3.9269
IV	FPPPA per Unit (Rounded off to two Decimals)	Rs. / kwh	3.93

Notes:

- a) The above FPPPA computation has been prepared by the Company for onward submission to Gujarat Electricity Regulatory Commission (the 'GERC') pursuant to the requirements under GERC order no. 1309 and 1313 of 2013 dated October 29, 2013 read with order no. 2035/2021 in case of Dahej distribution dated March 31, 2022 (the "Tariff Order").
- b) Average Actual Cost of Power Purchase (PPCA), Average Base Cost of Power Purchase (PPCB) and Approved Transmission and Distribution (T&D) losses have been computed based on the Tariff Order.

For Torrent Power Limited

**CHETANBHAI
MANHERLAL
BUNDELA**

Authorized Signatory

Name: Chetan M. Bundela

Designation: VP (Corporate Affairs)

Place: Ahmedabad

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Annexure-2

PPCA (Average Actual Cost of Power Purchase) Dahej Distribution Business of Torrent Power Limited (the 'Company') for the quarter ended 31st March, 2023 (Q4-FY 2022-23)

Power Purchase Price for Q4 (FY 2022-23)			
Sl. No.	Source	Energy Purchased (in MU's)	Total Cost (Rs. in Crore)
1	Tata Power Trading Company Ltd.	3.7509	2.3100
2	Manikaran Power Ltd.	5.3581	3.2436
3	Indian Energy Exchange	171.4584	137.9955
4	Solar Power Purchase	2.3797	1.7218
5	Wind Power Purchase	5.2459	2.6005
6	Waste to Energy Purchase	-	0.0202
	Total	188.1930	147.8916
	Average Power Purchase Rate (Rs./unit)		7.8585

Note:

The above PPCA computation has been prepared by the Company for onward submission to Gujarat Electricity Regulatory Commission (the 'GERC') pursuant to the requirements under GERC order no. 1309 and 1313 of 2013 dated October 29, 2013 read with order no. 2035/2021 in case of Dahej distribution dated March 31, 2022 (the "Tariff Order").

For Torrent Power Limited

**CHETANBHAI
MANHERLAL
BUNDELA**

Authorized Signatory

Name: Chetan M. Bundela

Designation: VP (Corporate Affairs)

Place: Ahmedabad

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