

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of Torrent Power Limited

Report on the Audit of Consolidated Financial Results

Opinion

1. We have audited the consolidated annual financial results of Torrent Power Limited (hereinafter referred to as the 'Holding Company') and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group" hereinafter) and its associate (Refer note 1 to the consolidated annual financial results) for the year ended March 31, 2020 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date (together referred to as the "consolidated financial results"), attached herewith, being submitted by the Holding Company pursuant to the requirement of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ('Listing Regulations').
2. In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate audited financial results of the associate, the aforesaid consolidated financial results:
 - i. include the annual financial results of the following entities (Torrent Pipavav Generation Limited, Torrent Solargen Limited, Torrent Power Grid Limited, Jodhpur Wind Farms Private Limited, Latur Renewable Private Limited and TCL Cables Private Limited) (Also refer note 1 to the consolidated annual financial results).
 - ii. are presented in accordance with the requirements of Regulation 33 of the Listing Regulations in this regard; and
 - iii. give a true and fair view in conformity with the recognition and measurement principles laid down in the applicable accounting standards prescribed under Section 133 of the Companies Act, 2013 (the "Act") and other accounting principles generally accepted in India, of net profit and other comprehensive income and other financial information of the Group and its associate for the year ended March 31, 2020 and the consolidated statement of assets and liabilities and the consolidated statement of cash flows as at and for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Consolidated Financial Results' section of our report. We are independent of the Group and its associate in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence obtained by us and other auditors in terms of their reports referred to in "Other Matter" paragraph below, is sufficient and appropriate to provide a for our opinion.

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4. We draw attention to Note 9 to the consolidated financial results which explains the uncertainties and the management's assessment of the financial impact due to the lockdown and other restrictions related to the COVID-19 pandemic situation, for which a definitive assessment of the impact in the subsequent period is highly dependent upon circumstances as they evolve. Our opinion is not modified in respect of this matter.

5. These consolidated financial results have been prepared on the basis of the consolidated annual financial statements. The Holding Company's Board of Directors are responsible for the preparation and presentation of these consolidated financial results that give a true and fair view of the net profit and other comprehensive income and other financial information of the Group including its associate and the consolidated statement of assets and liabilities and the consolidated statement of cash flows in accordance with the recognition and measurement principles laid down in the Indian Accounting Standards prescribed under Section 133 of the Act read with relevant rules issued thereunder and other accounting principles generally accepted in India and in compliance with Regulation 33 of the Listing Regulations. The respective Board of Directors of the companies included in the Group and of its associate are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and its associate and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial results by the Directors of the Holding Company, as aforesaid.
6. In preparing the consolidated financial results, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and its associate to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Group and its associate or to cease operations, or has no realistic alternative but to do so.
7. The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

8. Our objectives are to obtain reasonable assurance about whether the consolidated financial results as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial results.



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9. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
- Identify and assess the risks of material misstatement of the consolidated financial results, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls. (Refer paragraph 14 below)
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors.
 - Conclude on the appropriateness of the Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial results or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the consolidated financial results, including the disclosures, and whether the consolidated financial results represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtain sufficient appropriate audit evidence regarding the financial results of the entities within the Group and its associate to express an opinion on the consolidated Financial Results. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial results of which we are the independent auditors. For the other entities included in the consolidated financial results, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.
10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial results of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.



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

Other Matters

12. The consolidated financial results also include the Group's share of total comprehensive income (comprising of profit/ loss and other comprehensive income) of Rs. Nil for the year ended March 31, 2020, as considered in the consolidated financial results, in respect of one associate, whose financial results have not been audited by us. These financial results have been audited by other auditor whose reports have been furnished to us by the Management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this associate, is based solely on the reports of the other auditor and the procedures performed by us as stated in paragraph 9 above.
13. The consolidated financial results include the results for the quarter ended March 31, 2020 being the balancing figures between the audited figures in respect of the full financial year and the published unaudited year to date figures up to the third quarter of the current financial year, which are subject to limited review by us.
14. The consolidated financial results dealt with by this report have been prepared for the express purpose of filing with Stock Exchanges. These results are based on and should be read with the audited consolidated financial statements of the Group and its associate, for the year ended March 31, 2020 on which we have issued an unmodified audit opinion vide our report dated May 18, 2020.

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



Pradip Kanakia
Partner

Membership Number: 039985
UDIN: 20039985AAAACA3163

Place: Bengaluru
Date: May 18, 2020

TORRENT POWER LIMITED

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STATEMENT OF CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2020

Particulars	₹ in Crore except per share data)				
	For the quarter ended			For the year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Refer note 14	Un-audited	Refer note 14	Audited	Audited
Income					
Revenue from operations (Refer note 6)	2,983.50	3,079.00	2,924.80	13,640.63	13,150.97
Other income	37.34	36.48	39.85	177.59	189.59
Total income	3,020.84	3,115.48	2,964.65	13,818.22	13,340.56
Expenses					
Electrical energy purchased	780.16	835.87	819.84	3,709.40	4,116.50
Fuel cost	803.93	957.57	897.16	4,250.54	4,019.46
Cost of materials consumed	48.13	65.00	51.81	250.60	259.86
Purchase of stock-in-trade	-	-	54.90	53.69	229.46
Changes in inventories of finished goods, work-in-progress and stock-in-trade	5.44	(11.03)	14.01	1.45	(19.58)
Employee benefits expense	124.54	136.15	154.58	532.05	486.42
Finance costs	222.43	234.93	216.27	954.55	898.93
Depreciation and amortisation expense	335.01	326.77	312.97	1,304.27	1,226.53
Other expenses (Refer note 5)	394.26	255.06	222.70	1,286.83	859.37
Total expenses	2,713.90	2,800.32	2,744.24	12,343.38	12,076.96
Profit before exceptional items and tax	306.94	315.16	220.41	1,474.84	1,263.61
Exceptional items (Refer note 3)	1,000.00	-	-	1,000.00	-
Profit before tax	(693.06)	315.16	220.41	474.84	1,263.61
Tax expense					
- Current tax	73.61	67.38	42.60	309.26	275.51
- Deferred tax (Refer note 7)	(492.73)	(172.84)	153.01	(1,013.30)	84.27
Total tax expenses	(419.12)	(105.46)	195.61	(704.04)	359.78
Profit for the period	(273.94)	420.62	24.80	1,178.88	903.83
Profit for the period attributable to :					
Owners of the company	(274.92)	419.39	23.95	1,174.15	898.94
Non-controlling interests	0.98	1.23	0.85	4.73	4.89
Other comprehensive income :					
Items that will not be reclassified to profit or loss	(24.91)	(6.62)	(10.44)	(44.60)	(9.60)
Tax relating to other comprehensive income	(8.69)	(2.32)	(3.65)	(15.58)	(3.35)
Other comprehensive income (net of tax)	(16.22)	(4.30)	(6.79)	(29.02)	(6.25)
Total comprehensive income	(290.16)	416.32	18.01	1,149.86	897.58
Total comprehensive income attributable to :					
Owners of the company	(291.14)	415.09	17.16	1,145.13	892.69
Non-controlling interests	0.98	1.23	0.85	4.73	4.89
Paid up equity share capital (F.V. ₹ 10/- per share)	480.62	480.62	480.62	480.62	480.62
Reserves excluding revaluation reserves as per balance sheet of previous accounting year				8,672.92	8,489.61
Earnings per share (EPS)					
Earnings per share (of ₹ 10/- each) (not annualised)					
(a) Basic (₹)	(5.72)	8.73	0.50	24.43	18.70
(b) Diluted (₹)	(5.72)	8.73	0.50	24.43	18.70



Consolidated Statement of Assets and Liabilities

Particulars	(₹ in Crore)	
	As at March 31, 2020	As at March 31, 2019
	Audited	Audited
ASSETS		
Non-current assets		
Property, plant and equipment (Refer note 3)	17,366.37	17,996.58
Right-of-use assets (Refer note 2)	187.94	-
Capital work-in-progress	567.40	359.27
Intangible assets	14.98	17.31
Intangible assets under development	0.19	-
Financial assets		
Investments	115.95	287.56
Loans	176.19	16.74
Other financial assets	1.09	230.61
Deferred tax assets (net)	19.86	3.56
Non-current tax assets (net)	22.06	28.36
Other non-current assets	327.35	1,028.99
Sub total - Non-current assets	18,799.38	19,968.98
Current assets		
Inventories	598.24	627.03
Financial assets		
Investments	607.59	626.86
Trade receivables	1,279.75	1,229.69
Cash and cash equivalents	91.16	116.07
Bank balances other than cash and cash equivalents	189.10	211.93
Loans	15.38	15.07
Other financial assets	1,925.33	1,679.38
Other current assets	117.11	79.02
Sub total - Current assets	4,823.66	4,585.05
Total - Assets	23,623.04	24,554.03
EQUITY AND LIABILITIES		
Equity		
Equity share capital	480.62	480.62
Other equity	8,672.92	8,489.61
Sub total - Equity	9,153.54	8,970.23
Non-controlling interests	36.63	37.39
Liabilities		
Non-current liabilities		
Financial liabilities		
Borrowings	7,796.30	8,576.45
Trade payables		
Total outstanding dues of micro and small enterprises	-	-
Total outstanding dues other than micro and small enterprises	109.71	109.34
Other financial liabilities	33.29	0.24
Provisions	102.97	83.24
Deferred tax liabilities (net)	552.80	1,565.38
Other non-current liabilities	1,132.44	1,024.74
Sub total - Non-current liabilities	9,727.51	11,359.39
Current liabilities		
Financial liabilities		
Borrowings	3.28	300.05
Trade payables		
Total outstanding dues of micro and small enterprises	25.19	27.17
Total outstanding dues other than micro and small enterprises	1,012.72	782.58
Other financial liabilities (Refer note 8)	2,789.56	2,417.69
Other current liabilities	584.01	600.67
Provisions (Refer note 5)	269.90	42.44
Current tax liabilities (net)	21.70	16.42
Sub total - Current liabilities	4,706.36	4,187.02
Total - Equity and liabilities	23,623.04	24,554.03



Consolidated Statement of Cash Flow

(₹ in Crore)

	For the year ended	
	March 31, 2020	March 31, 2019
	Audited	Audited
Cash flow from operating activities		
Net profit before tax	474.84	1,263.61
Adjustments for :		
Depreciation and amortisation expense	1,304.27	1,226.53
Amortisation of deferred revenue	(74.09)	(64.07)
Provision of earlier years written back	(3.69)	(26.98)
Loss on sale / discarding of property, plant and equipment	39.64	17.97
Gain on disposal of property, plant and equipment	(2.89)	(8.40)
Bad debts written off (net of recovery)	(17.41)	3.96
Provision for onerous contracts	189.78	-
Allowance for doubtful debts (net)	82.43	17.44
Exceptional items (Refer note 3)	1,000.00	-
Finance costs	954.55	898.93
Interest income	(81.96)	(75.94)
Gain on sale of current investments in mutual funds	(49.77)	(49.56)
Gain on sale of non-current investments	(8.64)	-
Net (gain) / loss arising on current investments in mutual funds measured at fair value through profit or loss	1.79	9.09
Net gain arising on financial assets / liabilities measured at amortised cost	(13.84)	(24.45)
Net unrealised loss / (gain) on foreign currency transactions	12.30	(4.70)
Operating profit before working capital changes	3,807.31	3,183.43
Movement in working capital:		
Adjustments for decrease / (increase) in operating assets:		
Inventories	28.79	(172.15)
Trade receivables	(115.08)	(120.64)
Loans	(1.81)	1.23
Other financial assets	(2.51)	(510.20)
Other assets	(31.14)	(37.84)
Adjustments for increase / (decrease) in operating liabilities:		
Trade payables	209.45	178.04
Other financial liabilities	45.83	119.82
Provisions	12.81	5.20
Other liabilities	(20.56)	63.63
Cash generated from operations	3,933.09	2,710.52
Taxes paid (net)	(297.68)	(285.92)
Net cash flow generated from operating activities	3,635.41	2,424.60
Cash flow from investing activities		
Payments for property, plant and equipment & intangible assets	(1,333.68)	(1,988.67)
Proceeds from sale of property, plant and equipment / investment property	(13.48)	100.80
Non-current (investment in) / redemption of debentures from associates	191.62	(78.30)
Purchase of non-current investments	(1.92)	(1.93)
(Loans to) / repayment of loans from related parties (net)	(157.95)	-
(Investments) / redemption in bank deposits (net) (maturity more than three months)	24.43	(31.40)
Interest received	69.60	76.79
(Purchase of) / proceeds from current investments (net)	67.25	94.27
Bank balances not considered as cash and cash equivalents	-	(0.02)
Net cash generated from / (used in) investing activities	(1,154.13)	(1,828.46)



Consolidated Statement of Cash Flow(Contd.)

	(₹ in Crore)	
	For the year ended	
	March 31, 2020	March 31, 2019
	Audited	Audited
Cash flow from financing activities		
Proceeds from long-term borrowings	1,778.05	859.61
Proceeds from short-term borrowings	263.36	1,200.05
Repayment of long-term borrowings	(360.36)	(447.55)
Prepayment of long-term borrowings	(1,970.64)	(290.75)
Repayment of short-term borrowings	(560.13)	(900.00)
Repayment of Accelerated Power Development and Reform Programme (APDRP) loan	(3.82)	(3.82)
Receipt of contribution from consumers	185.69	166.00
Dividend paid (including dividend distribution tax)	(968.31)	(292.53)
Principal elements of finance lease payments	(5.71)	-
Finance costs paid	(864.32)	(907.58)
Net cash generated from / (used) in financing activities	(2,606.19)	(616.57)
Net (decrease) / increase in cash and cash equivalents	(24.91)	(20.43)
Cash and cash equivalents as at beginning of the period	116.07	136.50
Cash and cash equivalents as at end of the period	91.16	116.07

Notes:

- The consolidated financial results include the financial results of Torrent Power Limited (the "Company") and six subsidiaries: Torrent Power Grid Limited, Torrent Pipavav Generation Limited, Torrent Solargen Limited, Jodhpur Wind Farms Private Limited, Latur Renewable Private Limited and TCL Cables Private Limited (the "Group"). The Company has not invested equity in its associate Wind Two Renergy Private Limited and accordingly, no share of loss of these associate is accounted.
- Effective April 01, 2019, the Group has adopted Ind AS 116, "Leases". Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognise right-of-use assets and lease liabilities for all leases with a term of more than twelve months, unless the underlying asset is of a low value.

The Group has used the 'modified retrospective approach' for transition from the previous standard - Ind AS 17, and consequently, comparatives for previous periods have not been retrospectively adjusted. On transition, the Group has recorded the lease liability at the present value of future lease payments discounted using the incremental borrowing rate and has also chosen the practical expedient provided in the standard to measure the right-of-use assets at the same value as the lease liability.

The adoption of the new standard resulted in recognition of right-of-use assets and an equivalent lease liability as on April 01, 2019. The effect of Ind AS 116 on the profit for the period and earning per share is not material.

- The carrying amount of Property, Plant & Equipment ("PPE") as at March 31, 2020 includes an amount of ₹ 3,079.62 Crore (as at March 31, 2019 - ₹ 4,365.69 Crore) pertaining to 1,200 MW DGEN Mega Power Project located at Dahej, India ("DGEN"). DGEN started commercial operations from November 2014 ("COD") and has operated only intermittently after COD, including during the current financial year.

In view of the above and given the current economic environment, the Company has carried out an impairment assessment of DGEN as at March 31, 2020 by considering the recoverable amount (being the higher of 'fair value less cost to sell' and 'value in use') of DGEN in accordance with Indian Accounting Standard 36 'Impairment of Assets', applying 'value in use' and considering a discount rate of 14% and cash flow projections for a period of 20 years, being the balance useful life of DGEN in terms of Central Electricity Regulatory Authority (Terms and Conditions of Tariff) Regulations, 2019 on the basis that the Company expects to supply power in the future, inter alia, under long term power purchase agreements. Based on such assessment, the Group has provided for impairment loss of ₹ 1,000 Crore, which has been disclosed as an 'Exceptional item' in the consolidated financial results.

The 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 intends to review such assumptions periodically to factor updated information based on events or changes in circumstances in order to make fresh assessment of impairment, if any.

- Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company, had paid for acquisition of land in Amreli, Gujarat for the purpose of developing a coal based power plant of 1,000+ MW. Due to non-availability of fuel linkage, the Government of Gujarat vide its letter dated December 06, 2017, has communicated that the said project may not be developed and accordingly, the joint venture between Torrent Power Limited and Gujarat Power Corporation Limited (GPCL) is intended to be dissolved. The cost of land would be reimbursed to TPGL through disposal by state government. With reference to this, in the month of March 2019, GPCL has written a letter to Collector, Amreli stating that land is surrendered to the Government and requested Energy and Petroleum Department, Government of Gujarat to take further action in the matter. The management has made an impairment assessment of the land valuation by comparing the carrying value of such land in the books with the stamp value as prescribed by the Superintendent of Stamps, Gandhinagar, Gujarat, on the basis of which it has been concluded that there is no impairment. The recovery of the amount invested for land by TPGL is dependent on the ability of the Government to find a suitable buyer for the land.
- During the year, the Group has made a provision of ₹ 212.81 Crore (including ₹ 51.03 Crore for current quarter) in respect of certain onerous contracts towards potential damages and other project related costs, arising from expected delays or failure to set up certain wind power generation capacities, awarded to the Group in earlier years under a competitive bidding process.
- The revenue for the year includes ₹ 165.07 Crore on account of a favourable order received from the Appellate Tribunal for Electricity in respect of disputed Revenue Gap of earlier years.



7 Taxation Laws (Amendment) Act, 2019, inter alia, reduced the effective rate of MAT from 21.55% to 17.47%. The net deferred tax credit in the current quarter and year includes the impact of this change amounting to ₹ 78.63 Crore and ₹ 463.40 Crore respectively, due to the Group's ability to utilize accumulated MAT credit in future years, not previously recognized. Further the net deferred tax credit in the current quarter and year includes ₹ 414.10 crore and ₹ 549.90 crore respectively, mainly arising on account of a provision for impairment in the carrying value of Dgen Power Plant (refer note 3), provision for certain onerous contracts (refer note 5) and reassessment of management's reasonable estimate for the future taxable profits, which would be available to utilize accumulated MAT Credit.

8 Notwithstanding the fact that security deposits from consumers in the Group's business, which is in the nature of utility, are generally not repayable within a period of twelve months based on historical experience, such deposits amounting to ₹ 1,054.79 Crore as at March 31, 2019 that were earlier included as part of Other non-current financial liabilities have now been included under Other current financial liabilities pursuant to a Opinion issued by Expert Advisory Committee (EAC) of the Institute of Chartered Accountants of India pertaining to consumer deposits in another case.

9 **Impact of COVID 19 pandemic:**

The spread of COVID-19 disease has severely impacted economies, businesses and social set ups across the globe and in India. The spread of COVID-19 and the consequent lock-downs, disruptions in transportation and supply chains, travel bans, quarantines, social distancing and other such emergency measures have caused widespread disruptions in the economy and businesses. The resultant situation is a VUCA situation - Volatile, Uncertain, Complex and Ambiguous and continuously evolving, with no clear visibility of the near to medium term future outlook. In this backdrop, the Group has considered various internal and external information available up to the date of approval of consolidated financial results in assessing the impact of COVID-19 pandemic in the consolidated financial results for the year ended March 31, 2020.

The Group is predominantly engaged in the business of generation, distribution and transmission of electricity. Since electricity has been categorised as an essential service, the Group is in a position to generate and supply power to its customers in the cities of Ahmedabad, Gandhinagar, Surat and Dahej SEZ in Gujarat, Bhiwandi, Shil, Mumbra and Kalwa in Maharashtra and Agra in Uttar Pradesh.

However, the disruption has caused a dramatic reduction in immediate electricity demand, mainly in commercial and industrial categories. Based on current assessment, this situation will likely prevail throughout FY 2020-21, with a gradual pick up in electricity demand after the lockdown and associated restrictions are eased.

Management has carried out a detailed assessment of its liquidity position for the next one year from the date of approval of the consolidated financial results and of the recoverability and carrying values of Property, Plant & Equipment, Trade receivables, Inventory, and Investments as at the balance sheet date.

Based on the Group's liquidity position at March 31, 2020 and review of cash flow projections (after applying sensitivity analysis) over the next twelve months, the management believes the Group will have sufficient liquidity to operate its businesses in the ordinary course.

Management has performed an impairment assessment of Property, Plant & Equipment and has concluded that no significant adjustments are required to the carrying values of such assets, beyond the impairment charge recorded in these consolidated financial results.

Based on assessment of the management, an adequate provision for doubtful debts pertaining to its franchised distribution business units has been made in the consolidated financial results, after factoring an anticipated reduction in collection efficiency in those areas. In case of licensed distribution business, no additional bad debt provision is required due to largely unaffected collection efficiency and availability of adequate security deposits from customers.

Management has performed a physical inventory verification for most of its locations around the year end and for some locations at a date subsequent to the year end in order to obtain comfort over existence and condition of inventory after applying roll forward and roll back, procedures as appropriate. No additional provision is required to the carrying amount of inventory on account of COVID 19 as the inventory has been moving in the ordinary course post the year end.

Group's investments are in Overnight debt funds and in Inter-corporate deposits which are carried at their fair values or amortised cost at March 31, 2020. Management does not foresee any risk of non-recoverability of such investments.

Management believes that it has taken into account all the known impacts arising from COVID 19 pandemic in the preparation of the consolidated financial results. However, the impact assessment of COVID 19 is a continuing process given the uncertainties associated with its nature and duration. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the Group, if any. The eventual outcome of the impact of the COVID 19 pandemic on the Group's business may be different from that estimated as on the date of approval of these consolidated financial results.

10 Interim dividend for FY 2019-20 of ₹ 11.60 per equity share (including ₹ 5.00 per equity share as a special dividend) aggregating to ₹ 672.11 Crore (including dividend distribution tax of ₹ 114.60 Crore) was paid in February 2020. The Board has not considered any further dividends for FY 2019-20.

11 The chief operating decision maker evaluates the Group's performance and allocates the resources to whole of the Group 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". The Group's operations are wholly confined within India and as such there is no reportable geographical information.



- 12 The Board at its meeting dated November 05, 2019, has approved the Scheme of Arrangement ("Scheme") for transfer and vesting of Cable Business Undertaking of the Company to TCL Cables Pvt. Ltd., a wholly owned subsidiary (w.e.f. November 05, 2019) of the Company, on a going concern basis by way of slump sale with effect from the appointed date of April 01, 2020 for a lump sum consideration of ₹ 214.50 Crore (to be adjusted for change in working capital), under sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The Company has got the approval of BSE Limited and National Stock Exchange of India Limited. The Company has filed the application to National Company Law Tribunal (NCLT) for its approval. The Scheme is subject to requisite regulatory and other approvals, pending which no adjustments are required to be made in the financial results for the quarter and year ended March 31, 2020.

The key financial data as per books pertaining to the Cables Business Undertaking (including inter unit transactions) for the relevant periods presented in the Statement of results are as follows:

(₹ in Crore)			
Particulars	Quarter ended March 31, 2020	Year ended March 31, 2020	Previous year ended March 31, 2019
Revenue from operations	111.30	440.03	358.02
Profit before tax	3.69	20.95	1.58
Total assets		280.43	277.93
Total liabilities		30.76	40.94

- 13 The entire immovable and movable assets including current assets, both present and future, of the Company are mortgaged and hypothecated by way of first charge in favour of holders of Non Convertible Debentures series no. 1, 2A / 2B / 2C and 3A / 3B / 3C and which charge is held on a pari passu basis with lenders of term loans, cash credits and non-fund based credit facilities, availed by the Company.

The entire movable (including current assets) and immovable assets (other than those mentioned in a & b below), both present & future, are mortgaged and hypothecated by way of first pari passu charge in favour of holders of Non Convertible Debentures series no.5, and lenders of term loans, cash credits and non-fund based credit facilities, availed by the Company.

- movable fixed assets and debt service reserve accounts for the benefit of lenders of Renewable projects of the company.
- immovable assets of Renewable Projects and leasehold land bearing plot nos. B15 and B28 situated in the Atali Industrial Estate in Taluka Vagra, District Bharuch, near 1200 MW Dahej Plant.

- 14 Figures for the quarter ended March 31, 2020 and March 31, 2019 are the balancing figures between audited figures for the full financial year ended March 31, 2020 and March 31, 2019 and the published year to date figures upto the third quarter of the respective financial years.
- 15 The figures for the previous periods have been regrouped / recast, wherever necessary, to make them comparable with the figures for the current period.
- 16 The 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 May 18, 2020.
- 17 Summary of key standalone financial results is as follows:

Particulars	For the quarter ended			For the year ended	
	31.03.2020	31.12.2019	31.03.2019	31.03.2020	31.03.2019
	Refer note 14	Un-audited	Refer note 14	Audited	Audited
Revenue from operations	2,930.69	3,048.34	2,893.21	13,442.04	12,977.52
Profit before tax	(631.25)	341.42	225.98	545.90	1,248.36
Profit after tax	(222.18)	440.46	26.76	1,238.14	889.24
Total comprehensive income	(238.27)	436.16	20.00	1,209.14	883.03

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

Place : Ahmedabad
Date : May 18, 2020



Jmehta
Jinal Mehta
Managing Director