

# 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 unaudited standalone financial results of Torrent Power Limited (the "Company") for the quarter ended June 30, 2021 which are included in the accompanying Statement of Standalone financial results for the quarter ended June 30, 2021 (the "Statement"). The Statement has been prepared by the Company pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended (the "Listing Regulations, 2015"), which has been digitally signed 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 of the Listing Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw your attention to Note 4 to the Statement which describes that the scheme of arrangement (the "Scheme") between the Company and TCL Cables Private Limited (the Transferee Company) for transfer of the Cable business undertaking of the Company to the Transferee Company, has been approved by the National Company Law Tribunal ('NCLT') vide its Order dated December 17, 2020. Further, the published financial results for the previous quarter ended June 30, 2020 have been revised by the Company after recognising the effect of the Scheme. Our conclusion is not modified in respect of this matter.

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

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Priyanshu Gundana  
Partner  
Membership Number: 109553  
UDIN: 21109553AAAAAO3108

Place: Mumbai  
Date: August 6, 2021

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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 STAND-ALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2021

Particulars	(₹ in Crore except per share data)			
	For the quarter ended			For the year ended
	30.06.2021	31.03.2021	30.06.2020	31.03.2021
	Un-audited	Refer note 8	Un-audited	Audited
<b>Income</b>				
Revenue from operations (Refer note 1)	2,998.93	2,994.42	2,903.40	11,776.52
Other income	54.70	75.42	51.21	250.28
<b>Total income</b>	<b>3,053.63</b>	<b>3,069.84</b>	<b>2,954.61</b>	<b>12,026.80</b>
<b>Expenses</b>				
Electrical energy purchased	947.46	925.15	682.30	3,358.36
Fuel cost	955.14	826.33	922.39	3,610.55
Purchase of stock-in-trade	14.74	47.79	-	48.24
Employee benefits expense	143.73	102.99	147.44	521.76
Finance costs	151.71	152.76	206.89	718.96
Depreciation and amortisation expense	303.80	303.23	290.48	1,179.85
Other expenses	279.53	236.26	243.54	1,005.84
<b>Total expenses</b>	<b>2,796.11</b>	<b>2,594.51</b>	<b>2,493.04</b>	<b>10,443.56</b>
<b>Profit before tax</b>	<b>257.52</b>	<b>475.33</b>	<b>461.57</b>	<b>1,583.24</b>
Tax expense				
- Current Tax	45.13	79.11	87.03	284.48
- Deferred tax	13.38	(18.60)	6.43	(26.15)
<b>Total tax expenses</b>	<b>58.51</b>	<b>60.51</b>	<b>93.46</b>	<b>258.33</b>
<b>Profit for the period</b>	<b>199.01</b>	<b>414.82</b>	<b>368.11</b>	<b>1,324.91</b>
<b>Other comprehensive income :</b>				
Items that will not be reclassified to profit or loss	1.38	14.04	(8.32)	5.18
Tax relating to other comprehensive income	0.49	4.91	(2.93)	1.79
<b>Other comprehensive income (net of tax)</b>	<b>0.89</b>	<b>9.13</b>	<b>(5.39)</b>	<b>3.39</b>
<b>Total comprehensive income</b>	<b>199.90</b>	<b>423.95</b>	<b>362.72</b>	<b>1,328.30</b>
Paid up equity share capital (F.V. ₹ 10/- per share)	480.62	480.62	480.62	480.62
Reserves excluding revaluation reserves as per balance sheet of previous accounting year				9,770.61
Earnings per share (of ₹ 10/- each) (not annualised)				
(a) Basic (₹)	4.14	8.63	7.66	27.57
(b) Diluted (₹)	4.14	8.63	7.66	27.57

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**Notes:**

- 1 Revenue from operations for the comparative quarter of previous year ended June 30, 2020 includes ₹ 250.62 Crore on account of favourable orders received from the Appellate Tribunal for Electricity in respect of disputed Revenue Gap related to carrying costs of earlier years.
- 2 Net carrying value of Property, Plant & Equipment ("PPE") as at June 30, 2021 includes ₹ 2,829.36 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.

The Company had carried out an impairment assessment of DGEN as at March 31, 2021 considering the recoverable amount based on value in use of DGEN in accordance with Indian Accounting Standard 36 'Impairment of Assets' and concluded that no further impairment provision is necessary as at March 31, 2021. The Company has reviewed the key assumptions underlying the above assessment as on June 30, 2021 and concluded that no further impairment provision is considered necessary as at June 30, 2021.

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.

- 3 Impact of COVID 19 pandemic:  
Consequent to Covid 19 pandemic, the Company has made detailed assessment of its liquidity position, recoverability of carrying values of its financial and non-financial assets and impact on revenues and believes that there is no material adjustments required to be made in the financial results for the quarter ended June 30, 2021. Management will continue to monitor any material changes to future economic conditions and the impact thereof on the Company.
- 4 The National Company Law Tribunal (NCLT) vide its Order dated December 17, 2020, has sanctioned the Scheme of Arrangement ("the Scheme") for transfer and vesting of Cable Business Undertaking ("CBU") of the Company, on a going concern basis by way of slump sale, to TCL Cables Pvt. Ltd., a wholly owned subsidiary of the Company, under sections 230 to 232 and other applicable provisions of the Companies Act, 2013. The certified copy of the said order has been filed with Registrar of Companies on January 15, 2021 ("Effective Date").

As the Scheme is legally effective from April 01, 2020 ("Appointed Date"), figures for the comparative quarter ended June 30, 2020 are provided after giving effect of the scheme.

The reported figures without giving effect of the Scheme and the figures after giving effect of the Scheme for the quarter ended June 30, 2020 are provided below:

Particulars	Quarter ended June 30, 2020	
	Without giving effect of the Scheme	After giving effect of the Scheme
Revenue from operations	2,938.36	2,903.40
Profit before tax	459.46	461.57
Profit after tax	366.35	368.11
Total comprehensive income	360.77	362.72

- 5 Torrent Pipavav Generation Limited ("TPGL"), a subsidiary of the Company and a joint venture between the Company and Gujarat Power Corporation Limited ("GPCL"), 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, 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. 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 and requested Energy and Petroleum Department, GoG to take further action in the matter. The management has made an impairment assessment of the carrying amount of the land by comparing it with the circle rates published by GoG for the purpose of levy of stamp duty, on the basis of which it has been 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 statements of TPGL for the quarter ended June 30, 2021 have been prepared on a non - going concern basis. The recovery of carrying amount of loan and equity ₹ 92.93 Crore is also dependent on the availability of buyer for above mentioned land. The Company has invested equity and loan aggregating to ₹ 108.88 Crore in TPGL and impairment in value of investment is of ₹ 15.95 as at June 30, 2021 .

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- 6 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.
- 7 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 along with lenders of term loans, fund-based working capital facilities and non-fund based credit facilities, availed by the Company (except assets detailed in (i) & (ii) below which are not provided as security to holders of Non-Convertible Debentures of Series no. 5 and Series no. 6 respectively).
- (i) Assets not given as security to Non-Convertible Debenture holders of Series no. 5
- immovable assets, movable fixed assets and debt service reserve accounts pertaining to the Renewable Projects;
  - leasehold land bearing plot nos. B15 and B28 situated in the Atali Industrial Estate in Taluka Vagra, District Bharuch;
- (ii) Assets not given as security to Non-Convertible Debenture holders of Series no. 6
- immovable and movable assets of Renewable Projects;
  - debt service reserve accounts maintained for the benefit of lenders of term loans;
  - investments / deposits made out of Non-Convertible Debenture Reserve;
  - leasehold land bearing plot nos. B15 to B28 situated in the Atali Industrial Estate in Taluka Vagra, District Bharuch;
  - non-agricultural plot of land at village Kamatghar, Taluka Bhiwandi, District Thane bearing survey no.119, Hissa no. 2/3 along with building thereon;
  - immovable property located at no. 2, Dharam Marg, Chanakya Puri, New Delhi.
- 8 Figures for the quarter ended March 31, 2021 are the balancing figures between audited figures for the full financial year ended March 31, 2021 and the published year to date figures upto the third quarter of the said financial year.
- 9 On July 30, 2021, the Company has entered into a Securities Purchase Agreement with Lightsource India Limited and Lightsource Renewable Energy (India) Limited for the acquisition of 100% of the share capital and all securities of LREHL Renewables India SPV 1 Private Limited, which operates a 50 MW solar power plant, situated in the state of Maharashtra. Enterprise value estimated for this acquisition is approx ₹ 317 Crore subject to closing price adjustments. The acquisition is subject to customary conditions for transaction closure.
- 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 August 06, 2021.

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For, **TORRENT POWER LIMITED**

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Jinal Mehta  
Managing Director