

RattanIndia

January 28, 2021

Scrip Code- 533122

RTNPOWER/EQ

BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street,
MUMBAI - 400 001

National Stock Exchange of India Limited
Exchange Plaza, Bandra Kurla Complex
Bandra (East),
MUMBAI-400 051


Sub: Earnings Update of RattanIndia Power Limited for the quarter ended
December 31, 2020.

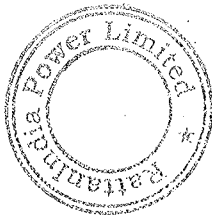
Dear Sirs,

Please find enclosed an Earnings update of RattanIndia Power Limited for the
quarter ended December 31, 2020, for your information and record.

Thanking you,

Yours faithfully,
For RattanIndia Power Limited


Lalit Narayan Mathpati
Company Secretary



Encl : as above

RattanIndia Power Limited

Registered Office: A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi-110037

Tel.: +91 11 46611666 Fax: +91 11 46611777

Website: www.rattanindia.com

CIN: L40102DL2007PLC169082

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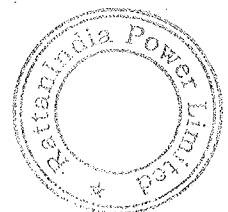
RattanIndia

RattanIndia Power Ltd.

Earnings Update

Q3 FY 2020-21

CCW



Safe Harbor Statement

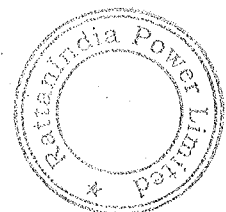
This document contains certain forward-looking statements based on current expectations of RattanIndia management. Actual results may vary significantly from the forward-looking statements in this document due to various risks and uncertainties. These risks and uncertainties include the effect of economic and political conditions in India, and outside India, volatility in interest rates and in Securities markets, new regulations and government policies that might impact the business of RattanIndia, the general state of the Indian economy and the management's ability to implement the company's strategy. RattanIndia doesn't undertake any obligation to update these forward-looking statements.

This document does not constitute an offer or recommendation to buy or sell any securities of RattanIndia or any of its subsidiaries or associate companies. This document also doesn't constitute an offer or recommendation to buy or sell any financial products offered by RattanIndia.

Investor Contact:

Name: **Chandan Mishra**
Landline No: +91 11 466 11 666
Email: ir@rattanindia.com

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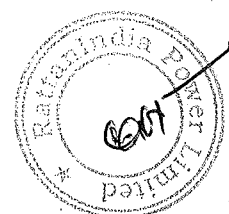


Sustained Performance Post OTS

- RPL continues to honor its commitment under the OTS, having paid back Rs. 1,034.46 Cr in the first year (Jan – Dec 2020), including Rs. 200 Cr as a prepayment
- This was achieved, in spite of the persisting impact of the pandemic and the plant being under zero-schedule till mid-Dec 2020
- While Facility A1 (Rs 334.46 Cr) got fully repaid, Interest rate on outstanding balance of Rs. 1,965 Cr under Facility A reduced from 13.5% to 12.25%, w.e.f. 01 Jan 2021, resulting in savings for RPL.
- After showing quarterly profits in Q2 FY2021 (after 9 consecutive quarters of losses), the Company continues to demonstrate sustained profits

	Q3 FY2020-'21	Q2 FY2020-'21	Q1 FY2020-'21
EBITDA (Rs. Cr.)	259.36	226.84	229.49
PAT (Rs. Cr.)	33.44	0.27	(0.03)

- Plant has commenced operations from 16 Dec 2020; sustained operations would result in further improved performance.



Financial Performance

- Amravati Plant is a fundamentally strong power plant with significant and steady EBIDTA since its commissioning in 2015

Year	EBITDA (Rs. Cr)
FY 2016	1,281 [#]
FY 2017	1,116 [#]
FY 2018	1,100 [#]
FY 2019	1,105 [#]
FY 2020	3,480 [*]
9M FY 2021	716

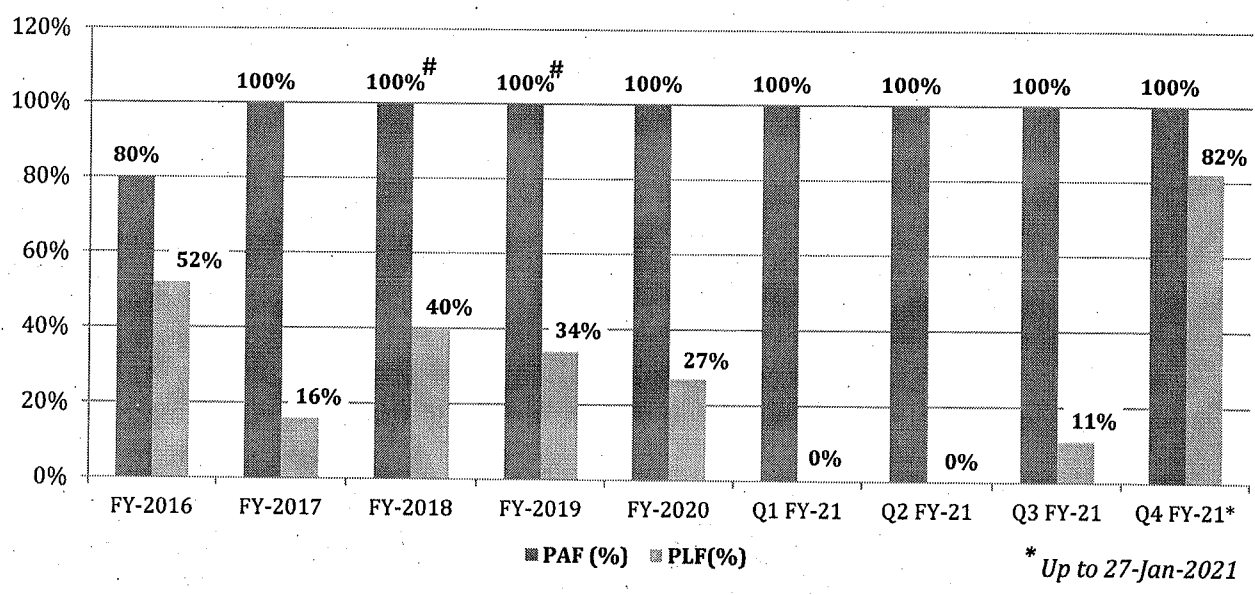
[#]as per IGAAP

^{*} Includes impact of OTS

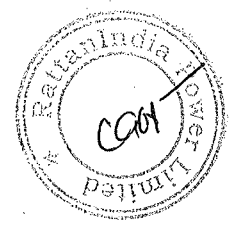


Amravati Project : PLF and PAF

- Amravati Plant has commenced operations from Dec'20 after a long hiatus;
- Pursuant to MERC Order dated 30.12.2020, competitiveness of the Plant has improved significantly wef 01 Jan 2021, as Plant now falls in 3rd quartile of the Merit Order stack which will ensure high PLF and efficient operations in future;
- Plant is continuously operating at PLF ~82% after the said MERC Order.



[#] Plant was technically available to supply 100% contracted capacity to MSEDCL

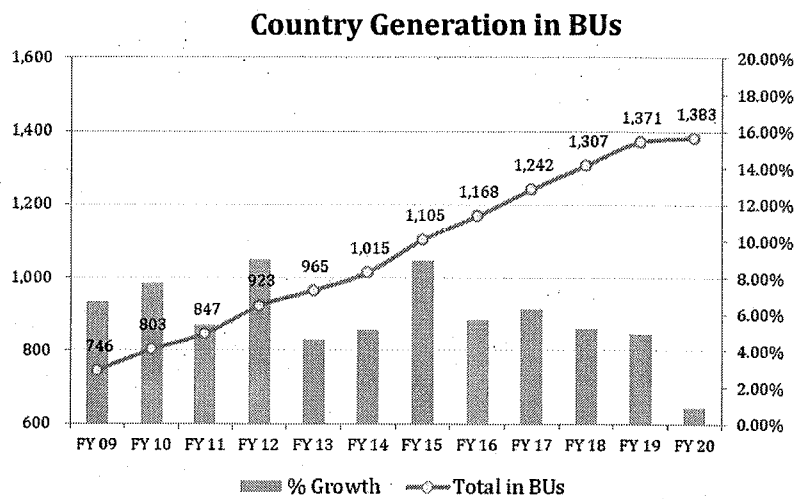


Generation trend of India

Generation Country - (BUs)		
All India	Total	% Growth
FY 09	746	6.66%
FY 10	803	7.69%
FY 11	847	5.42%
FY 12	923	8.99%
FY 13	965	4.61%
FY 14	1,015	5.14%
FY 15	1,105	8.92%
FY 16	1,168	5.69%
FY 17	1,242	6.28%
FY 18	1,307	5.23%
FY 19	1,371	4.95%
FY 20	1,383	0.88%
FY 21*	1,056	

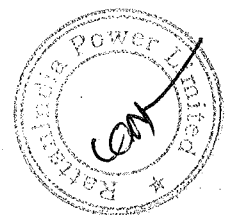
Source: CEA, MSLDC

*till 31 Dec 2020



Very robust generation growth – CAGR of above 5% for last 12 years - Electricity demand back to pre-COVID levels and December 2020 has witnessed all time high demand

- All India electricity consumption increased by 6.1% in December 2020 (compared to December 2019), setting new highs in terms of peak demand, clearly indicating revival of economic & business activity
- In FY 2019-20, all India generation was 1,383 billion units (BUs), of which 138 BUs (i.e., only ~10%) was from Renewable Energy Sources (RES) (Total installed capacity of Renewables was 87 GW). Hence, going forward, thermal coal-based power plants will continue to be the backbone of the electricity generation in the country.



Demand trend of MSEDCL

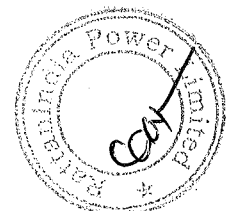
- Both State and National Demand back to pre-Covid levels

- Demand for electricity has shown a marked growth since Sept 2020;
- With a growth of 6.1% in December 2020 (compared to previous year), India achieved an all time high peak power demand of 182.88GW, clearly indicating considerable spurt in economic activity;
- Both State and MSEDCL demand too has been growing steadily since Sept 2020.

	MSEDCL MAX DEMAND - MONTHWISE (GW)					
	FY16	FY17	FY18	FY19	FY20	FY21
Apr	16.8	17.4	19.7	20.3	19.7	16.7
May	17.0	17.2	19.2	20.3	20.1	19.1
Jun	16.5	16.8	17.6	18.8	19.5	16.9
Jul	17.0	13.8	16.8	17.1	17.5	15.6
Aug	16.0	16.1	17.6	18.3	17.2	15.9
Sep	16.5	17.9	16.9	20.3	16.1	16.9
Oct	18.1	18.0	17.9	21.6	17.4	17.9
Nov	17.7	18.1	18.4	20.2	18.5	20.0
Dec	16.7	17.8	17.8	19.1	19.5	21.1
Jan	16.3	18.3	18.7	18.7	20.2	
Feb	17.0	18.8	18.6	18.3	21.6	
Mar	16.9	19.7	19.5	19.0	21.1	

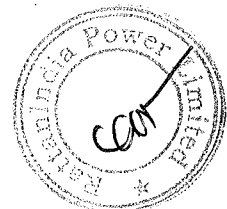
	STATE MAX DEMAND - MONTHWISE (GW)					
	FY16	FY17	FY18	FY19	FY20	FY21
Apr	20.2	20.5	23.0	23.7	23.2	18.7
May	20.4	20.5	22.3	23.8	23.6	21.5
Jun	19.8	20.3	21.1	22.4	22.9	19.2
Jul	20.1	16.5	19.9	19.9	20.6	17.8
Aug	19.0	19.1	20.5	20.7	20.2	18.1
Sep	19.7	20.7	20.1	23.3	18.8	19.4
Oct	21.4	21.0	21.3	25.0	20.8	20.7
Nov	20.8	20.8	21.5	23.3	21.5	22.8
Dec	19.6	20.4	20.4	22.0	22.4	23.5
Jan	18.6	21.0	21.5	21.1	23.0	
Feb	19.5	21.8	21.6	21.0	24.6	
Mar	19.9	23.1	22.9	22.2	24.0	

Source: CEA, MSLDC



Regulatory Update

- **APTEL vide Judgment dated 13 Nov 2020**, has decided the principles for pass-through of additional cost for procurement of alternate coal in favour of RPL.
 - RPL has filed its remand petition before MERC post the APTEL judgement for recovery of Rs. 463 Cr. (incl. carrying cost till 31 Dec 2020);
 - This judgement will also lead to re-computation of compensation towards Change in Law (CIL) events already admitted by MSEDCL. Revised claim of Rs. 311 Cr. already submitted to MSEDCL;
- **MERC vide Order dated 30 Dec 2020**, has approved the amendment of the PPA, advancing the non-escalable energy charges, applicable from 01 Apr 2021 to 01 Jan2021
 - Company's position in the Merit Order Schedule has improved from the 4th Quartile (above 75%) to 3rd Quartile (between 51-75%)
 - Displaced ~3,000MW in the Merit Order Schedule, ensuring must run status going forward and sustained PLF / operations.



Brief update on the Nasik Power Plant

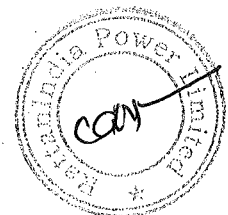
- Currently in active discussions with the Lenders for an overall resolution of the stress



RPL: Standalone Financial Results

(Rs. In Crores)

Statement of Standalone Unaudited Financial Results for the Quarter Ended 31 December 2020			
Particulars		Quarter Ended	
		31.12.2020 (Unaudited)	31.12.2019 (Unaudited)
1	Revenue from operations	303.86	371.79
2	Other income	86.03	30.36
	Total income	389.89	402.15
3	Expenses		
	(a) Cost of fuel, power and water consumed	89.52	157.71
	(b) Employee benefits expense	11.40	12.62
	(c) Finance costs	168.51	624.48
	(d) Depreciation and amortisation expenses	57.41	57.01
	(e) Other expenses	29.61	111.06
	Total expenses	356.45	962.88
4	Profit/ (Loss) before exceptional items and tax (1+2-3)	33.44	(560.73)
5	Less: Exceptional items	-	(2,667.41)
6	Profit before tax (4-5)	33.44	2,106.68
7	Tax expenses		
	(a) Current tax	-	-
	(b) Deferred tax	-	-
	Total tax expenses	-	-
8	Profit for the period (6-7)	33.44	2,106.68
9	Other comprehensive income		
	Items that will not be reclassified to profit or loss	-	-
	Income tax relating to items that will not be reclassified to profit or loss	-	-
	Other comprehensive income (net of tax)	-	-
10	Total comprehensive income for the period (8+9)	33.44	2,106.68
11	Paid-up equity share capital (Face Value of Rs.10 per Equity Share)	4,939.78	4,564.38
12	Earnings Per Share (EPS) (Face Value of Rs. 10 per Equity Share)		
	<i>*EPS for the quarter ended are not annualised</i>		
	Basic (Rs.)	0.07*	7.01*
	Diluted (Rs.)	0.06*	6.91*



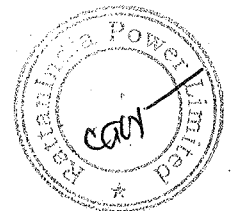
Impact of Covid-19

The Company is involved in the business of generation of electricity, which has been notified as an "essential service" by the Ministry of Power, Govt. of India. The Company put into place a robust risk-mitigation plan to ensure that the plant is completely ready to generate electricity on demand. Company took all necessary steps at its plant site to, not only ensure the health and safety of the employees and workers but also ensure adequate supplies of raw materials to meet normative plant load factor.

During the quarter, due to low demand for power in Maharashtra, the plant's load factor got affected. The Company continues to bill Maharashtra State Electricity Distribution Co. for the fixed capacity charges as per the term of the Power Purchase Agreement (PPA). The Plant continues to maintain more than adequate inventory of coal to ensure generation as per the terms of the PPA.

Basis these steps, the management has estimated its cash flows for the future and believes there will be no impact on its ability to meet its liabilities in the long term. However, this is an extremely dynamic and continuously evolving situation and will be continuously reviewed going forward to address any new eventualities.

To alleviate the pain of the power generating company Government of India has provided special liquidity facility to the discoms to meet the obligation to pay to the power generators.





Thank you

