

RattanIndia

November 03, 2021

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

Scrip Code- 533122

RTNPOWER/EQ

Sub: Un-audited Financial Results for the quarter and half year ended September 30, 2021

Dear Sir,

The Board approved the Unaudited Standalone and Consolidated Financial Results of the Company for the second quarter and half year ended September 30, 2021 along with Limited Review Reports, pursuant to Regulation 33 of the Listing Regulations.

A copy of the aforesaid Financial Results along with the Limited Review Reports are enclosed herewith.

The meeting commenced at 5:45 P.M. and concluded at 8:00 P.M.

The above information is also available on the website of the Company at www.rattanindia.com

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

Can
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 Limited

Standalone Unaudited Financial Results for the Quarter and Half Year Ended 30 September 2021

(Rs. Crore)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2021 (Unaudited)	30.06.2021 (Unaudited)	30.09.2020 (Unaudited)	30.09.2021 (Unaudited)	30.09.2020 (Unaudited)	31.03.2021 (Audited)
1 Revenue from operations	757.14	874.36	198.13	1,631.50	393.87	1,559.86
2 Other income	76.57	83.74	82.17	160.31	160.55	616.51
Total income	833.71	958.10	280.30	1,791.81	554.42	2,176.37
3 Expenses						
(a) Cost of fuel, power and water consumed	549.39	613.93	9.36	1,163.32	18.34	726.85
(b) Employee benefits expense	13.10	12.59	11.09	25.69	21.30	38.85
(c) Finance costs	154.09	154.49	169.89	308.58	341.40	664.01
(d) Depreciation and amortisation expense	56.65	56.39	56.70	113.04	114.71	227.51
(e) Other expenses	41.18	33.60	32.99	74.78	58.43	422.44
Total expenses	814.41	871.00	280.03	1,685.41	554.18	2,079.66
4 Profit before exceptional items and tax (1+2-3)	19.30	87.10	0.27	106.40	0.24	96.71
5 Exceptional items	-	-	-	-	-	-
6 Profit before tax (4-5)	19.30	87.10	0.27	106.40	0.24	96.71
7 Tax expenses						
(a) Current tax	-	-	-	-	-	-
(b) Deferred tax	-	-	-	-	-	-
Total tax expenses	-	-	-	-	-	-
8 Profit for the period (6-7)	19.30	87.10	0.27	106.40	0.24	96.71
9 Other comprehensive income						
Items that will not be reclassified to profit or loss	(0.94)	-	0.34	(0.94)	0.38	(0.03)
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-	-	-
Other comprehensive income (net of tax)	(0.94)	-	0.34	(0.94)	0.38	(0.03)
10 Total comprehensive income for the period (8+9)	18.36	87.10	0.61	105.46	0.62	96.68
11 Paid-up equity share capital (Face Value of Rs.10 per Equity Share)	5,370.11	5,370.11	4,939.78	5,370.11	4,939.78	5,370.11
12 Other equity as per statement of assets and liabilities						(441.04)
13 Earnings Per Share (EPS)						
*EPS for the quarter and half year ended are not annualised						
-Basic (Rs.)	0.04*	0.16*	0.00*	0.20*	0.00*	0.19
-Diluted (Rs.)	0.04*	0.16*	0.00*	0.20*	0.00*	0.19

(See accompanying notes to the standalone financial results)

Notes to the Standalone Financial Results :

1 Standalone Statement of Assets and Liabilities		(Rs. Crore)	
Particulars	As at		
	30.09.2021 (Unaudited)	31.03.2021 (Audited)	
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	6,482.34	6,594.13	
(b) Capital work-in-progress	101.95	99.23	
(c) Right of use	146.51	147.29	
(d) Intangible assets	0.29	0.05	
(e) Financial assets			
Investment in subsidiaries	1,212.61	1,227.05	
Loans	240.44	226.00	
Other financial assets	62.06	69.83	
(f) Non-current tax assets	7.75	6.73	
(g) Other non-current assets	1.00	3.58	
Sub-total - Non-current assets	8,254.95	8,373.89	
2 Current assets			
(a) Inventories	62.74	267.85	
(b) Financial assets			
Investments	0.10	0.34	
Trade receivables	2,056.10	1,951.34	
Cash and cash equivalents	192.89	112.63	
Bank balances other than cash and cash equivalents	280.47	128.52	
Loans	26.05	26.05	
Other financial assets	264.13	303.69	
(c) Other current assets	186.71	145.95	
Sub-total - Current assets	3,069.19	2,936.37	
TOTAL - ASSETS	11,324.14	11,310.26	
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	5,370.11	5,370.11	
(b) Other equity	(335.58)	(441.04)	
Sub-total - Equity	5,034.53	4,929.07	
2 Non-current liabilities			
(a) Financial liabilities			
Borrowings	4,364.25	4,441.24	
Lease liabilities	14.72	14.72	
(b) Provisions	8.49	7.09	
(c) Other non-current liabilities	1,008.24	1,035.29	
Sub-total - Non-current liabilities	5,395.70	5,498.34	
3 Current liabilities			
(a) Financial liabilities			
Borrowings	500.00	500.00	
Lease liabilities	1.86	1.86	
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	-	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	29.95	26.68	
Other financial liabilities	320.93	296.16	
(b) Other current liabilities	1.24	18.14	
(c) Provisions	39.93	40.01	
Sub-total - Current liabilities	893.91	882.85	
TOTAL - EQUITY AND LIABILITIES	11,324.14	11,310.26	

Particulars	Half year ended 30.09.2021 (Unaudited)	Half year ended 30.09.2020 (Unaudited)
A Cash Flow From Operating Activities		
Profit before tax	106.40	0.24
Adjustments for:		
Depreciation/ amortisation expense	113.04	114.71
Provision for impairment of investments	-	14.05
Discount in debt repayment	-	(13.50)
Liabilities written back	(0.05)	(1.83)
Investment written off	14.44	-
Interest income	(21.22)	(21.55)
Loss on foreign currency transactions (net)	0.03	1.44
Finance costs	308.58	341.40
Profit on sale of investments	-	(0.60)
Employee stock options expense	-	0.06
Operating profit before working capital changes	521.22	434.42
Movement in working capital		
Decrease/ (increase) in inventories	205.11	(1.44)
Decrease in other financial assets	39.68	77.36
Increase in other assets	(38.05)	(0.08)
Increase in trade and other receivables	(104.76)	(97.28)
Increase/ (decrease) in other financial liabilities	5.22	(22.10)
Decrease in other liabilities	(43.94)	(1.53)
Increase in trade and other payables	3.27	3.78
Cash flow generated from operating activities post working capital changes	587.75	393.13
Income tax paid	(1.15)	(0.60)
Net cash flow generated from operating activities (A)	586.60	392.53
B Cash Flows From Investing Activities		
Purchase of property, plant and equipment (including capital work-in-progress)	(4.51)	-
Movement in current investments (net)	0.24	273.50
Movement in fixed deposits	(142.64)	(121.79)
Interest received	5.11	6.60
Net cash flows (used in)/ generated from investing activities (B)	(141.80)	158.31
C Cash Flows From Financing Activities		
Repayment of long-term borrowings	(250.00)	(236.50)
Repayment of short-term borrowings	-	(167.23)
Finance cost paid	(114.54)	(6.59)
Net cash used in financing activities (C)	(364.54)	(410.32)
D Increase in cash and cash equivalents (A+B+C)	80.26	140.52
E Cash and cash equivalents at the beginning of the period	112.63	63.43
F Cash and cash equivalents at the end of the period (D+E)	192.89	203.95

- 3 The standalone financial results of RattanIndia Power Limited ("RPL" or "the Company") for the quarter and half year ended 30 September 2021 have been reviewed by the Audit Committee on 03 November 2021 and subsequently approved at the meeting of the Board of Directors ("the Board") held on 03 November 2021. The standalone financial results have been subjected to a limited review by the Statutory Auditors of the Company. The standalone financial results are prepared in accordance with the recognition and measurement principles of Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as specified in Section 133 of the Companies Act, 2013.
- 4 The Company has non-current investment of Rs.1,211.82 crore and loans under current financial assets of Rs. 26.05 crore (net of provision for impairment) recoverable from, Sinnar Thermal Power Limited ('STPL'), a wholly-owned subsidiary of the Company.
- a) Due to inability to meet its debt repayment obligations, STPL initiated discussions with the consortium of lenders for restructuring of its debt under the Strategic Debt Restructuring Scheme ('SDR') as per the earlier guidelines of the Reserve Bank of India (RBI). However, RBI's notification dated 12 February 2018 repealed all debt restructuring schemes (including SDR), which resultantly impacted progress made by STPL to seek resolution of its financial stress. Subsequently, PFC (Lead Lender) filed an application under the IBC before the NCLT Delhi on 10 September 2018, which was subsequently withdrawn on 14 May 2019.
- b) While all 5 units of STPL have commissioned, it is yet to commence commercial operations, pending the execution of PPA for offtake of power.
- c) The matter related to execution of 507 MW PPA with MSEDCL is in dispute wherein STPL had filed a petition before Maharashtra Electricity Regulatory Commission (MERC) for adjudication of the dispute, however, the petition was withdrawn pursuant to the observation of MERC that STPL may re-approach MERC after securing firm and unconditional commitment from Lenders for providing working capital/ bank guarantees required for executing the PPA. The management, based upon discussions with lenders, including discussions around one-time settlement, is of the view that the PPA would be restored in favor of STPL.
- d) In view of the above, there is an uncertainty in execution of PPA between STPL and MSEDCL that may cast significant doubt on STPL's ability to continue as a going concern due to which STPL may not be able to realize its assets and discharge its liabilities in the normal course of business. However, given the recent initiatives taken by Lenders to operationalize the plant in near future which includes exploring various options including divestment of part stake, the management is of the view that STPL's status as going concern for the purpose of accounting is appropriate. The Management has undertaken assessment of recoverability of the financial assets and has created a necessary provision.
- The statutory auditors have expressed qualification in respect of this matter.
- 5 The Company has been regularly making assessment of adverse impact of COVID-19 on economic environment in general and on financial performance and risks. The Company has been taking proactive measures to mitigate the risk by complying with various directions/ regulations/ guidelines issued by the government and local bodies to ensure safety of workforce across its offices and plants. The Company is in the business of generation of electricity, which is an essential service, hence, the availability of plant to generate electricity is of critical importance. The Company has been making best endeavors for ensuring 24x7 availability of its power plant and maintaining sufficient stock of coal. Due to its highly competitive tariff, the plant has been getting continuous schedule to generate and dispatch electricity from 01 January 2021 onwards and will continue to maintain its position in Merit Order Stack. Basis the above, the management has estimated its future cash flows for the Company, which indicates no major change in the financial performance as estimated prior to COVID-19 impact and hence, the Company believes that there is no impact in its ability in meeting its liabilities as and when they fall due. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Company will continue to monitor any material changes to future economic conditions.
- 6 In light of the decision of the Hon'ble Supreme Court in Civil Appeal No 5399-5400 of 2016 in the matter of Energy Watchdog vs CERC vide judgment dated 11 April 2017, RPL is entitled to a compensation for procurement of additional coal from alternate sources to make good the shortfall in supply of coal by Coal India Ltd for fulfilling its obligations under the PPA signed with MSEDCL. Following the said Supreme Court Judgment, MERC provided a mechanism for computation of the compensation amount vide its Order dated 03 April 2018. However, RPL preferred an appeal against the said MERC order in the Appellate Tribunal for Electricity (APTEL) since the methodology prescribed by MERC did not give complete relief in terms of the ratio laid down by the Supreme Court. RPL, on 13 November 2020, received a favourable judgment in this regard, setting aside MERC's order of 03 April 2018, upholding the contention of RPL for complete relief. Pursuant to the said APTEL Judgment, RPL has computed the total compensation amount and has submitted its claim. Hence, it would not be unreasonable to expect the realisation of amount of compensation along with interest recorded in the books of account on account of the aforesaid developments.
- 7 Revenue from operations on account of Change in Law events in terms of PPA is accounted for by the Company based on the best management estimates, including favourable and settled orders of regulatory authorities in some cases, which may be subject to adjustments on account of final orders of respective authorities.
- 8 The Chief Operating Decision Maker ("CODM") reviews the operations at the Company level. The operations of the Company fall under the "power generation and allied activities" business only, which is considered to be the only reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments.
- 9 The Code on Social Security, 2020 ('Code') has been notified in the Official Gazette of India on 29 September 2020, which could impact the contributions of the Company towards certain employment benefits. Effective date from which changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of change will be assessed and accounted for in the period of notification of relevant provisions.
- 10 During the quarter under review, Pursuant to Share purchase agreement between Nettle Constructions Private Limited ('Buyer') and STPL, STPL transferred 45.56% stake in its wholly-owned subsidiary, Sinnar Power Transmission Company Limited ("SPTCL"), to Buyer.

RattanIndia

RattanIndia Power Limited

Statement of Consolidated Unaudited Financial Results for the Quarter and Half Year Ended 30 September 2021

(Rs. Crore)

Particulars	Quarter ended			Half year ended		Year ended
	30.09.2021 (Unaudited)	30.06.2021 (Unaudited)	30.09.2020 (Unaudited)	30.09.2021 (Unaudited)	30.09.2020 (Unaudited)	31.03.2021 (Audited)
1 Revenue from operations	757.14	874.36	198.13	1,631.50	393.87	1,559.86
2 Other income	71.69	76.07	82.66	147.76	154.99	1,074.30
Total income	828.83	950.43	280.79	1,779.26	548.86	2,634.16
3 Expenses						
(a) Cost of fuel, power and water consumed	551.73	616.27	13.16	1,168.00	24.30	730.03
(b) Employee benefits expense	13.33	12.81	30.61	26.14	61.06	79.00
(c) Finance costs	589.11	573.77	562.15	1,162.88	1,110.14	2,240.69
(d) Depreciation and amortisation expense	103.98	103.20	104.25	207.18	209.20	415.52
(e) Other expenses	34.63	31.07	31.89	65.70	56.21	110.77
Total expenses	1,292.78	1,337.12	742.06	2,629.90	1,460.91	3,576.01
4 Loss before exceptional items, share of net profit/ (loss) of investment accounted for using equity method and taxes (1+2-3)	(463.95)	(386.69)	(461.27)	(850.64)	(912.05)	(941.85)
5 Share of net profit/ (loss) of investment accounted for using equity method	-	-	-	-	-	-
6 Loss before exceptional items and tax (4-5)	(463.95)	(386.69)	(461.27)	(850.64)	(912.05)	(941.85)
7 Exceptional items	-	437.73	-	437.73	-	-
8 Loss before tax (6-7)	(463.95)	(824.42)	(461.27)	(1,288.37)	(912.05)	(941.85)
9 Tax expenses						
(a) Current tax	-	-	-	-	-	0.01
(b) Deferred tax	-	-	-	-	-	-
Total tax expenses	-	-	-	-	-	0.01
10 Loss for the period (8-9)	(463.95)	(824.42)	(461.27)	(1,288.37)	(912.05)	(941.86)
11 Other comprehensive income						
Items that will not be reclassified to profit or loss	(0.88)	-	5.96	(0.88)	6.00	5.59
Items that will be reclassified to profit or loss	-	-	-	-	-	0.03
Other comprehensive income (net of tax)	(0.88)	-	5.96	(0.88)	6.00	5.62
12 Total comprehensive loss for the period (10+11)	(464.83)	(824.42)	(455.31)	(1,289.25)	(906.05)	(936.24)
13 Loss for the period attributable to:						
Equity holders of the Company	(460.02)	(824.37)	(461.23)	(1,284.39)	(911.94)	(941.61)
Non-controlling interest	(3.93)	(0.05)	(0.04)	(3.98)	(0.11)	(0.25)
	(463.95)	(824.42)	(461.27)	(1,288.37)	(912.05)	(941.86)
Other comprehensive income attributable to						
Equity holders of the Company	(0.88)	-	5.96	(0.88)	6.00	5.62
Non-controlling interest	-	-	-	-	-	-
	(0.88)	-	5.96	(0.88)	6.00	5.62
Total comprehensive loss for the period attributable to:						
Equity holders of the Company	(460.90)	(824.37)	(455.27)	(1,285.27)	(905.94)	(935.99)
Non-controlling interest	(3.93)	(0.05)	(0.04)	(3.98)	(0.11)	(0.25)
	(464.83)	(824.42)	(455.31)	(1,289.25)	(906.05)	(936.24)
14 Paid-up equity share capital (Face Value of Rs.10 per Equity Share)	5,370.11	5,370.11	4,939.78	5,370.11	4,939.78	5,370.11
15 Other equity as per statement of assets and liabilities						(5,995.21)
16 Earnings Per Share (EPS)						
<i>*EPS for the quarter and half year ended are not annualised</i>						
-Basic (Rs.)	(0.86)*	(1.54)*	(0.94)*	(2.40)*	(1.85)*	(1.88)
-Diluted (Rs.)	(0.86)*	(1.54)*	(0.94)*	(2.40)*	(1.85)*	(1.88)

(See accompanying notes to the consolidated financial results)

Notes to the Consolidated Financial Results :

1 Consolidated Statement of Assets and Liabilities		(Rs. Crore)	
Particulars	As at 30.09.2021 (Unaudited)	As at 31.03.2021 (Audited)	
A ASSETS			
1 Non-current assets			
(a) Property, plant and equipment	13,560.38	13,765.80	
(b) Capital work-in-progress	1,139.29	1,574.31	
(c) Right of use	227.80	229.08	
(d) Other Intangible assets	0.29	0.05	
(e) Financial assets			
Other financial assets	65.74	73.60	
(f) Deferred tax assets (net)	0.01	0.01	
(g) Non-current tax assets	9.18	8.08	
(h) Other non-current assets	12.59	15.16	
Sub-total - Non-current assets	15,015.28	15,666.09	
2 Current assets			
(a) Inventories	72.22	277.40	
(b) Financial assets			
Investments	0.10	0.34	
Trade receivables	2,056.20	1,951.34	
Cash and cash equivalents	194.42	113.76	
Bank balances other than cash and cash equivalents	286.16	134.01	
Loans	0.24	-	
Other financial assets	265.75	305.56	
(c) Other current assets	206.75	166.98	
Sub-total - Current assets	3,081.84	2,949.39	
TOTAL - ASSETS	18,097.12	18,615.48	
B EQUITY AND LIABILITIES			
1 Equity			
(a) Equity share capital	5,370.11	5,370.11	
(b) Other equity	(7,284.46)	(5,995.21)	
Sub-total - Equity	(1,914.35)	(625.10)	
2 Non-controlling interests	(3.88)	(3.86)	
3 Non-current liabilities			
(a) Financial liabilities			
Borrowings	8,806.98	9,203.43	
Lease liabilities	15.79	15.79	
Other financial liabilities	56.64	56.64	
(b) Provisions	8.72	7.31	
(c) Other non-current liabilities	1,008.24	1,035.29	
Sub-total - Non-current liabilities	9,896.37	10,318.46	
4 Current liabilities			
(a) Financial liabilities			
Borrowings	3,362.37	3,034.27	
Lease liabilities	1.86	1.86	
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	-	-	
Total outstanding dues of creditors other than micro enterprises and small enterprises	29.96	26.68	
Other financial liabilities	6,683.42	5,804.84	
(b) Other current liabilities	1.43	18.24	
(c) Provisions	39.94	40.09	
Sub-total - Current liabilities	10,118.98	8,925.98	
TOTAL - EQUITY AND LIABILITIES	18,097.12	18,615.48	

2 Consolidated Statement of Cash Flow		(Rs. Crore)	
Particulars	Half year ended 30.09.2021 (Unaudited)	Half year ended 30.09.2020 (Unaudited)	
A Cash Flow From Operating Activities			
Loss before tax	(1,288.37)	(912.05)	
Adjustments for:			
Depreciation/ amortisation expense	207.18	209.20	
Loss/ (profit) on sale of investment	-	(0.61)	
Interest income	(7.12)	(14.97)	
Capital work in progress written off	437.73	-	
Loss on foreign currency transactions (net)	0.42	4.42	
Finance costs	1,162.88	1,110.14	
Employee stock options expense	-	0.06	
Unclaimed balances and excess provisions written back	(0.58)	(1.83)	
Discount in debt repayment	-	(13.50)	
Operating profit before working capital changes	512.14	380.86	
Movement in working capital			
Decrease/ (increase) in inventories	205.18	(1.41)	
Decrease in other financial assets	39.82	77.00	
(Increase)/ decrease in other assets	(37.21)	2.23	
Increase in trade and other receivables	(104.86)	(97.28)	
Increase in other financial liabilities	8.98	9.93	
Decrease in other liabilities	(43.86)	(17.31)	
Increase in trade and other payables	3.28	3.78	
Cash flow generated from operating activities post working capital changes	583.47	357.80	
Income tax (paid)/ refund	(1.23)	21.82	
Net cash flow generated from operating activities (A)	582.24	379.62	
B Cash Flows From Investing Activities			
Purchase of property, plant and equipment (including capital work-in-progress)	(4.56)	-	
Proceeds from sale/ disposal of property, plant and equipment (including capital work-in-progress)	-	0.04	
Movement in current investments (net)	0.24	274.94	
Movement in fixed deposits	(142.62)	(122.03)	
Interest received	5.31	14.07	
Net cash flows (used in)/ generated from investing activities (B)	(141.63)	167.02	
C Cash Flows From Financing Activities			
Repayment of long-term borrowings (net)	(250.00)	(226.73)	
Proceeds from/ (Repayment of) short-term borrowings (net)	4.78	(170.21)	
Finance cost paid	(114.71)	(15.04)	
Net cash used in financing activities (C)	(359.93)	(411.98)	
D Increase in cash and cash equivalents (A+B+C)	80.68	134.66	
E Cash and cash equivalents at the beginning of the period	108.53	66.17	
F Cash and cash equivalents at the end of the period (D+E)	189.21	200.83	

- 3 RattanIndia Power Limited ("the Holding Company" or "RPL") and its subsidiaries are together referred as "the Group" in the following notes. RPL conducts its operations along with its subsidiaries.
- 4 The above consolidated financial results of the Group have been reviewed by the Audit Committee on 03 November 2021 and subsequently approved at the meeting of the Board of Directors ("the Board") held on 03 November 2021. The consolidated financial results for the quarter and half year ended 30 September 2021 have been subjected to a limited review by the Statutory Auditors of the Company. The Consolidated financial results are prepared in accordance with the recognition and measurement principles of Indian Accounting Standards as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended) as specified in Section 133 of the Companies Act, 2013.
- 5 Sinnar Thermal Power Limited (STPL), one of the subsidiary company of RPL is yet to commence operations.
- a) Due to inability to meet its debt repayment obligations, STPL initiated discussions with the consortium of lenders for restructuring of its debt under the Strategic Debt Restructuring Scheme (SDR) as per the earlier guidelines of the Reserve Bank of India (RBI). However, RBI's notification dated 12 February 2018 repealed all debt restructuring schemes (including SDR), which resultantly impacted progress made by STPL to seek resolution of its financial stress. Subsequently, PFC (Lead Lender) filed an application under the IBC before the NCLT Delhi on 10 September 2018, which was subsequently withdrawn on 14 May 2019.
- b) While all 5 units of STPL have commissioned, it is yet to commence commercial operations, pending the execution of PPA for offtake of power.
- c) The matter related to execution of 507 MW PPA with MSEDCL is in dispute wherein STPL had filed a petition before Maharashtra Electricity Regulatory Commission (MERC) for adjudication of the dispute, however, the petition was withdrawn pursuant to the observation of MERC that STPL may re-approach MERC after securing firm and unconditional commitment from Lenders for providing working capital/ bank guarantees required for executing the PPA. The management, based upon discussions with lenders, including discussions around one-time settlement offer, is of the view that the PPA would be restored in favor of STPL.
- d) Conditions explained above indicate existence of uncertainties that may cast significant doubt on STPL's ability to continue as a going concern due to which STPL may not be able to realise its assets and discharge its liabilities in the ordinary course of business. However, on expectation of resolution of debt with lenders and execution of PPA in near future, the management is of the view that STPL's going concern basis of accounting is appropriate. The Management has undertaken assessment of recoverability of the assets and is of the view that no provisioning is required for PPE amounting to Rs. 7936.85 crore and other non-financial assets of STPL and other non-financial assets of Rs. 6.10 crore.
- The statutory auditors have expressed qualification in respect of this matter.
- 6 The Group has been regularly making assessment of adverse impact of COVID-19 on economic environment in general and on financial performance and risks. The Group has been taking proactive measures to mitigate the risk by complying with various directions/ regulations/ guidelines issued by the government and local bodies to ensure safety of workforce across its offices and plants and offices of its associates. The Group is in the business of generation of electricity, which is an essential service, hence, the availability of plant to generate electricity is of critical importance. The Group has been making best endeavors for ensuring 24x7 availability of its power plant and maintaining sufficient stock of coal. Due to its highly competitive tariff, the plant has been getting continuous schedule to generate and dispatch electricity from 01 January 2021 onwards and will continue to maintain its position in Merit Order Stack. Basis the above, the management has estimated its future cash flows for the Group, which indicates no major change in the financial performance as estimated prior to COVID-19 impact and hence, the Group believes that there is no impact in its ability in meeting its liabilities as and when they fall due. However, the impact assessment of COVID-19 is a continuing process given its nature and duration. The Group will continue to monitor any material changes to future economic conditions.
- 7 In light of the decision of the Hon'ble Supreme Court in Civil Appeal No 5399-5400 of 2016 in the matter of Energy Watchdog vs CERC vide judgment dated 11 April 2017, RPL is entitled to a compensation for procurement of additional coal from alternate sources to make good the shortfall in supply of coal by Coal India Ltd for fulfilling its obligations under the PPA signed with MSEDCL. Following the said Supreme Court Judgment, MERC provided a mechanism for computation of the compensation amount vide its Order dated 03 April 2018. However, the RPL preferred an appeal against the said MERC order in the Appellate Tribunal for Electricity (APTEL) since the methodology prescribed by MERC did not give complete relief in terms of the ratio laid down by the Supreme Court. RPL, on 13 November 2020, received a favourable judgment in this regard, setting aside MERC's order of 03 April 2018, upholding the contention of the RPL for complete relief. Pursuant to the said APTEL Judgment, RPL has computed the total compensation amount and has submitted its claim. Hence, it would not be unreasonable to expect the realisation of amount of compensation along with interest recorded in the books of account on account of the aforesaid developments.
- 8 Revenue from operations on account of Change in Law events in terms of the PPA with MSEDCL is accounted for by RPL based on the best management estimates, including favourable and settled orders of regulatory authorities in some cases, which may be subject to adjustments on account of final orders of respective authorities.
- 9 STPL has incurred Rs. 437.73 crore for development of 1350 MW power plant (Phase II). The construction activities of Phase II are currently suspended. STPL has considered to recognized impairment loss amounting to Rs. 437.73 crore against Capital work-in-progress ("CWIP") being amount incurred for development of Phase II. This has been recorded as exceptional item in Statement of Profit and Loss during the previous quarter.
- 10 During the quarter under review, Pursuant to Share purchase agreement between Nettle Constructions Private Limited ("Buyer") and STPL, STPL transferred 45.56% stake in its wholly-owned subsidiary, Sinnar Power Transmission Company Limited ("SPTCL"), to Buyer.
- 11 The Code on Social Security, 2020 ("Code") has been notified in the Official Gazette of India on 29 September 2020, which could impact the contributions of the Group towards certain employment benefits. Effective date from which changes are applicable is yet to be notified and the rules are yet to be framed. Impact, if any, of change will be assessed and accounted for in the period of notification of relevant provisions.
- 12 The Chief Operating Decision Maker ("CODM") reviews the operations at the Group level. The operations of the Group fall under "power generation and allied activities" business only, which is considered to be the only reportable segment in accordance with the provisions of Ind AS 108 – Operating Segments.

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CIN : L40102DL2007PLC169082

For and on behalf of the Board of Directors
RattanIndia Power Limited



Vibhav Agarwal
Managing Director

Place : New Delhi
Date : 03 November 2021

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Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of RattanIndia Power Limited

- 1) We have reviewed the accompanying statement of standalone unaudited financial results ('the Statement') of RattanIndia Power Limited ('the Company') for the quarter ended 30 September 2021 and the year to date results for the period 1 April 2021 to 30 September 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
- 2) The Statement, which is the responsibility of the Company's Management and approved by the Company's 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
- 3) 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
- 4) As explained in Note 4 to the accompanying Statements, the Company has a non-current investment of Rs. 1,211.82 crores (net of impairment provision of Rs. 1,814.40 crores) and inter corporate deposits (classified under current assets) of Rs. 26.05 crores recoverable from Sinnar Thermal Power Limited (formerly RattanIndia Nasik Power Limited) (STPL), a wholly owned subsidiary of the Company, as at 30 September 2021. The subsidiary company has incurred losses since its inception



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurugram, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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and is yet to commence operations. The accumulated losses in the subsidiary company amount to Rs. 8,613.89 crores as at 30 September 2021, and the management of the subsidiary company has determined that a material uncertainty exists as at 30 September 2021, that may cast significant doubt about the subsidiary company's ability to continue as a going concern. The management of the Company, based on an internal estimate, has recorded an impairment of Rs. 1,814.40 crores against carrying value of investment in STPL in earlier years. In the absence of adequate and appropriate evidence for such impairment assessment performed by the management and to support the appropriateness of the going concern assumption, we are unable to obtain sufficient appropriate evidence to comment on adjustments, if any, that may further be required to be made to the carrying value of the above mentioned non-current investment of Rs 1211.82 crores and inter corporate deposits of Rs. 26.05 crores as at 30 September 2021 and the consequential impact thereof on the accompanying Statement.

- 5) Based on our review conducted as above, except for the possible effects of the matter described in previous section, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
- 6) We draw attention to Note 5 of the accompanying Statement, which describes the uncertainties due to the outbreak of COVID-19 pandemic and the management's evaluation of the same on the standalone financial results as at reporting date. In view of these uncertainties, the impact on the Company's operations is significantly dependent on future developments.

Our opinion is not modified in respect of this matter.

For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



Rohit Arora

Partner

Membership No.: 504774



UDIN: 21504774AAAAJV1641

Place: New Delhi

Date: 3 November 2021

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Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

To the Board of Directors of RattanIndia Power Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results ('the Statement') of RattanIndia Power Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), refer Annexure 1 for the list of subsidiaries included in the Statement) for the quarter ended 30 September 2021 and the consolidated year to date results for the period 1 April 2021 to 30 September 2021, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. This Statement, which is the responsibility of the Holding Company's management and approved by the Holding Company's 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 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. 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. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

We also performed procedures in accordance with the SEBI Circular CIR/CFD/CMD1/44/2019 dated 29 March 2019 issued by the SEBI under Regulation 33 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), to the extent applicable.

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4. As explained in Note 5 to the accompanying consolidated financial results, Sinnar Thermal Power Limited (STPL), a wholly-owned subsidiary company, is yet to commence operations and has incurred a net loss amounting to ₹531.75 crores during the quarter ended 30 September 2021. Further, STPL's accumulated losses as at 30 September 2021 amounted to ₹ 8,613.89 crores and its current liabilities exceed its current assets by ₹9,164.81 crores as of that date. STPL has also defaulted in repayment of borrowings from banks, including interest, aggregating to ₹8,028.93 crores up till 30 September 2021. These conditions along with other matters including termination of Letter of Intent ('LOI') by Maharashtra State Electricity Distribution Co. Ltd (MSEDCL) in respect of LOI earlier issued by MSEDCL to enter into a power purchase agreement with STPL and withdrawal of the petition filed before Maharashtra Electricity Regulatory Commission (MERC) by STPL, as set forth in such note, indicate the existence of material uncertainty that may cast significant doubt about the STPL's ability to continue as a going concern. The management is of the view that going concern basis of accounting for STPL is appropriate owing to the mitigating factors mentioned in the aforesaid note and that no adjustments are necessary to the carrying value of the assets, including property plant and equipment of STPL aggregating to ₹7,981.40 crores as at 30 September 2021, as included in the accompanying Statement.

However, in the absence of sufficient evidence for the aforesaid assessment performed by the management including the uncertainty over the outcome of ongoing discussions with the lenders to secure firm and unconditional commitment for providing working capital loans /bank guarantees required for executing the PPA, we are unable to obtain sufficient appropriate evidence to comment on the appropriateness of going concern assessment of STPL by the management or adjustments, if any, that may further be required to be made to the carrying value of the assets aggregating to ₹7,981.40 crores, including property plant and equipment of STPL as at 30 September 2021 and the consequential impact thereof on the accompanying consolidated financial results.

5. Based on our review conducted and procedures performed as stated in paragraph 3 above and upon consideration of the review reports of the other auditors referred to in paragraph 7 below, except for the possible effects of the matter described in previous section, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 6 of the accompanying Statement, which describes the uncertainties due to the outbreak of COVID-19 pandemic and the Holding Company's management's evaluation of the same on the consolidated financial results. In view of these uncertainties, the impact on the Group's operations is significantly dependent on future developments. Our opinion is not modified in respect of this matter.
7. We did not review the interim financial statements/ financial information / financial results of 4 subsidiaries included in the Statement whose financial information reflects total assets of ₹468.22 crores as at 30 September 2021, and total revenues of ₹0.33 crores and ₹0.37 crores, total net loss after tax of ₹7.50 crores and ₹15.03 crores, total comprehensive loss of ₹7.50 crores and ₹15.03 crores, for the quarter and year-to-date period ended on 30 September 2021, respectively, and cash flows (net) of ₹0.05 crores for the period ended 30 September 2021, as considered in the Statement. These interim financial statements/ financial information/ financial results have been reviewed by other auditors whose review reports have been furnished to us by the management, and our conclusion in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the review reports of such other auditors and the procedures performed by us as stated in paragraph 3 above.



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Our conclusion is not modified in respect of this/these matter(s) with respect to our reliance on the work done by and the reports of the other auditors.

8. The Statement includes the interim financial statements/ financial information/ financial results of 3 subsidiaries which have not been reviewed/audited by their auditors, whose interim financial statements/ financial information/ financial results reflect total assets of ₹Nil as at 30 September 2021, and total revenues of ₹Nil and ₹ Nil, net loss after tax of ₹Nil and ₹Nil, total comprehensive loss of ₹Nil and ₹Nil for the quarter and year-to-date period ended 30 September 2021 respectively, cash flow net of ₹Nil for the period ended 30 September 2021 as considered in the Statement and have been furnished to us by the Holding Company's management. Our conclusion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries are based solely on such unaudited/unreviewed interim financial statements / financial information/ financial results. According to the information and explanations given to us by the management, these interim financial statements/ financial information/ financial results are not material to the Group.

Our conclusion is not modified in respect of this matter with respect to our reliance on the financial statements/ information/ results certified by the Board of Directors.

For Walker Chandiook & Co LLP
Chartered Accountants
Firm Registration No: 001076N/N500013

Rohit Arora

Rohit Arora
Partner
Membership No.: 504774



UDIN: 21504774AAAAJW7418

Place: New Delhi
Date: 3 November 2021

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Annexure 1

List of entities included in the Statement

Subsidiary companies

- 1) Sinnar Thermal Power Limited
- 2) Sinnar Power Transmission Limited
- 3) Devona Power Limited
- 4) Diana Energy Limited
- 5) Poena Power Development Limited
- 6) Bracond Limited
- 7) Geneformous Limited
- 8) Renemark Limited

