

August 21, 2019

To,  
Corporate Relationship Department  
BSE Ltd  
14<sup>th</sup> Floor, P. J. Towers,  
Dalal Street, Fort,  
Mumbai-400 001  
**SCRIP CODE: 532779**

To,  
Listing Department,  
National Stock Exchange of India Ltd  
"Exchange Plaza", C – 1, Block G  
Bandra- Kurla Complex, Bandra ( East),  
Mumbai 400 051  
**SYMBOL: TORNTPOWER**

**Re: Investor Presentation filed with the stock exchanges**

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Dear Sir,

In reference to abovementioned subject, we have filed investor presentation as per Reg. 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter ended 30<sup>th</sup> June, 2019 vide letter dated 5<sup>th</sup> August, 2019.

In the said presentation, we have noticed some typographical error and hence we request you to consider the revised investor presentation uploaded by us on the website of the respective stock exchange today.

Request to do the needful at the earliest and oblige.

Thanking you,

Yours faithfully,

**For Torrent Power Limited**



**Rahul Shah**  
**Company Secretary & Compliance Officer**  
Encl.: Revised Investor Presentation





# INVESTOR PRESENTATION



Q1 2019-20

# Disclaimer

This information may contain certain forward-looking statements/details in the current scenario, which is extremely dynamic and increasingly fraught with risks and uncertainties. Actual results, performances, achievements or sequence of events may be materially different from the views expressed herein. Investors/shareholders/public are hence cautioned not to place undue reliance on these statements/details, and are advised to conduct their own investigation and analysis of the information contained or referred to in this section before taking any action with regard to their own specific objectives. None of the companies described herein or any of their respective affiliates, advisors or representatives shall have any liability whatsoever (in negligence or otherwise) for any loss howsoever arising from any use of the Materials or their contents or otherwise arising in connection with the Materials. Further, the discussion following herein reflects the perceptions on major issues as on date and the opinions expressed herein are subject to change without notice. The Company undertakes no obligation to publicly update or revise any of the information, opinions or forward-looking statements expressed in this section, consequent to new information, future events or otherwise.

# Presentation Outline

Sr. No.	Particulars
1.	Torrent Group
2.	Torrent Power Limited
3.	Overview of Operations : Q1 2019-20
4.	Investment Rationale
5.	Five Year Trend : Key Financial & Technical Statistics

# 1. Torrent Group



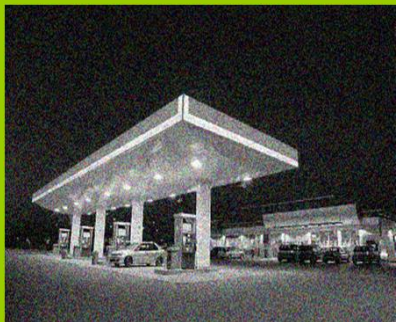
## TORRENT PHARMACEUTICALS LIMITED

- A generics pharmaceutical major with strong global footprint
- Ranked in top 10 in Indian pharma market with leading position in niche therapeutic areas
- Largest Indian pharma company in Brazil & Germany



## TORRENT POWER LIMITED

- Leading private sector Integrated Power Utility with presence across generation, transmission and distribution
- Lowest distribution losses in the country
- 24 X 7 power supply in licensed areas
- Excellent operational track record with delightful customer service



## TORRENT GAS PRIVATE LIMITED

- New business vertical for City Gas Distribution business
- 13 CGD areas won in the 9<sup>th</sup> & 10<sup>th</sup> Round of Bidding by PNGRB
- 3 CGD areas acquired from incumbent players
- Capex plan of ~ Rs. 8200 crs over next 5 years



# Torrent Group

(Contd...)

Turnover \$ 3010 Mn

Enterprise Value \$ 8487 Mn



*Spreading smiles Illuminating Lives*

Market Cap \$ 5764 Mn

Employees 22,000+



*Not just healthcare... Lifecare*

Turnover: \$ 1109 Mn

Enterprise Value: \$ 5471 Mn

Market Cap: \$ 3803 Mn

Employees: 14700+

*Generating Trust. Distributing Opportunities.*

Turnover: \$ 1901 Mn

Enterprise Value: \$ 3016 Mn

Market Cap: \$ 1961 Mn

Employees: 7700+

Building pan-India state-of-art city gas distribution networks in 16 GAs across 7 States  
Employees: 400+

## 2. Torrent Power Limited



### Thermal

- 2730 MW state-of-art gas based power plants
- 362 MW of coal based plant

### Solar

- 138 MW operational capacity over 2 projects

### Wind

- 473 MW operational capacity over 5 projects
- 841 MW projects under development

### Transmission

- 355 kms 400 kV & 128 Kms of 220 KV, double circuit lines to evacuate power from gas based plants

### Distribution

- Licensed distribution areas covering Ahmedabad / Gandhinagar, Surat, Dahej SEZ & Dholera SIR
- Franchised distribution areas covering Bhiwandi, Agra & SMK

ASSETS AT A GLANCE

## PORTFOLIO OF ASSETS : THERMAL GENERATION

	Sugen	Unosugen	Dgen	Amgen
<b>Capacity</b>	1147.5 MW (3 x 382.5)	382.5 MW (1 x 382.5)	1200 MW (3 x 400)	362 MW (1 x 120 MW, 2 x 121 MW)
<b>Plant Type</b>	Gas-based CCPP	Gas-based CCPP	Gas-based CCPP	Coal Based
<b>Location</b>	Near Surat, Gujarat	Near Surat, Gujarat	Near Bharuch, Gujarat	Ahmedabad, Gujarat
<b>COD</b>	August - 2009	April - 2013	December - 2014	1988
<b>Fuel</b>	Domestic gas & Imported LNG	Imported LNG	Imported LNG	Domestic & Imported Coal
<b>PPA</b>	835 MW for Distribution areas of Ahmedabad / Gandhinagar & Surat, and 75 MW with MP	278 MW for Distribution areas of Ahmedabad / Gandhinagar & Surat	No tie up	Embedded generation for licensed areas of Ahmedabad / Gandhinagar
<b>Others</b>	Contracted Storage-cum-Regasification capacity of 1 MTPA with Petronet LNG, Dahej Terminal for 20 years from April 2017			



## PORTFOLIO OF ASSETS : RENEWABLE GENERATION

	Solar	Solar	Wind	Wind	Wind	Wind	Wind
<b>Capacity (MW)</b>	51	87	49.6	201.6	50.9	50.4	120
<b>Location</b>	Patan in Gujarat	Adjacent to SUGEN Plant, Gujarat	Lalpur, Jamnagar in Gujarat	Bhuj in Gujarat	Rajkot in Gujarat	Bhavnagar in Gujarat	Gulbarga & Raichur in Karnataka
<b>COD</b>	FY 15	FY 16	FY 12	FY 17	FY 19	FY 19	FY 18
<b>Tariff (₹/kWh)</b>	10.03	6.74	4.15	4.19	4.19	4.19	3.74
<b>PPA</b>	FiT with Company's Licensed Distribution business						FiT with GESCOM, Karnataka
<b>FY 19 PLF</b>	18.65%	16.93%	21.72%	31.59%	23.05%	33.11%	32.21%

## PORTFOLIO OF ASSETS : WIND PROJECTS UNDER DEVELOPMENT

Particulars/ Project	SECI I	SECI III	MSEDCL	SECI V
Capacity (In MW)	100	499.8	126	115
SCOD	Oct, 2018*	Nov, 2019	Jan, 2020	July 2020
Location (District, State)	Kutch, Gujarat	Kutch, Gujarat	Osmanabad, Maharashtra	Kutch, Gujarat
Fixed Tariff (₹/kWh)	3.46	2.44	2.87	2.76
PPA with	PTC	SECI	MSEDCL	SECI
Total Cost (₹ in Crore)	683	3329	918	800
Debt	444	2330	643	560
Equity	239	999	275	240
Debt : Equity	65:35	70:30	70:30	70:30

\* Project has been delayed and is expected to be commissioned soon.

## PORTFOLIO OF ASSETS : DISTRIBUTION

Particulars	Licensed Distribution			Franchised Distribution					
	Ahmedabad/ Gandhinagar	Surat	Dahej	Bhiwandi	Agra				
Licensed Area	~ 356 sq. km.	~ 52 sq. km.	~ 17 sq. km.	~ 721 sq. km.	~ 221 sq. km.				
Peak Demand	1,906 MW	687 MW	66 MW	555 MVA	458 MVA				
License validity	Till 2025	Till 2028	Till 2034	25 <sup>th</sup> Jan 2027	31 <sup>st</sup> March 2030				
Accolades	<ul style="list-style-type: none"> <li>➤ T&amp;D loss 4.98% during FY 18-19, is amongst the lowest in the country</li> <li>➤ Substantial distribution network undergrounded</li> <li>➤ Consumers enjoy enviable power availability of 99.9%, which is among the highest in the country.</li> </ul>			<ul style="list-style-type: none"> <li>➤ Second Licensee at Dahej SEZ</li> <li>➤ Minimal Distribution losses</li> <li>➤ ~ 100% power reliability</li> </ul>		<ul style="list-style-type: none"> <li>➤ Country's first unique PPP distribution franchisee agreement with MSEDCL, now adopted as a standard model for distribution reforms in the country</li> <li>➤ Reduction in AT&amp;C losses from 58% at the time of takeover to 14.90% in FY 2018-19</li> <li>➤ Reliable power supply &amp; improved customer services</li> </ul>		<ul style="list-style-type: none"> <li>➤ Reduction in AT&amp;C losses from 58.77% at the time of takeover to 16.11% in FY 2018-19.</li> <li>➤ Reliable power supply &amp; improved customer services</li> </ul>	

## PORTFOLIO OF ASSETS : UPCOMING DISTRIBUTION LICENSE AREA

- ✓ The Company has been awarded distribution license for **Dholera Special Industrial Region (Dholera SIR)** of ~920 Sq Kms for 25 years as additional licensee
- ✓ Dholera SIR is a major project in the Delhi-Mumbai Industrial Corridor (DMIC), to be developed into a global manufacturing hub supported by world class infrastructure
- ✓ ~Rs 500 Crs of capex is estimated in the licensed area over 5 years, depending on how industries come up in the area
- ✓ Cost plus ROE business model, ensuring atleast post-tax ROE of 14%
- ✓ A new state-of-art network & a large industrial base will ensure minimal T&D losses & low cost of supply.
- ✓ Network development work is under progress.

## PORTFOLIO OF ASSETS : UPCOMING DISTRIBUTION FRANCHISE AREA

- ✓ TPL has been awarded the distribution franchise for Shil, Mumbra & Kalwa area by MSEDCL, based on competitive bidding process for **20 years**.
- ✓ The ~65 Sq Kms area is part of Thane Urban Circle of MSEDCL and is emerging as one of the preferred real estate investment destination with promising growth prospects.
- ✓ Bid Levelised input power purchase Rs. 4.87/kWh (Benchmark Levelised input power purchase Rs. 4.82 / kWh)
- ✓ ~Rs 300 Crs of capex is estimated in the franchised area over the term, of which ~Rs 150 Crs of capex is estimated to be invested in first 5years.
- ✓ Reported AT&C loss for base year 2016-17 is 47%. Expected reduction by 15th year – 12%
- ✓ P&L accretive in 5 years
- ✓ It is expected to be taken over in Q2/Q3 FY 20.



### 3. Overview of Operations – Q1 2019-20

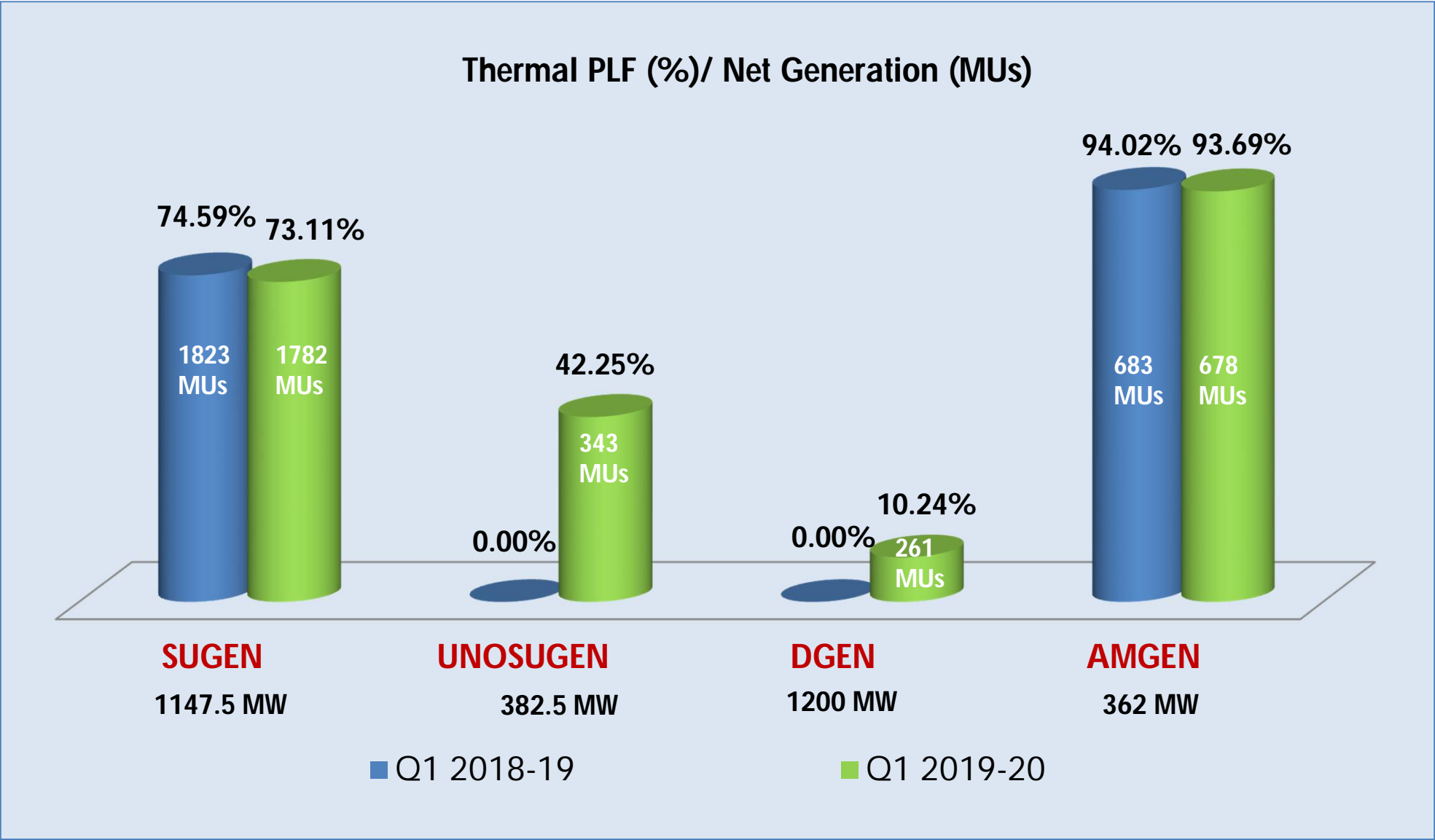
Income Statement – Consolidated (Rs. Cr.)	Q1 19-20	Q1 18-19	Growth %
Revenue from Operations	3,736	3,528	6%
Power Purchase Cost	2,457	2,385	
Material Cost & Change in Inventory	74	48	
<b>Contribution</b>	<b>1,205</b>	<b>1,095</b>	<b>10%</b>
Other Income	54	52	
Gen. & Admin Exp.	371	328	
<b>PBDIT</b>	<b>888</b>	<b>819</b>	<b>8%</b>
Finance Cost	248	229	
Depreciation and amortization Exp.	321	302	
Other Comprehensive Income / (Exp.)	(4)	2	
<b>Profit Before Tax</b>	<b>315</b>	<b>290</b>	<b>9%</b>
Tax Expenses	41	61	
<b>Profit After Tax</b>	<b>274</b>	<b>229</b>	<b>20%</b>

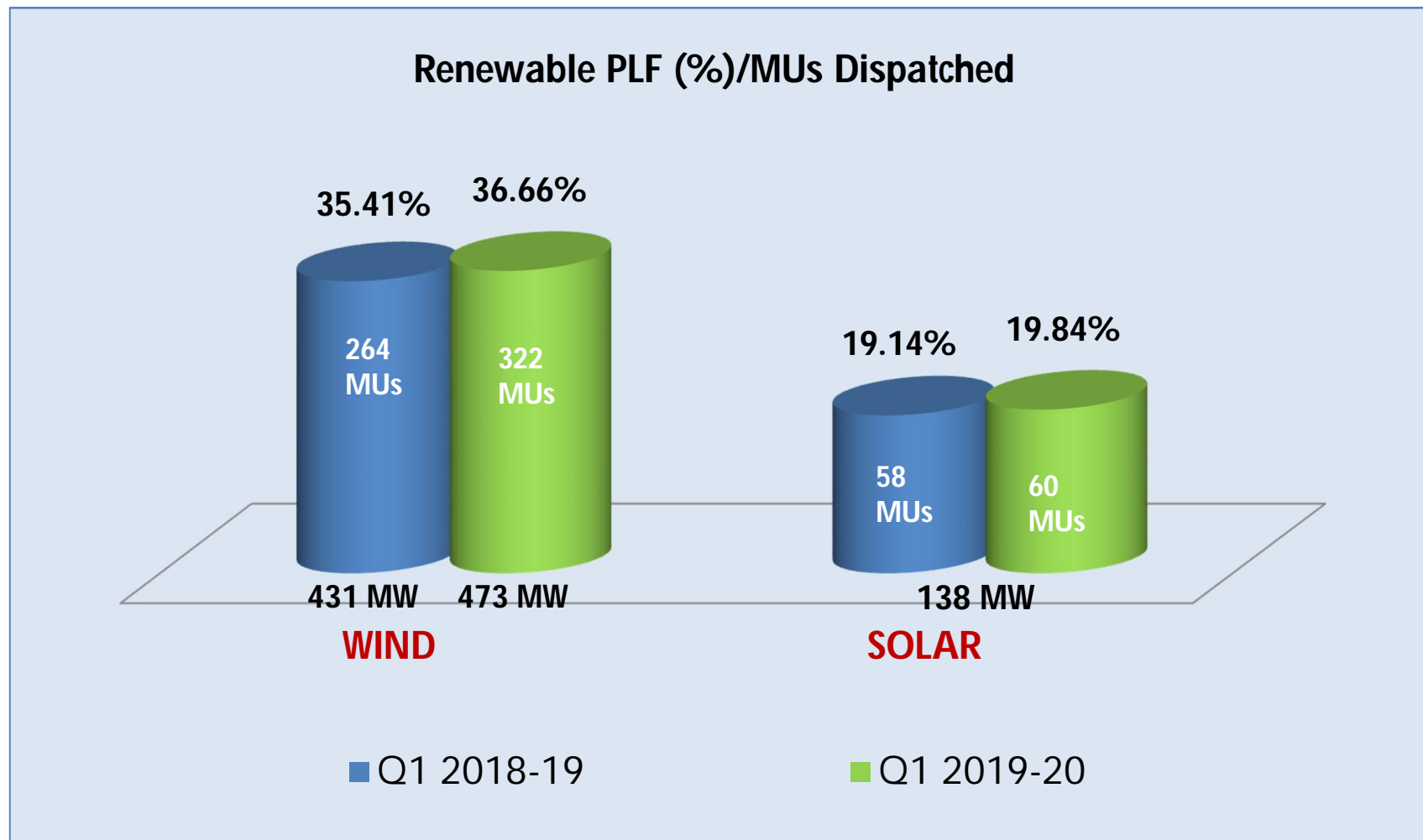
**The major contributors for the increase in the reported total comprehensive income for the quarter are:**

- ↑ Contribution from merchant power sales during the quarter;
- ↑ Higher profits from Renewables business;
- ↑ Improved performance of licensed and franchised distribution businesses on back of reduction in T&D losses, higher regulated ROE in licensed distribution business & favourable resolution of a regulatory dispute;
- ↑ Reduction in tax expenses due to improved recoverability of past MAT credits and lower deferred tax liabilities;
- ↓ Decrease in contribution from long term PPA of gas based generation plant due to new CERC tariff regulations
- ↓ Increase in finance and depreciation costs, reflecting additional capex in distribution and renewable projects.

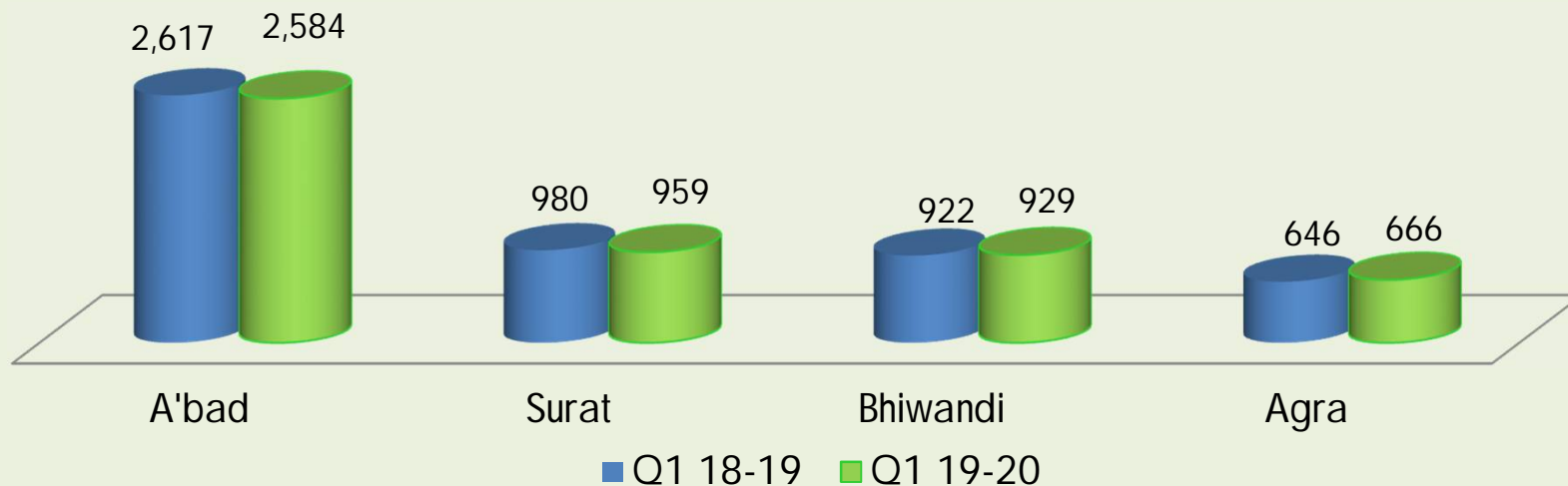
## **UNOSUGEN PPA approval by GERC:**

During the quarter, the regulator approved long term power procurement arrangement for 278 MW between the Company's Licensed Distribution Business and UNOSUGEN Power Plant (capacity of 382.5 MW). The approval, for the balance life of the plant of 19 years, will enable steady base load operations for UNOSUGEN plant, resulting in recovery of project loan interest and depreciation thereon.

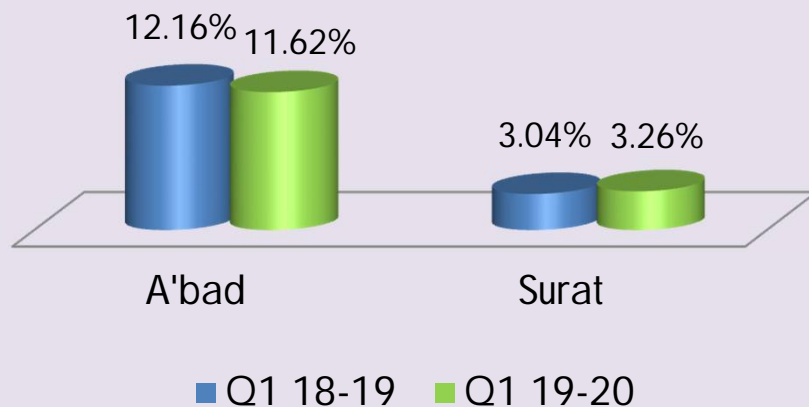




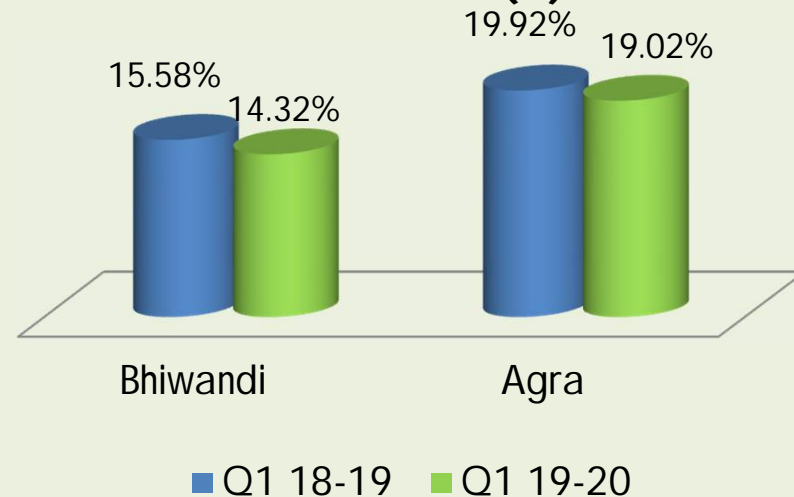
### USO/Purchase (MUs)



### T&D Loss (%)



### T&D Loss (%)





# 4. Investment Rationale

- State of the art gas based plants
- Direct import of LNG at efficient cost
- Low environmental footprint & large quantum of renewables in power system creates a favourable conditions for sustainable operations of unutilised capacities
- Govt contemplating scheme for revival of gas based plants – expected to benefit Dgen

## Thermal Generation



- Huge growth potential in renewables at returns higher than COE
- Company's right to win : strong project development, O&M & financial capabilities
- Opportunity of flexible generation to sell pooled RTC power [Renewable + Gas] at competitive cost on a long term basis

## Renewable Generation



- Need for a robust grid to support huge increase in renewables capacity presents attractive opportunities for private transmission players
- Robust regulations & limited project risks
- Company's right to win : strong project development & financial capabilities

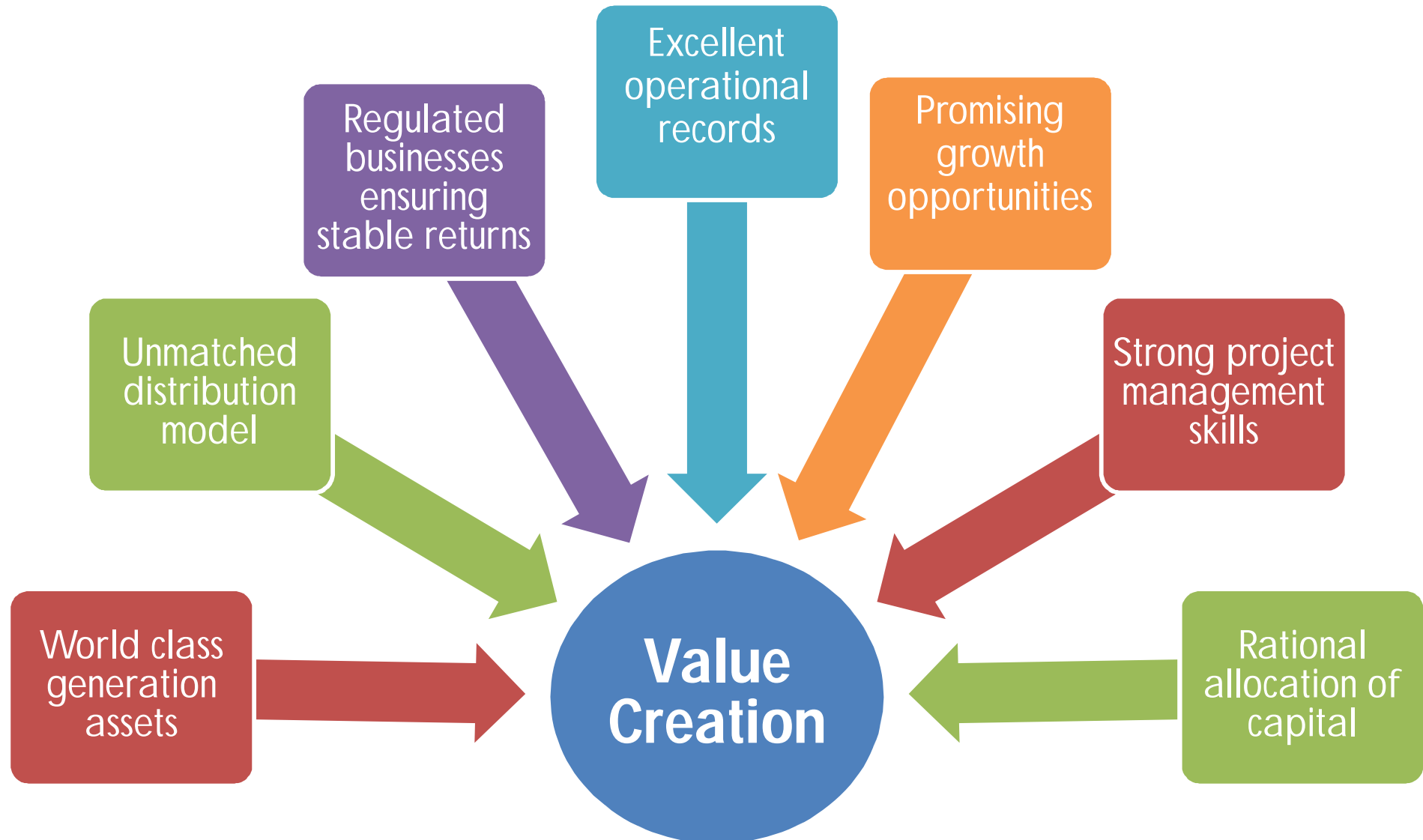
## Transmission



- Opportunities for private sector considering the endemic inefficiencies of the public distribution sector
- Torrent has a strong distribution platform to take advantage of upcoming Franchisee & privatisation opportunities in distribution sector

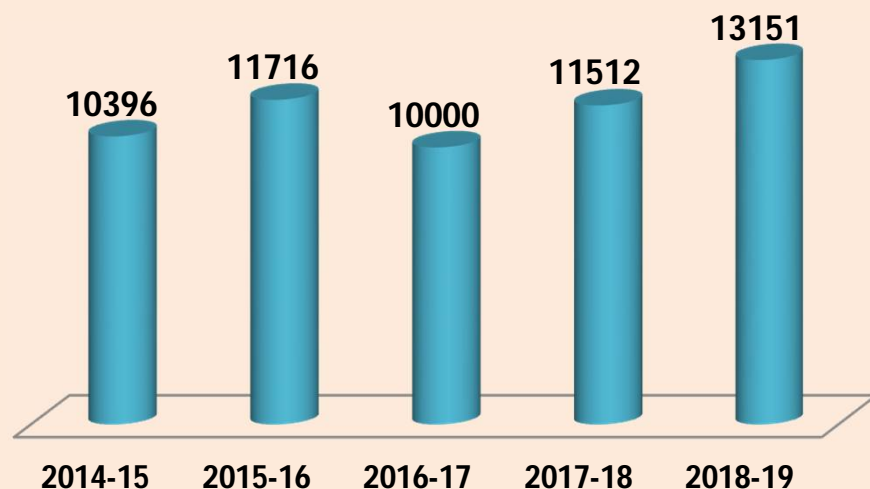
## Distribution



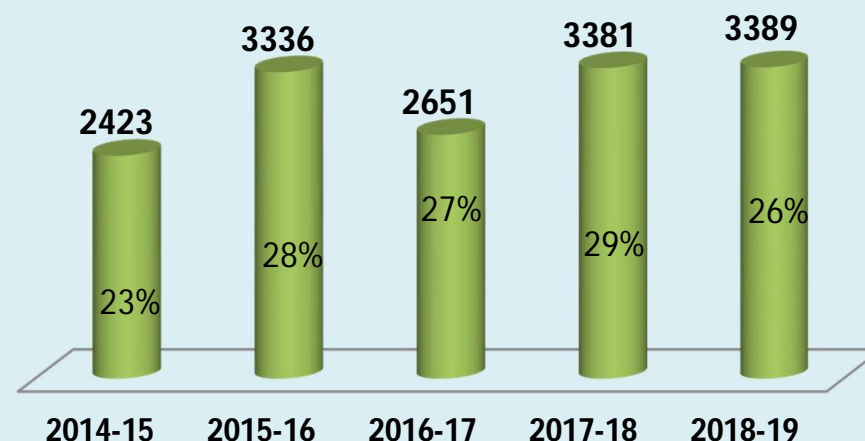


## 5. Five Year Trend - Key Financial Statistics

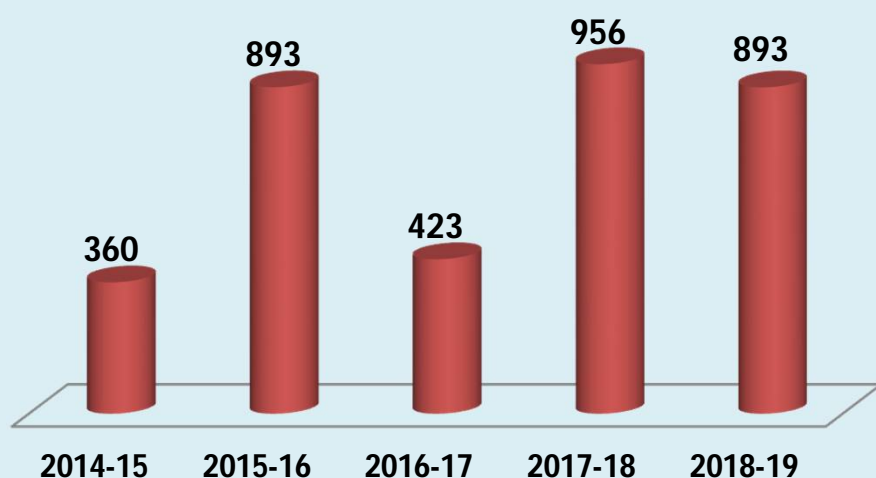
Revenues from Operations (₹ Crore)



EBIDTA (₹ Crore)/EBIDTA Margin (%)



PAT (₹ Crore)



Net Worth (₹ Crore)



**Note:** FY 2015-16 onwards Financials are based on IND AS. From 1<sup>st</sup> April 2018, the Company has adopted Ind AS 115, Revenue from Contracts with Customers, hence the numbers of previous periods are not comparable.

# Five Year Trend - Key Financial Statistics

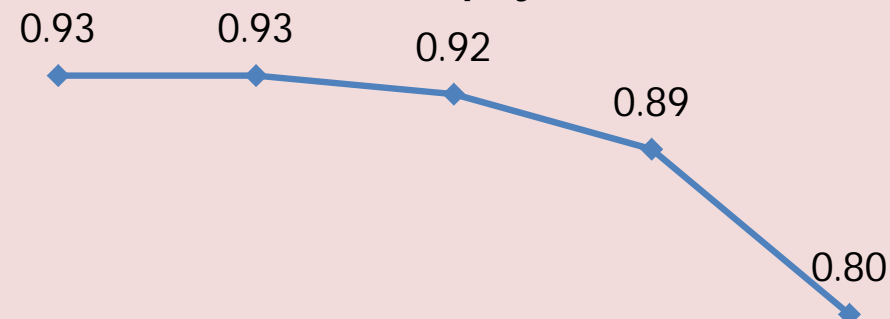
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### Net Debt / EBITDA



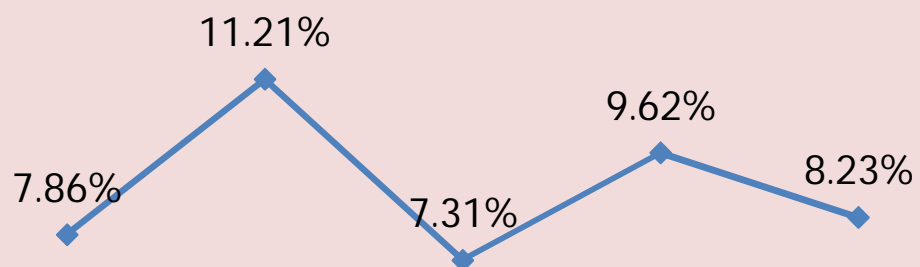
2014-15 2015-16 2016-17 2017-18 2018-19

### Net Debt Equity Ratio



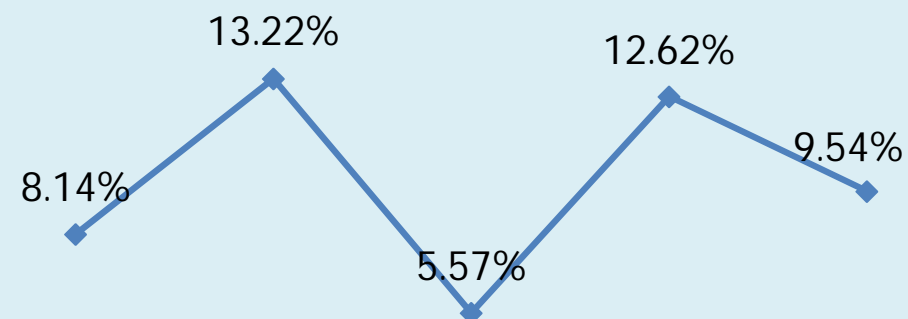
2014-15 2015-16 2016-17 2017-18 2018-19

### Return on Capital Employed



2014-15 2015-16 2016-17 2017-18 2018-19

### Return on Network



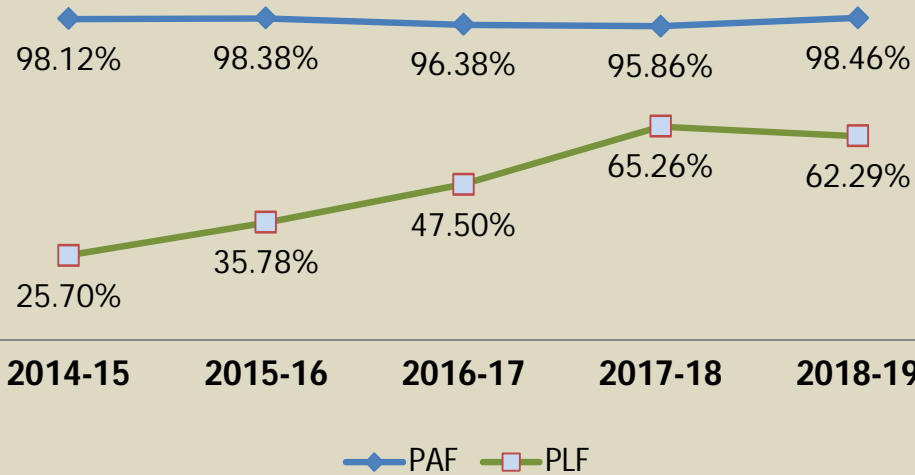
2014-15 2015-16 2016-17 2017-18 2018-19

**Note:** FY 2015-16 onwards Financials are based on IND AS. From 1<sup>st</sup> April 2018, the Company has adopted Ind AS 115, Revenue from Contracts with Customers, hence the numbers in previous periods are not comparable.

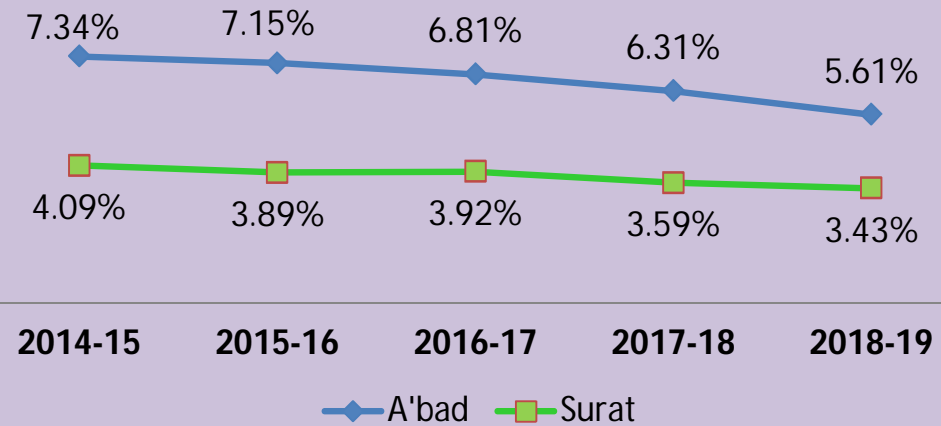
# Five Year Trend - Key Technical Statistics

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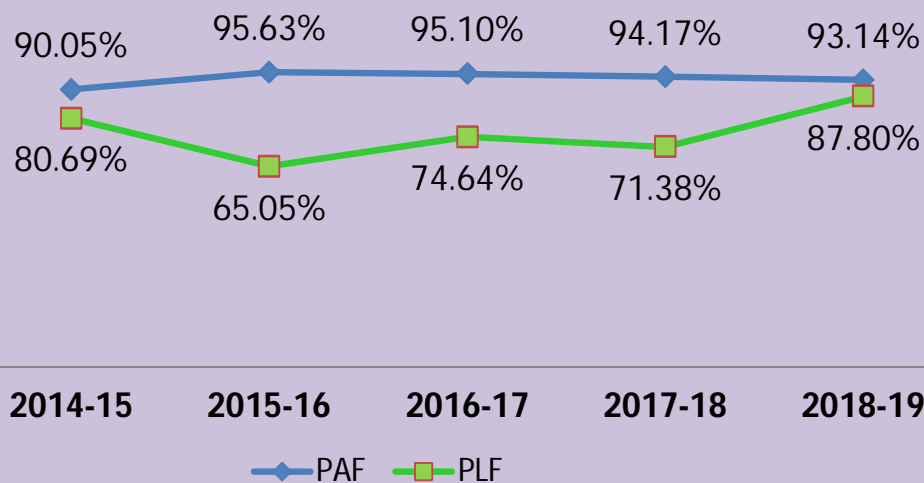
### SUGEN PAF-PLF (%)



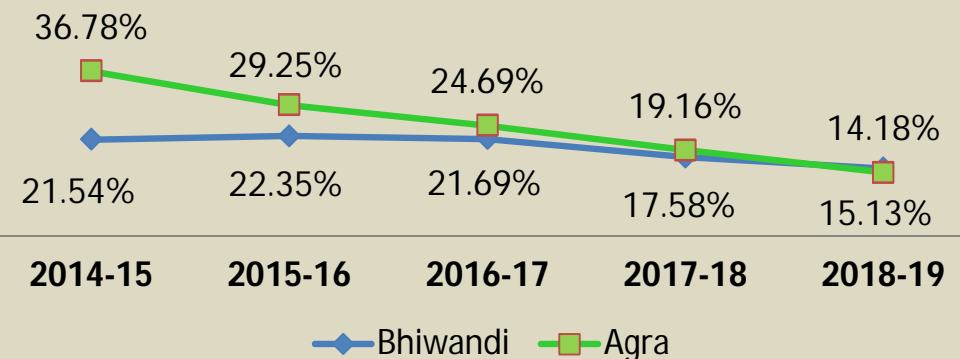
### T&D loss (%) Distribution Licensee



### AMGEN PAF-PLF (%)



### T&D loss (%) Distribution Franchisee



**Note:** PLF % in Amgen till FY 17-18 is including C Station which has been retired w.e.f. 02<sup>nd</sup> April 2018.





**THANK YOU**

**Contact details:**

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