

# RattanIndia

July 25, 2022

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

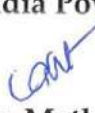
**Sub: Submission of Standalone and Consolidated Un-audited Financial Results of RattanIndia Power Limited for the quarter ended June 30, 2022 and the Limited Review Report thereon.**

Dear Sir/Madam,

In continuance to our letter dated July 19, 2022 and pursuant to Regulation 33 read with Schedule III to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we enclose hereto, for your information and record,

- (i) the unaudited Standalone and Consolidated Financial Results of RattanIndia Power Limited ("the Company") for the quarter ended June 30, 2022, recommended by the Audit Committee and duly approved by the Board of Directors of the Company at its meeting held today, i.e. on July 25, 2022 (which commenced at 04:30 P.M. and concluded at 07:00 P.M.).
- (ii) Limited Review Report thereon dated July 25, 2022 issued by Statutory Auditors of the Company, on the aforesaid financial results of the Company.

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 No:** +91 11 46611777

**Website:** [www.rattanindiapower.com](http://www.rattanindiapower.com)

**CIN:** L40102DL2007PLC169082

**RPL/2022/00081**



**RattanIndia Power Limited**

**Statement of Standalone Unaudited Financial Results for the Quarter Ended 30 June 2022**

(Rs. Crore)

Particulars	Quarter Ended			Year Ended
	30.06.2022 (Unaudited)	31.03.2022 (Audited) refer note 12	30.06.2021 (Unaudited)	31.03.2022 (Audited)
<b>1</b> Revenue from operations	842.79	823.23	874.36	3,259.52
<b>2</b> Other income	81.19	142.52	83.74	353.22
<b>Total income</b>	<b>923.98</b>	<b>965.75</b>	<b>958.10</b>	<b>3,612.74</b>
<b>3 Expenses</b>				
(a) Cost of fuel, power and water consumed	572.77	578.02	613.93	2,248.11
(b) Employee benefits expense	13.59	10.24	12.59	49.22
(c) Finance costs	127.18	140.04	154.49	585.89
(d) Depreciation and amortisation expense	55.62	56.66	56.39	226.71
(e) Other expenses	40.87	43.50	33.60	154.68
<b>Total expenses</b>	<b>810.03</b>	<b>828.46</b>	<b>871.00</b>	<b>3,264.61</b>
<b>4 Profit before tax (1+2-3)</b>	<b>113.95</b>	<b>137.29</b>	<b>87.10</b>	<b>348.13</b>
<b>5 Tax expenses</b>				
(a) Current tax	-	-	-	-
(b) Deferred tax	-	-	-	-
<b>Total tax expenses</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>6 Profit for the period (4-5)</b>	<b>113.95</b>	<b>137.29</b>	<b>87.10</b>	<b>348.13</b>
<b>7 Other comprehensive income</b>				
Items that will not be reclassified to profit or loss	-	0.35	-	(0.59)
Income tax relating to items that will not be reclassified to profit or loss	-	-	-	-
<b>Other comprehensive income (net of tax)</b>	<b>-</b>	<b>0.35</b>	<b>-</b>	<b>(0.59)</b>
<b>8 Total comprehensive income for the period (6+7)</b>	<b>113.95</b>	<b>137.64</b>	<b>87.10</b>	<b>347.54</b>
<b>9</b> Paid-up equity share capital (Face Value of Rs.10 per Equity Share)	5,370.11	5,370.11	5,370.11	5,370.11
<b>10</b> Other equity as per statement of assets and liabilities				(93.50)
<b>11 Earnings per share (EPS)</b>				
<i>*EPS for the quarter ended are not annualised</i>				
-Basic (Rs.)	0.21*	0.26*	0.16*	0.65
-Diluted (Rs.)	0.21*	0.26*	0.16*	0.65

(See accompanying notes to the standalone financial results)

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**Notes to the Standalone Financial Results :**

- 1 The standalone financial results of RattanIndia Power Limited ("RPL" or "the Company") for the quarter ended 30 June 2022 have been reviewed by the Audit Committee on 25 July 2022 and subsequently, approved at the meeting of the Board of Directors ("the Board") held on 25 July 2022. 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 ("the Act").
- 2 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 wherein all 5 units have been commissioned, but are yet to commence commercial operations, pending the execution of PPA for offtake of power.
  - a) The matter related to execution of 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, is of the view that the PPA would be restored in favor of STPL.
  - b) 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, in view of acute power shortage faced by the country, the Ministry of Power has identified certain power plants, including that of STPL, that are commissioned and preserved in a condition that they can be brought into operation within few months' notice. In this context, STPL has been directed to make plant operational and endeavour to start power generation from 2 out of its 5 units at the earliest possible. Initially, while the plant is expected to take benefit of sharp demand-supply gap in merchant market; it would continue to look for opportunities to tie-up for medium / long term PPA which are expected to emerge for bidding in due course. STPL is in active discussions with the lenders and other stake holders to ensure plant can be started in time and to ensure steps are taken for the long term resolution, accordingly, 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 provision, wherever deemed necessary.The statutory auditors have issued qualified conclusion in respect of this matter.
- 3 In light of the ratio laid down by 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 followed by judgment dated 13 November 2020 of Appellate Tribunal for Electricity (APTEL) and order dated 16 November 2021 of MERC, RPL has recomputed its Change in Law claims and has raised supplementary invoice on MSEDCL, as directed by MERC. Subsequently, vide interim Order dated 14 February 2022, Supreme Court directed MSEDCL to pay 50% of the outstanding claim amount till the time the matter attains finality. Accordingly, MSEDCL had paid Rs 198 crore and is in the process of making balance payment, in compliance with the aforesaid order. 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.
- 4 The Company, under the One Time Settlement scheme (OTS), had issued Redeemable Preference Shares (RPS) in December 2019 to the lenders of the Company, that had become redeemable on 27 December 2021. However, inspite of having sufficient cash and cash equivalent balance, the redemption of such RPS could not be done due to limitations as per the provisions of section 55(2) of the Act which state that such redemption is permissible only out of profits earned by the Company which are otherwise available for dividend, after adjusting the accumulated losses as read with section 123 of the Act, or out of the proceeds of a fresh issue of shares made for the purposes of such redemption. The Company had already requested RPS holder to extend the time period for redemption of RPS by a further period of 24 months and is confident that the tenure of such RPS shall get extended by another 24 months, following the defined process under the Act.
- 5 During the quarter, the Company has made prepayment of Rs 200 Crore to Aditya Birla ARC Limited ("ABARC") towards facilities availed by the Company.
- 6 During the quarter, the Company has entered into an arrangement with RattanIndia Enterprises Limited (REL) for exploring for commercial development on surplus land admeasuring 421 acres, situated at Thermal Power Plant of the Company at Amravati, which is subject to approval by the shareholders in the ensuing Annual General Meeting of the Company.
- 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 estimates, favourable and covered 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 previous year ended 31 March 2022, Company had filed writ petition before Hon'ble Delhi High Court ('Delhi HC') and sought relief and direction to Ministry of Power and Ministry of Coal as well as Western Coalfields Limited ('WCL') and Mahanadi Coalfields Limited ('MCL'), the subsidiaries of Coal India Limited, for returning of Bank Guarantees issued pursuant to Letter of Assurance (LoA), as the Fuel Supply Agreement (FSA) against this LoA was not materialized and Company has not utilized this for any coal supply to the plant. Subsequently during the quarter, Company has received letters from WCL & MCL informing cancellation of LOA and invocation of bank guarantee amounting to Rs 54.96 crore. The Company filed an application of stay before Delhi HC and in response thereto, the Delhi HC had directed WCL & MCL not to take any coercive action pursuant to their letters. The Company based upon inputs from legal experts believes that it has a strong case and accordingly, no provision is considered necessary in these standalone financial statements at this stage.
- 11 Subsequent to the quarter ended 30 June 2022, the Company has appointed Brijesh Narendra Gupta as Managing Director with effect from 16 July 2022.
- 12 The Figures for the quarter ended 31 March 2022 are the balancing figures between audited figures for the financial year ended 31 March 2022 and the published year to date figures up to 31 December 2021, which were subjected to limited review by the auditors.

25/7/2022



# RattanIndia Power Limited

Statement of Consolidated Unaudited Financial Results for the Quarter Ended 30 June 2022

(Rs. Crore)

Particulars	Quarter Ended			Year Ended
	30.06.2022 (Unaudited)	31.03.2022 (Audited) refer note 15	30.06.2021 (Unaudited)	31.03.2022 (Audited)
<b>1 Revenue from operations</b>	842.79	823.23	874.36	3,259.52
<b>2 Other income</b>	79.37	209.52	76.07	409.64
<b>Total income</b>	<b>922.16</b>	<b>1,032.75</b>	<b>950.43</b>	<b>3,669.16</b>
<b>3 Expenses</b>				
(a) Cost of fuel, power and water consumed	573.53	578.42	616.27	2,250.99
(b) Employee benefits expense	13.77	10.38	12.81	50.04
(c) Finance costs	586.29	596.57	573.77	2,341.79
(d) Depreciation and amortisation expense	101.55	102.78	103.20	414.45
(e) Other expenses	36.32	50.99	31.07	155.61
<b>Total expenses</b>	<b>1,311.46</b>	<b>1,339.14</b>	<b>1,337.12</b>	<b>5,212.88</b>
<b>4 Loss before exceptional items (1+2-3)</b>	<b>(389.30)</b>	<b>(306.39)</b>	<b>(386.69)</b>	<b>(1,543.72)</b>
<b>5 Exceptional items</b>	-	-	437.73	437.73
<b>6 Loss before tax (4-5)</b>	<b>(389.30)</b>	<b>(306.39)</b>	<b>(824.42)</b>	<b>(1,981.45)</b>
<b>7 Tax expenses</b>				
(a) Current tax	-	-	-	-
(b) Deferred tax	-	-	-	-
<b>Total tax expenses</b>	-	-	-	-
<b>8 Loss for the period (6-7)</b>	<b>(389.30)</b>	<b>(306.39)</b>	<b>(824.42)</b>	<b>(1,981.45)</b>
<b>9 Other comprehensive income</b>				
Items that will not be reclassified to profit or loss	-	0.36	-	(0.52)
Items that will be reclassified to profit or loss	-	(0.04)	-	(0.04)
<b>Other comprehensive income (net of tax)</b>	-	<b>0.32</b>	-	<b>(0.56)</b>
<b>10 Total comprehensive loss for the period (8+9)</b>	<b>(389.30)</b>	<b>(306.07)</b>	<b>(824.42)</b>	<b>(1,982.01)</b>
<b>11 Loss for the period attributable to:</b>				
Equity holders of the Company	(389.30)	(310.43)	(824.37)	(1,981.45)
Non-controlling interest	-	4.04	(0.05)	-
	<b>(389.30)</b>	<b>(306.39)</b>	<b>(824.42)</b>	<b>(1,981.45)</b>
<b>Other comprehensive Income attributable to</b>				
Equity holders of the Company	-	0.32	-	(0.56)
Non-controlling interest	-	-	-	-
	-	<b>0.32</b>	-	<b>(0.56)</b>
<b>Total comprehensive loss for the period attributable to:</b>				
Equity holders of the Company	(389.30)	(310.11)	(824.37)	(1,982.01)
Non-controlling interest	-	4.04	(0.05)	-
	<b>(389.30)</b>	<b>(306.07)</b>	<b>(824.42)</b>	<b>(1,982.01)</b>
<b>12 Paid-up equity share capital (Face Value of Rs.10 per Equity Share)</b>	5,370.11	5,370.11	5,370.11	5,370.11
<b>13 Other equity as per statement of assets and liabilities</b>				(8,031.91)
<b>14 Earnings per share (EPS)</b>				
*EPS for the quarter ended are not annualised				
-Basic (Rs.)	(0.72)*	(0.57)*	(1.54)*	(3.69)
-Diluted (Rs.)	(0.72)*	(0.57)*	(1.54)*	(3.69)

(See accompanying notes to the consolidated financial results)

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**Notes to the Consolidated Financial Results :**

- 1 RattanIndia Power Limited ("the Holding Company" or "RPL") and its subsidiaries are together referred to as "the Group" in the following notes. RPL conducts its operations along with its subsidiaries.
- 2 The above consolidated financial results of the Group for the quarter ended 30 June 2022 have been reviewed by the Audit Committee on 25 July 2022 and subsequently, approved at the meeting of the Board of Directors ("the Board") held on 25 July 2022. The consolidated financial results have been subjected to a limited review by the Statutory Auditors of RPL. 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 ("the Act").
- 3 Sinner Thermal Power Limited ('STPL'), a wholly-owned subsidiary of RPL wherein all 5 units have been commissioned, but are yet to commence commercial operations, pending the execution of PPA for offtake of power.
  - a) The matter related to execution of 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, is of the view that the PPA would be restored in favor of STPL.
  - b) 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, in view of acute power shortage faced by the country, the Ministry of Power has identified certain power plants, including that of STPL, that are commissioned and preserved in a condition that they can be brought into operation within few months' notice. In this context, STPL has been directed to make plant operational and endeavour to start power generation from 2 out of its 5 units at the earliest possible. Initially, while the plant is expected to take benefit of sharp demand-supply gap in merchant market; it would continue to look for opportunities to tie-up for medium / long term PPA which are expected to emerge for bidding in due course. STPL is in active discussions with the lenders and other stake holders to ensure plant can be started in time and to ensure steps are taken for the long term resolution, accordingly, 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 provision, wherever deemed necessary.The statutory auditors have issued qualified conclusion in respect of this matter.
- 4 In light of the ratio laid down by 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 followed by judgment dated 13 November 2020 of Appellate Tribunal for Electricity (APTEL) and order dated 16 November 2021 of MERC, RPL has recomputed its Change in Law claims and has raised supplementary invoice on MSEDCL, as directed by MERC. Subsequently, vide interim Order dated 14 February 2022, Supreme Court directed MSEDCL to pay 50% of the outstanding claim amount till the time the matter attains finality. Accordingly, MSEDCL had paid Rs 198 crore and is in the process of making balance payment, in compliance with the aforesaid order. 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.
- 5 During the previous year ended 31 March 2022, STPL had accounted for impairment loss amounting to Rs. 437.73 crore against Capital work-in-progress ("CWIP") being amount incurred for development of Phase II. The same was recorded as an exceptional item, in Statement of Profit & Loss.
- 6 RPL, under the One Time Settlement scheme (OTS), had issued Redeemable Preference Shares (RPS) in December 2019 to the lenders of RPL, that had become redeemable on 27 December 2021. However, in spite of having sufficient cash and cash equivalent balance, the redemption of such RPS could not be done due to limitations as per the provisions of section 55(2) of the Act which state that such redemption is permissible only out of profits earned by the Company which are otherwise available for dividend, after adjusting the accumulated losses as read with section 123 of the Act, or out of the proceeds of a fresh issue of shares made for the purposes of such redemption. RPL had already requested RPS holder to extend the time period for redemption of RPS by a further period of 24 months and is confident that the tenure of such RPS shall get extended by another 24 months, following the defined process under the Act.
- 7 During the quarter, RPL has made prepayment of Rs 200 Crore to Aditya Birla ARC Limited ("ABARC") towards facilities availed by RPL.
- 8 During the quarter, RPL has entered into an arrangement with RattanIndia Enterprises Limited (REL) for exploring for commercial development on surplus land admeasuring 421 acres, situated at Thermal Power Plant of RPL at Amravati, which is subject to approval by the shareholders in the ensuing Annual General Meeting of RPL.
- 9 Revenue from operations on account of Change in Law events in terms of PPA is accounted for by RPL based on the best estimates, favourable and covered orders of regulatory authorities in some cases which may be subject to adjustments on account of final orders of respective authorities.
- 10 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.
- 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 Pursuant to Share purchase agreement between Nettle Constructions Private Limited ('Buyer') and STPL, STPL during the previous year ended 31 March 2022, had transferred 45.56% stake in its wholly-owned subsidiary, Sinner Power Transmission Company Limited ("SPTCL"), and as per the terms agreed, during the quarter, has transferred additional 21.78% stake to the Buyer.
- 13 During the previous year ended 31 March 2022, RPL filed writ petition before Hon'ble Delhi High Court ('Delhi HC') and sought relief and direction to Ministry of Power and Ministry of Coal as well as Western Coalfields Limited ('WCL') and Mahanadi Coalfields Limited ('MCL'), the subsidiaries of Coal India Limited, for returning of Bank Guarantees issued pursuant to Letter of Assurance (LoA), as the Fuel Supply Agreement (FSA) against this LoA was not materialized and RPL has not utilized this for any coal supply to the plant. Subsequently during the quarter, RPL has received letters from WCL & MCL informing cancellation of LOA and invocation of bank guarantee amounting to Rs 54.96 crore. RPL filed an application of stay before Delhi HC and in response thereto, the Delhi HC had directed WCL & MCL not to take any coercive action pursuant to their letters. RPL based upon inputs from legal experts believes that it has a strong case and accordingly, no provision is considered necessary in these consolidated financial statements at this stage.
- 14 Subsequent to the quarter ended 30 June 2022, RPL has appointed Brijesh Narendra Gupta as Managing Director with effect from 16 July 2022.
- 15 The Figures for the quarter ended 31 March 2022 are the balancing figures between audited figures for the financial year ended 31 March 2022 and the published year to date figures up to 31 December 2021, which were subjected to limited review by the auditors.

Registered Office : A-49, Ground Floor, Road No. 4, Mahipalpur, New Delhi-110037  
CIN : L40102DL2007PLC169082

Place : New Delhi  
Date : 25 July 2022

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

  
**Brijesh Narendra Gupta  
Managing Director**



# Walker Chandio & Co LLP

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## Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial 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 June 2022, 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.



Chartered Accountants

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

Walker Chandio & Co LLP is registered with limited liability with identification number AAC-2085 and its registered office at L-41 Connaught Circus, New Delhi, 110001, India

# Walker Chandio & Co LLP

- 4) As explained in Note 2 to the accompanying Statement, the Company has a non-current investment of Rs. 1,211.82 crore (net of impairment of Rs. 1,814.40 crore) and inter- corporate deposits (classified under current assets) of Rs. 26.05 crore recoverable from Sinnar Thermal Power Limited (formerly RattanIndia Nasik Power Limited) (STPL), a wholly owned subsidiary of the Company, as at 30 June 2022. The subsidiary company has incurred losses since its inception and is yet to commence operations. The accumulated losses in the subsidiary company amount to Rs. 10,100.34 crore as at 30 June 2022, and the management of the subsidiary company has determined that a material uncertainty exists as at 30 June 2022, 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, had recorded an impairment of Rs. 1,814.40 crore 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 audit 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 1,211.82 crore and inter- corporate deposits of Rs. 26.05 crore as at 30 June 2022; and the consequential impact thereof on the accompanying Statement.

Our review report for the quarter ended 30 June 2021 and audit report for the quarter and year ended 31 March 2022 were also qualified with respect to this matter.

- 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.

## For Walker Chandio & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013

*Rohit Arora*

**Rohit Arora**

Partner

Membership No. 504774



UDIN: 22504774ANOWMM2979

Place: New Delhi

Date: 25 July 2022



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**Independent Auditor's Review Report on Consolidated Unaudited Quarterly Financial 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') (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 June 2022, 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.



Chartered Accountants

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

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- 4) As explained in Note 3 to the accompanying Statement, Sinnar Thermal Power Limited (STPL), a wholly-owned subsidiary company, is yet to commence operations and has incurred a net loss amounting to Rs. 504.74 crores during the quarter ended 30 June 2022. Further, STPL's accumulated losses as at 30 June 2022 amount to Rs. 10,100.34 crores and its current liabilities exceed its current assets by Rs. 10,958.25 crores as of that date. STPL has also defaulted in repayment of borrowings from banks, including interest, aggregating to Rs. 9,816.91 crores up till 30 June 2022. 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, Capital-work-in-progress of STPL aggregating to Rs. 7,711.45 crores as at 30 June 2022, 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, including property plant and equipment of STPL as at 30 June 2022 and the consequential impact thereof on the accompanying Statement.

Our review report for the quarter ended 30 June 2021 and audit report for the quarter and year ended 31 March 2022 were also qualified with respect to this matter.

- 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 auditor referred to in paragraph 6 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 did not review the interim financial statements/ financial information/ financial results of 1 subsidiary included in the Statement, whose financial information reflect total revenues of ₹Nil, total net loss after tax of ₹0.01 crore, total comprehensive loss of ₹0.01 crore for the quarter ended on 30 June 2022, as considered in the Statement. These interim financial statements/ financial information/ financial results have been reviewed by other auditors whose review report has 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 this subsidiary is based solely on the review report of such other auditor and the procedures performed by us as stated in paragraph 3 above.

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



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- 7) The Statement includes the interim financial statements/ financial information/ financial results of 4 subsidiaries/ associate which have not been reviewed/ audited by their auditors, whose interim financial statements/ financial information/ financial results reflect total revenues of ₹Nil, net loss after tax of ₹3.48 crore, total comprehensive loss of ₹ 3.48 crore for the quarter ended 30 June 2022, 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**

Partner

Membership No.: 504774



UDIN: 22504774ANOVVW7620

Place: New Delhi

Date: 25 July 2022

## Annexure 1

### List of entities included in the Statement

#### Subsidiaries

- 1) Sinnar Thermal Power Limited
- 2) Bracond Limited
- 3) Geneformous Limited
- 4) Poena Power Development Limited
- 5) Renemark Limited
- 6) Devona Power Limited (under process of strike off)
- 7) Diana Energy Limited (under process of strike off)

#### Associate

- 1) Sinnar Power Transmission Company Limited (subsidiary till 11 May 2022)

