



# RattanIndia Power Ltd.

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## Earnings Update Q2 FY 2023

Date : 21<sup>st</sup> October 2022

## Safe Harbor Statement

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

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## Financial Performance

- RPL has posted a 17% **increase in PAT** in H1 FY'23 vs H1 FY'22

|                | Q2FY 23 | Q1 FY 23 | H1 FY 23 | H1 FY 22 |
|----------------|---------|----------|----------|----------|
| EBITDA (Rs Cr) | 207     | 297      | 503      | 528      |
| PAT (Rs Cr)    | 11      | 114      | 125      | 106      |

- The Company continues to demonstrate strong financial performance
- Amravati Plant remains **amongst the best performing plants in Maharashtra** having achieved 70% PLF and 74% Availability during H1 FY 23 despite the usual dip in demand and associated coal logistics constraints on account of rainy season
- Company continues to timely service its debt obligations, having paid ~Rs. 2689 Cr (principal and interest) since Jan 2020 till date , **including Rs. 650 Cr as prepayment**
- The secured external term debt principal o/s **stands reduced to Rs 1349 Cr** as on date against a Equity of Rs 5400 Cr as on 30 September 2022
- Credit Rating Agency - Acuite Ratings & Research Ltd. had assigned Investment Grade rating to the Company:
  - Rating of (BBB-) to its Long Term debt & Rating of A3 for its Short Term debt

## Financial Performance

Amravati Power Plant has been reporting steady financial performance since its commissioning in 2015

| Year       | Total Revenue | EBITDA             | PAT     |
|------------|---------------|--------------------|---------|
|            | (Rs Cr)       | (Rs Cr)            | (Rs Cr) |
| FY 2016    | 2640          | 1,281 <sup>#</sup> | -108    |
| FY 2017    | 1504          | 1,116 <sup>#</sup> | -321    |
| FY 2018    | 2239          | 1,100 <sup>#</sup> | -418    |
| FY 2019    | 2089          | 1,105 <sup>#</sup> | -2792   |
| FY 2020*   | 1994          | 3,480              | 1899    |
| FY 2021    | 2176          | 988                | 97      |
| FY 2022    | 3613          | 1161               | 348     |
| H1 FY 2023 | 1646          | 503                | 125     |

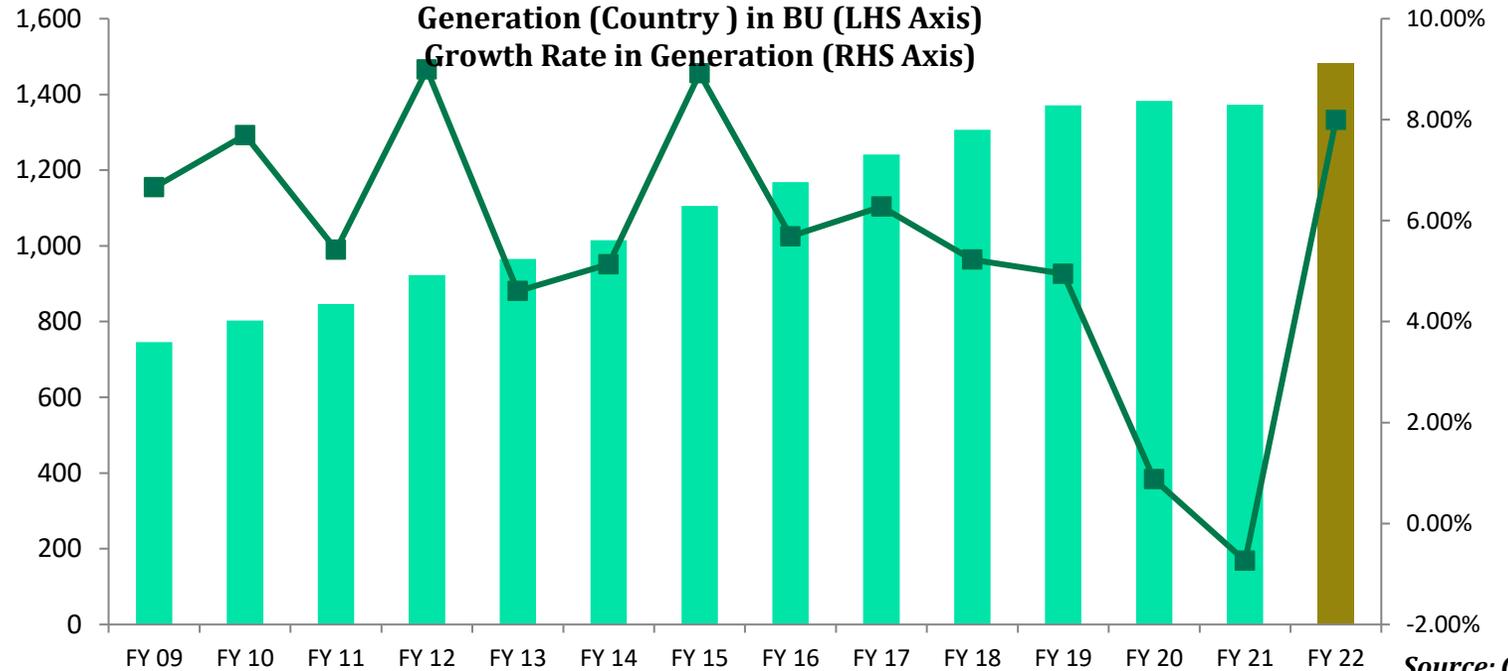
**Amravati Plant has been a significant turnaround story in Indian Power Sector post its Debt Restructuring in December 2019**

<sup>#</sup>as per IGAAP

\* Includes impact of OTS

# Generation trend of India

| Generation Country - (BUs) |       |          |
|----------------------------|-------|----------|
| All India                  | Total | % Growth |
| FY 10                      | 803   | 7.69%    |
| FY 11                      | 847   | 5.42%    |
| FY 12                      | 923   | 8.99%    |
| FY 13                      | 965   | 4.61%    |
| FY 14                      | 1,015 | 5.14%    |
| FY 15                      | 1,105 | 8.92%    |
| FY 16                      | 1,168 | 5.69%    |
| FY 17                      | 1,242 | 6.28%    |
| FY 18                      | 1,307 | 5.23%    |
| FY 19                      | 1,371 | 4.95%    |
| FY 20                      | 1,383 | 0.88%    |
| FY 21                      | 1,373 | (-0.74%) |
| FY 22                      | 1,484 | 8.10%    |
| H1 FY 23                   | 841   |          |



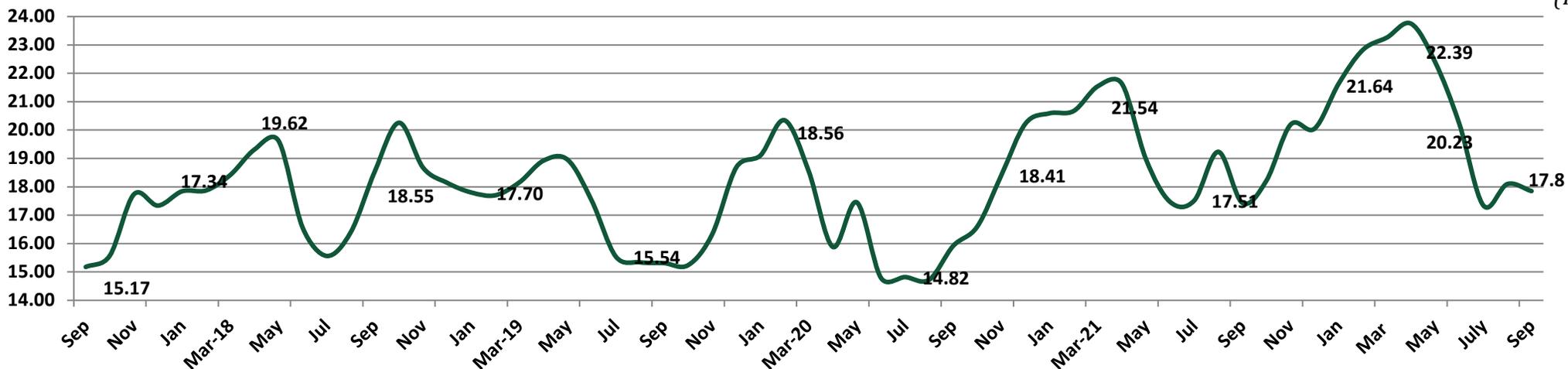
Source: CEA

- Country has observed robust generation growth – CAGR of above 5% for last 13 years; however, growth rate has increased to 8% for FY 22 as compared to corresponding period of FY 21.
- On an overall basis, country has recorded highest ever generation in FY 22.
- All India electricity consumption increased by 12% in H1 FY 23 (vs. H1 FY 22), clearly indicating growth of economic & business activity, as against FY 21 on account of COVID 19 impact
- In H1 FY 23, all India generation was 841 billion units (BUs), of which 109 BUs (i.e., only ~13%) was from Renewable Energy Sources 'RES' (Wind+Solar). Further, the total installed capacity of RES of 118 GW is about 29% of the total installed capacity of 408 GW. Thermal coal-based power plants will continue to be the backbone of the electricity generation in the country

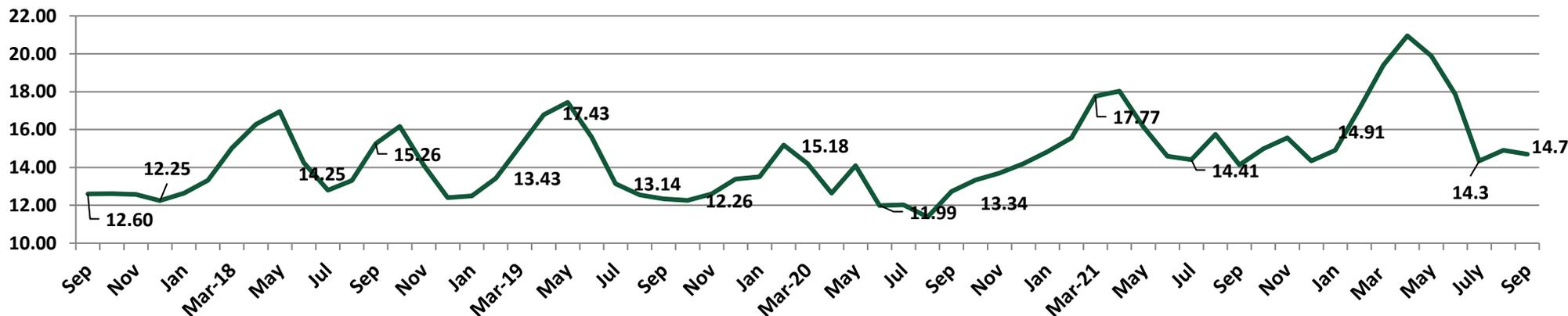
# Demand trend of MSEDCL

(In GW)

Maximum Demand



Minimum Demand



**Unprecedented increase in power demand observed by MSEDCL in H 1 - FY 23 in line with the growth momentum in economic activities across the country post re-opening after Covid-19 impact**

## Regulatory & Other Updates

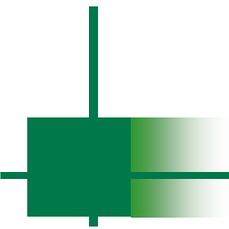
- **Maharashtra Electricity Regulatory Commission (MERC), vide its Order dated 25.11.2021**, has determined the methodology to compute the change in law compensation towards coal procured from alternate sources, to be paid by MSEDCL to the Company, in line with principles decided by the APTEL vide its Judgment dated 13.11.2020 by following the ratio laid down by Hon'ble Supreme Court in Energy Watchdog Judgment.
  - MERC directed RPL to raise the supplementary invoice with some modification in the existing methodology
  - Accordingly, RPL has submitted the total claim of Rs 1157 Cr vide its letter dated 25.11.2021
  - Supreme Court vide its Order dated 14.02.2022 directed MSEDCL to pay 50% of Outstanding Amount claimed by RPL
  - MSEDCL has already paid ~Rs 200 Cr in the month of Apr'22 and payment of balance amount is in process
- **MERC vide Order dated 08.07.2022** directed MSEDCL to immediately pay the undisputed amounts towards the reimbursement of Evacuation Facility Charges levied on coal and complete the scrutiny process of claimed amount (including carrying cost to be calculated at LPS rate) within 15 days from the date of Order and pay balance amount. As the impact of this Change in Law is of recurring nature, Commission also allowed RPL to claim actual impact on monthly basis.

## Brief update on 1350 MW Sinnar, Nasik Power Plant

- Government of India has issued directions, on 2<sup>nd</sup> May 2022, to revive already commissioned but non- operational power plants in the country to tide over the power crisis in the country
- Accordingly, **Sinnar Thermal Power Limited (STPL)** - a subsidiary of RPL, is in active discussions with all the stakeholders of the Project, including the Lenders, for an overall resolution of Power Plant
- Lenders have indicated to support the project operations by way of providing working capital
- STPL is working towards ensuring the commencement of operations of 2 out of 5 units of the plant at the earliest
- NCLT (New Delhi), on 19<sup>th</sup> September 2022, admitted the application filed by an operational creditor which it had filed in October 2019 under section-9 of IBC. The same was challenged at NCLAT. The NCLAT has directed the Interim Resolution Professional ('the IRP') to abstain from taking any steps and has allowed STPL to participate further with the Ministry of Power in continuation of the earlier meetings/ discussions for making the plant operational

# Standalone Financial Results

| RattanIndia Power Limited  |                           |                           |                           |                           |                           |                         |
|--|---------------------------|---------------------------|---------------------------|---------------------------|---------------------------|-------------------------|
| Standalone Unaudited Financial Results for the Quarter and Half Year Ended 30 September 2022 |                           |                           |                           |                           |                           |                         |
| Particulars  | (Rs. Crore)               |                           |                           |                           |                           |                         |
|  | Quarter ended             |                           |                           | Half year ended           |                           | Year ended              |
|  | 30.09.2022<br>(Unaudited) | 30.06.2022<br>(Unaudited) | 30.09.2021<br>(Unaudited) | 30.09.2022<br>(Unaudited) | 30.09.2021<br>(Unaudited) | 31.03.2022<br>(Audited) |
| <b>1 Revenue from operations</b>   | 638.07                    | 842.79                    | 757.14                    | 1,480.86                  | 1,631.50                  | 3,259.52                |
| <b>2 Other income</b>  | 84.10                     | 81.19                     | 76.57                     | 165.29                    | 160.31                    | 353.22                  |
| <b>Total income</b>  | <b>722.17</b>             | <b>923.98</b>             | <b>833.71</b>             | <b>1,646.15</b>           | <b>1,791.81</b>           | <b>3,612.74</b>         |
| <b>3 Expenses</b>  |                           |                           |                           |                           |                           |                         |
| (a) Cost of fuel, power and water consumed   | 458.66                    | 572.77                    | 549.39                    | 1,031.43                  | 1,163.32                  | 2,248.11                |
| (b) Employee benefits expense  | 14.27                     | 13.59                     | 13.10                     | 27.86                     | 25.69                     | 49.22                   |
| (c) Finance costs  | 138.07                    | 127.18                    | 154.09                    | 265.25                    | 308.58                    | 585.89                  |
| (d) Depreciation and amortisation expense  | 57.07                     | 55.62                     | 56.65                     | 112.69                    | 113.04                    | 226.71                  |
| (e) Other expenses   | 42.69                     | 40.87                     | 41.18                     | 83.56                     | 74.78                     | 154.68                  |
| <b>Total expenses</b>  | <b>710.76</b>             | <b>810.03</b>             | <b>814.41</b>             | <b>1,520.79</b>           | <b>1,685.41</b>           | <b>3,264.61</b>         |
| <b>4 Profit before tax (1+2-3)</b>   | <b>11.41</b>              | <b>113.95</b>             | <b>19.30</b>              | <b>125.36</b>             | <b>106.40</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>-</b>                  | <b>-</b>                |
| <b>6 Profit for the period (4-5)</b>   | <b>11.41</b>              | <b>113.95</b>             | <b>19.30</b>              | <b>125.36</b>             | <b>106.40</b>             | <b>348.13</b>           |
| <b>7 Other comprehensive income</b>  |                           |                           |                           |                           |                           |                         |
| Items that will not be reclassified to profit or loss  | (1.23)                    | -                         | (0.94)                    | (1.23)                    | (0.94)                    | (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>(1.23)</b>             | <b>-</b>                  | <b>(0.94)</b>             | <b>(1.23)</b>             | <b>(0.94)</b>             | <b>(0.59)</b>           |
| <b>8 Total comprehensive income for the period (6+7)</b>                                     | <b>10.18</b>              | <b>113.95</b>             | <b>18.36</b>              | <b>124.13</b>             | <b>105.46</b>             | <b>347.54</b>           |
| <b>9 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                  | 5,370.11                  | 5,370.11                |
| <b>10 Other equity as per statement of assets and liabilities</b>                            |                           |                           |                           |                           |                           | (93.50)                 |
| <b>11 Earnings Per Share (EPS)</b>   |                           |                           |                           |                           |                           |                         |
| <i>*EPS for the quarter and half year ended are not annualised</i>                           |                           |                           |                           |                           |                           |                         |
| -Basic (Rs.)   | 0.02*                     | 0.21*                     | 0.04*                     | 0.23*                     | 0.20*                     | 0.65                    |
| -Diluted (Rs.)   | 0.02*                     | 0.21*                     | 0.04*                     | 0.23*                     | 0.20*                     | 0.65                    |



**Thank you**