ORIENT GREEN POWER COMPANY LIMITED

10th November, 2017

The BSE Limited
Corporate Relations Department,
P.J. Towers,
Dalal Street,
Mumbai-400 001.
Scrip Code: 533263

The National Stock Exchange
of India Limited
Department of Corporate Services,
Exchange Plaza, 5th Floor,
Bandra-Kurla Complex,
Mumbai-400 051.
Scrip Code: GREENPOWER

Dear Sirs,

Sub: Investor Presentation and Press release

We enclose H1 FY18 Investor Presentation and Press release.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,
For Orient Green Power Company Limited

P. Srinivasan

ORIENT GREEN POWER COMPANY LIMITED

P Srinivasan
Company Secretary & Compliance Officer

ORIENT GREEN POWER COMPANY LIMITED

Registered Office: Sigapi Achi Building, 18/3 Rukmini Lakshmipathi Road, Egmore, Chennai – 600 008.
www.orientgreenpower.com

News Release: For immediate publication — **Chennai, 9th November, 2017**

OGPL reports strong H1FY18 results

Revenues higher by 6%, EBITDA grows 7% to Rs.250 Crore

EBIT increases by 17% to Rs.175 Crore

Orient Green Power Company Limited (OGPL) a leading independent renewable energy-based power generation company in India has announced its results for the quarter and half year ended September 30, 2017.

	Wind			Biomass			TOTAL		
	H1 FY18	H1 FY17	%	H1 FY18	H1 FY17	%	H1 FY18	H1 FY17	%
REVENUES	293	271	8%	37	38	-4%	330	309	6%
EBITDA	244	228	7%	6	5	27%	250	233	7%
EBITDA%	***83%***	***84%***		***16%***	***7%***		***75%***	***75%***	
EBIT	181	161	12%	-6	-12	-	175	149	17%
EBIT%	**61%**	**60%**		**NA**	**NA**		**53%**	**48%**	

Commenting on the performance, Mr. S. Venkatachalam, MD - OGPL, said: *"We are pleased to report continued momentum in our financial performance. The strong growth in the first half has been made possible by consistent grid availability. The performance would have been even better but for some volatility in Wind patterns in September 2017.*

We have completed the sale of the Biomass Business to a group concern during the quarter. The removal of this business has eliminated the drag, resulting in a sharp improvement in the financial profile, as anticipated. The improved performance trajectory of the wind business is now more visible and we are confident of not only sustaining, but building upon this performance.

Our focused efforts to reduce interest costs have received a significant boost in Q2, with the transfer of biomass debt as well as refinancing of a significant share of debt in the wind business. The initial benefits of the reduced interest cost have already accrued to us in Q2 and will reflect in greater measure in the ensuing quarters.

The business is on a much stronger footing now and is well placed to benefit from tailwinds of improved macros, lower finance costs and gradual uptick in REC trading. We are aiming for leadership in operational performance in the renewable energy industry and are confident that it will result in accelerated value creation for our stakeholders."

Performance Update

- **Strong Business Performance due to structural improvements in the wind business:**
  - Grid availability has been consistently above 95% for the last few quarters providing buoyancy to the revenue performance. TANGEDCO evacuated record wind power (5,000 Mw+) in the month of July, a national and state record. Solid support from regulators and electricity distribution companies / SEBs is contributing to a favorable outlook for the industry. High levels of grid availability are enabling the Company to realize evacuation of nearly all power generated from its wind assets, significantly narrowing the gap between potential and actual performance.
- **Completed transfer of Biomass Assets to Shriram Ventures Ltd:**
  - OGPL has transferred all of its Biomass Assets to Subsidiary of SVL Limited. This has been undertaken at an Enterprise Valuation of Rs. 272 crore. This comprises Rs. 193 crore of debt taken over and Rs.81 crore of cash received.
  - Further, the outstanding loans, have reduced by Rs. 159 crore from Rs. 1,887 crore as of March 31, 2017 to Rs. 1,728 crore as of September 30, 2017.
- **Interest Cost has reduced from Rs. 133 crore in H1FY17 to 121 crore in H1FY18. The Company is confident of further and sustained reduction in interest cost, due to the following initiatives:**
  - Transfer of loans amounting to Rs. 193 crore pertaining to the Biomass business pursuant to its sale / transfer to Subsidiary of SVL Limited.
  - Refinancing of existing loans of Rs. 100 crore at a reduced rate of 12.75% from 18% p.a. earlier. w.e.f. 1st July 2017. The reduction in interest cost will be above Rs. 5 crore p.a.
  - Working on refinancing of loans amounting to Rs. 765 cr which were restructured under 5/25 scheme to reduce interest cost by 100 to 150 basis points.
  - The combination of these initiatives is expected to reduce annual interest expense by Rs.30 - 35 crore which will flow directly to PBT. Initial impact already visible in Q2 FY18 compared to Q1 FY18.

- **Revival in REC trading**
    - Trading of RECs has been marginally higher in H1 FY18 as compared to H1 FY17. This is despite the sharp drop in trading volumes following the CERC directive to reduce the floor price, against which an appeal has been filed before the Hon'ble Supreme Court. While the decision is awaited, out of REC realization of Rs. 1,500 per certificate, Rs. 1,000 is being paid to the seller, with the remaining Rs.500 being held in an Escrow account. Trading volumes are expected to be stronger in the second half of the fiscal.

-ENDS-

For further information please contact:

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Safe Harbour

Some of the statements in this press release that are not historical facts are forward-looking statements. These forward-looking statements include our financial and growth projections as well as statements concerning our plans, strategies, intentions and beliefs concerning our business and the markets in which we operate. These statements are based on information currently available to us, and we assume no obligation to update these statements as circumstances change. There are risks and uncertainties that could cause actual events to differ materially from these forward-looking statements. These risks include, but are not limited to, the level of market demand for our services, the highly-competitive market for the types of services that we offer, market conditions that could cause our customers to reduce their spending for our services, our ability to create, acquire and build new businesses and to grow our existing businesses, our ability to attract and retain qualified personnel, currency fluctuations and market conditions in India and elsewhere around the world, and other risks not specifically mentioned herein but those that are common to industry.