



ORIENT GREEN POWER COMPANY LIMITED

January 30, 2025

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

Respected Sir/Ma'am,

Sub: Disclosure under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations")

Pursuant to Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and further to our intimation dated December 09, 2024, we would like to inform you that India Ratings & Research Private Limited ("India Ratings") has assigned the following rating in respect of M/s. Gamma Green Power Private Limited (Gamma), Subsidiary and M/s. Clarion Wind Farm Private Limited, Step Down Subsidiary, banking facilities and the details are as follows:

S. No.	Name of the Subsidiary	Facility	Rated Amount (Rs. In Crores)	Ratings
1	Gamma Green Power Private Limited	Rupee Term loan	14.41	IND BBB-/Stable
2	Clarion Wind Farm Private Limited	Rupee Term loan	27.93	IND BBB-/Stable

As a result, all our subsidiaries having bank loans have reached investment grade and are demonstrating consistent financial stability.

The rating letter received from India Ratings is attached as Annexure.

Kindly take the same on record and acknowledge.

Thanking you,

Yours faithfully,
For Orient Green Power Company Limited

M. Kirithika
Company Secretary & Compliance Officer

India Ratings Assigns Gamma Green Power’s Bank Facilities ‘IND BBB-’; Outlook Stable

Jan 29, 2025 | Power Generation

India Ratings and Research (Ind-Ra) has rated Gamma Green Power Private Limited’s (GGPPL) bank facilities as follows:

Details of Instruments

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating Assigned along with Outlook/Watch	Rating Action
Rupee term loan	-	-	31 July 2026	INR144.14	IND BBB-/Stable	Assigned

Analytical Approach

Ind-Ra has assessed the project on a standalone basis, GGPPL also had unsecured loans infused by the sponsor and group company. These loans are subordinated to the senior debt and do not have the right to call an event of default. Ind-Ra has not factored in any payments to these junior instruments for arriving at the senior debt coverages. The inclusion of these funds into the senior debt category will impact the ratings.

Detailed Rationale of the Rating Action

The rating reflects the project’s historical generation levels, comfortable debt coverages during FY26-FY27 and adequate liquidity. The rating is anchored by the presence of long-term power purchase agreements (PPAs) with moderate-to-strong captive consumers and timely receipt of payments. However, the rating is constrained by lower power generation owing to older equipment and inherent wind resource availability risks.

List of Key Rating Drivers

Strengths:

- Historical generation
- Firm offtake agreement assures long-term cashflows
- Moderate debt structure
- Moderate sponsor profile

Weaknesses:

- Moderate operational risk
- Inherent risks associated with wind project including wind resource variability

Detailed Description of Key Rating Drivers

Historical Generation: The plant achieved an average net plant load factor of 12.76% during FY24 (FY23: 12.07%; FY22: 13.64%), owing to favourable wind speed. However, the net plant load factor dipped to 11.36% in trailing 12 months ended October 2024 due to low wind speed. Ind-Ra has factored in the existing generation levels as part of its base case; any significant underperformance due to machine availability issues could lead to a negative rating action.

Firm Offtake Agreement Assures Long-Term Cashflows: GGPPL has PPAs until 2039 with commercial & industrial (C&I) customers for Tamil Nadu location and with GUVNL for Gujarat location. GGPPL is required to supply minimum guaranteed power and has generated 56.02 million units during FY24 (FY23: 53.07 million units) and met the supply requirements. GGPPL can bank on the units generated during peak wind season, which can be utilised during low wind season. Furthermore, the credit profile of the power off-takers is strong with a payment track record of below 15 days. Ind-Ra will continue to monitor the generation performance and receivable cycle, any significant under performance will be a key rating monitorable.

Moderate Debt Structure: The outstanding term loan of INR144.14 million at end-October 2024 will amortise in 15 structured quarterly instalments, ending August 2027. The project has standard project finance features, including a cash flow waterfall and restrictive payment conditions. The promoter has given corporate guarantee to the lender. The forward-looking average debt service coverage ratio is assessed to be more than 1.15x as per Ind-Ra's estimates.

Moderate Sponsor Profile: Tamil Nadu-based Orient group is headed by Thyagarajan Shivaraman who is the chief executive officer and managing director since seven years. The group is an Indian independent renewable energy-based power generation company focused on developing, owning and operating a diversified portfolio of renewable energy power plants. As on 31 March 2024, the company had an aggregate installed capacity is 402.3MW of wind energy. OGPL is also implementing a solar project of 35MW_{DC} / 25MW_{AC}. OGPL is a widely held public company listed on the BSE Ltd and National Stock Exchange of India Limited with a paid-up capital of INR9,800 million and market capitalisation of nearly INR21,000 million as of November 2024.

Moderate Operational Risk: The project has a long operational history of about 20 years. The company's machineries have an average life of 22 years with 43% of total capacity having more than 25 years of operational history. In case of completion of life of machine age, company will repower the machine with latest advance technology as informed by management. The project's average machine availability was 98% during FY24 (FY23: 98%; FY22: 97%) and grid availability was 97% during FY24 (FY23: 98%; FY22: 96%).

Inherent Risks Associated with Wind Project Including Wind Resource Variability: As with any wind farm, the project's revenue and operating cash flows are directly related to wind speed. Thus, the accuracy of the wind assessment studies, and energy production forecasts is critical. Furthermore, wind energy projects inherently face the risk of low-speed winds, which could impact the cash flows available for debt service obligations.

Liquidity

Adequate: The company's liquidity is adequate with a moderate debt service coverage ratio and likely stable collections. The company had a cash & bank balance of INR3.50 million as on 31st December 2024 along with unencumbered liquid investment of INR11.20 million. On the group level, Orient Green Power Limited has INR1.50 million in free cash reserve and INR110.20 million in fixed deposits (FD) as on 31 December 2024, which is not earmarked for any purpose and can be utilised towards meeting any operational/financial shortfall requirements of the group companies.

Rating Sensitivities

Positive: Sustained operational and financial performance of the project being in line with Ind-Ra's base case estimates will lead to a positive rating action.

Negative: Developments that could, individually or collectively, lead to a negative rating action are:

- Sustained deterioration in the operational and financial performance compared to Ind-Ra's base case estimates
- significant deterioration in the liquidity profile
- significant deterioration in the credit profiles of the off-takers or a long-term fall in offtake

About the Company

GGPPL, is currently operating 121 wind turbine generators with an aggregate installed capacity of 49.93 MW in Tamil Nadu and Gujarat. The project, comprising of wind turbine generators capacity ranging from 225kWh to 2,000kWh, has an operational history of more than 20 years. 72.50% shares of GGPPL is owned by Orient Green Power Co Ltd, balance stake held by private companies under the Group Captive Mechanism.

Key Financial Indicators

Particulars (INR million)	FY24	FY23
Revenue from operations	218.30	206.20
Total revenue	224.80	276.00
EBITDA	120.40	106.90
EBITDA margin (%)	55	52
Finance cost	29.80	47.70
Interest coverage (EBITDA/Interest) (x)	4.04	2.24
Gross debt/EBITDA (x)	1.52	0.84
Cash and cash equivalents	33.00	3.10
Source: Ind-Ra, GGPPL		

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Rating Type	Rated Limits (million)	Current Rating
Rupee term loan	Long-term	INR144.14	IND BBB-/Stable

Bank wise Facilities Details

The details are as reported by the issuer as on (29 Jan 2025)

#	Bank Name	Instrument Description	Rated Amount (INR million)	Rating
1	City Union Bank	Rupee Term loan	144.14	IND BBB-/Stable

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Rupee term loan	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

Contact

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About India Ratings and Research: India Ratings and Research (Ind-Ra) is committed to providing India's credit markets accurate, timely and prospective credit opinions. Built on a foundation of independent thinking, rigorous analytics, and an open and balanced approach towards credit research, Ind-Ra has grown rapidly during the past decade, gaining significant market presence in India's fixed income market.

Ind-Ra currently maintains coverage of corporate issuers, financial institutions (including banks and insurance companies), finance and leasing companies, managed funds, urban local bodies and project finance companies.

Headquartered in Mumbai, Ind-Ra has seven branch offices located in Ahmedabad, Bengaluru, Chennai, Delhi, Hyderabad, Kolkata and Pune. Ind-Ra is recognised by the Securities and Exchange Board of India, the Reserve Bank of India and National Housing Bank.

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For more information, visit www.indiaratings.co.in.

Solicitation Disclosures

Additional information is available at www.indiaratings.co.in. The ratings above were solicited by, or on behalf of, the issuer, and therefore, India Ratings has been compensated for the provision of the ratings.

Ratings are not a recommendation or suggestion, directly or indirectly, to you or any other person, to buy, sell, make or hold any investment, loan or security or to undertake any investment strategy with respect to any investment, loan or security or any issuer.

APPLICABLE CRITERIA AND POLICIES

Evaluating Corporate Governance**Rating Criteria for Infrastructure and Project Finance****The Rating Process****DISCLAIMER**

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India Ratings Assigns Clarion Wind Farm’s Rupee Term Loan ‘IND BBB-’; Outlook Stable

Jan 29, 2025 | Power Generation

India Ratings and Research (Ind-Ra) has rated Clarion Wind Farm Private Limited’s (CWFPL) rupee term loan as follows:

Details of Instruments

Instrument Type	Date of Issuance	Coupon Rate	Maturity Date	Size of Issue (million)	Rating Assigned along with Outlook/Watch	Rating Action
Rupee term loan	-	-	31 July 2027	INR279.30	IND BBB-/Stable	Assigned

Analytical Approach

Ind-Ra has assessed the project on a standalone basis. CWFPL also had unsecured loans infused by the sponsor and group company. These loans are subordinated to the senior debt and do not have the right to call an event of default. Ind-Ra has not factored in any payments to these junior instruments for arriving at the senior debt coverages. The inclusion of these funds into the senior debt category will impact the ratings.

Detailed Rationale of the Rating Action

The rating reflects the project’s historical generation levels, comfortable debt coverages during FY26-FY27 and adequate liquidity. The rating is anchored by the presence of long-term power purchase agreements (PPAs) with moderate-to-strong captive consumers and timely receipt of payments. However, the rating is constrained by lower power generation owing to older equipment and inherent wind resource availability risks.

List of Key Rating Drivers

Strengths

- Historical generation levels
- Firm offtake agreement assures long-term cashflows
- Moderate debt structure
- Moderate sponsor profile

Weaknesses

- Moderate operational risk
- Inherent risks associated with wind project including wind resource variability

Detailed Description of Key Rating Drivers

Historical Generation Levels: The plant achieved an average net plant load factor of 15.75% during FY24 (FY23: 14.58%; FY22: 13.90%), owing to favourable wind speed. However, the net plant load factor dipped to 13.66% in the trailing 12 months ended October 2024 due to low wind speed in specific areas of Nagercoil and Nettur. Ind-Ra has factored in the existing generation levels as part of its base case; any significant underperformance due to machine availability issues could lead to a negative rating action.

Firm Offtake Agreement Assures Long-term Cashflows: CWFPL has PPAs until 2028 with commercial and industrial customers in Tamil Nadu. The company generated 111.06 million units during FY24 (FY23:102.87 million units) and met supply requirements. CWFPL can bank on the units generated during peak wind season, which can be utilised during low wind season. Furthermore, the credit profile of the power off-takers is strong with payment track record of below 15 days. Ind-Ra will continue to monitor the generation performance and receivable cycle, thus, any significant under performance will be a key rating monitorable.

Moderate Debt Structure: The outstanding term loan of INR279.30 million at end-October 2024 will amortise in 32 structured monthly instalments, ending August 2027. The project has standard project finance features, including a cash flow waterfall mechanism and restrictive payment conditions. The company also has INR10 million of working capital limit, which is unutilised. The promoter has given corporate guarantee to the lender. The forward-looking average debt service coverage ratio is assessed to be more than 1.20x as per Ind-Ra's estimates.

Moderate Sponsor Profile: Tamil Nadu-based Orient group is headed by Thyagarajan Shivaraman, who is the chief executive office and managing director since seven years. The group is an Indian independent renewable energy-based power generation company focused on developing, owning and operating a diversified portfolio of renewable energy power plants. As on 31 March 2024, the company had an aggregate installed capacity is 402.3MW of wind energy. OGPL is also implementing a solar project of 35MW_{DC} /25MW_{AC}. OGPL is a widely held public company listed on the BSE Ltd and National Stock Exchange of India Limited with a paid-up capital of INR9,800 million and market capitalisation of nearly INR21,000 million as of November 2024.

Moderate Operational Risk: The project has a long operational history of about 20 years. The company's machineries have an average life of 20 years with 6% of the total capacity having more than 25 years of operational history. In case of completion of life of machine age, the company will repower the machine with latest advance technology as informed by management. The project's average machine availability was 96.11% during FY24 (FY23: 96.26%; FY22: 96.24%) and grid availability was 96.95% during FY24 (FY23: 95.40%; FY22: 93.61%).

Inherent Risks Associated with Wind Project including Wind Resource Variability: As with any wind farm, the project's revenue and operating cash flows are directly related to wind speed. Thus, the accuracy of wind assessment studies, and energy production forecasts is critical. Furthermore, wind energy projects inherently face the risk of low-speed winds, which could impact the cash flows available for debt service obligations.

Liquidity

Adequate: The company's liquidity is adequate with moderate debt service coverage ratio and likely stable collections. The company had a cash and bank balance of INR4.90 million, escrow account balance of INR22.20 million and unencumbered liquid investment of INR24.50 million as on 31 December 2024, along with an undrawn working capital limit of INR10 million. On the group level, Orient Green Power Limited had INR1.50 million in free cash reserve and INR110.20 million in fixed deposits as on 31 December 2024, which is not earmarked for any purpose and can be utilised towards meeting any operational/ financial shortfall requirements of the group companies.

Rating Sensitivities

Positive: Sustained operational and financial performance of the project being in line with Ind-Ra's base case estimates will lead to a positive rating action.

Negative: Developments that could, individually or collectively, lead to a negative rating action are:

- sustained deterioration in the operational and financial performance compared to Ind-Ra's base case estimates,
- significant deterioration in the liquidity profile,
- significant deterioration in the credit profiles of the off-takers or a long-term fall in offtake

About the Company

CWFPL operates 177 wind turbine generators with an aggregate installed capacity of 80.28MW in Tamil Nadu. The project, comprising of wind turbine generators capacity ranging from 225kWh to 1,250kWh, has an operational history of more than 20 years. Bharat Wind Farm Limited, which in turn is a subsidiary of Orient Green Power, holds 72.35% stake in CWFPL while the balance is held by private companies under the group captive mechanism.

Key Financial Indicators

Particulars	FY24	FY23
Revenue from operations (INR million)	471.20	428.20
Total revenue (INR million)	475.10	500.20
EBITDA (INR million)	330.30	300.90
EBITDA margin (%)	70	70
Finance cost (INR million)	84.50	119.70
Interest coverage (EBITDA/interest; x)	3.91	2.51
Gross debt/EBITDA (x)	1.25	1.90
Cash and cash equivalents (INR million)	58.90	4.00
Source: Ind-Ra, CWFPL		

Status of Non-Cooperation with previous rating agency

Not applicable

Rating History

Instrument Type	Rating Type	Rated Limits (million)	Current Rating/Outlook
Rupee term loan	Long-term	INR279.30	IND BBB-/Stable

Bank wise Facilities Details

The details are as reported by the issuer as on (29 Jan 2025)

#	Bank Name	Instrument Description	Rated Amount (INR million)	Rating
1	HDFC Bank Limited	Rupee Term loan	279.3	IND BBB-/Stable

Complexity Level of the Instruments

Instrument Type	Complexity Indicator
Rupee term loan	Low

For details on the complexity level of the instruments, please visit <https://www.indiaratings.co.in/complexity-indicators>.

Contact

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Parent and Subsidiary Rating Linkage**Evaluating Corporate Governance****Sector Classification****Rating Criteria for Infrastructure and Project Finance****The Rating Process****DISCLAIMER**

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