



ORIENT GREEN POWER COMPANY LIMITED

25th January 2019

**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: Press release

We enclose 9M FY19 Press release.

We request you to kindly take the same on record.

Thanking you,

Yours faithfully,

For Orient Green Power Company Limited

**P Srinivasan
Company Secretary & Compliance Officer**



Encl: as above



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

News Release: For immediate publication

Chennai, 24th January, 2019

OGPL reports 9M FY19 Results – Delivers steady performance despite challenging macros Revenues of Rs. 283 cr; EBITDA Margins of 76%

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 nine months ended December 31, 2018.

Delivers steady Financial Performance (All figures in Rs. Lakhs)

	9M FY19	9M FY18
Continued Operations:		
Revenue	28,279	35,446
EBITDA	21,510	27838
EBITDA %	76.1%	78.5%
EBIT	12,900	1,897.0
EBIT %	45.6%	52.0%
PBT	(2,692)	2,292
Discontinued Operations PBT	(617)	(2,081)
Consol PBT	(3,309)	211

Note :

1. The shortfall of 564 Lakhs units of wind power generation due to reduced span of wind season during the nine months ended December 2018. It may be noted that the corresponding period in previous year had an exceptional income of Rs.1, 560 lakhs and also had a benefit of Rs. 1141.74 Lakhs due to Renewable Energy Certificates (REC's) being traded at Rs.1, 500 per certificate as against the present year Rs.1, 000 per certificate. Accordingly, the revenue for the comparative period presented is not comparable.
2. It may be noted that grid evacuation in Tamil Nadu is over 95%. Further, REC's are trading at a premium i.e. traded at over Rs.1, 320 per certificate in the last session as against the base price of Rs.1,000 per certificate. These two factors bode well for the future.

Commenting on the performance, Mr. S. Venkatachalam, MD - OGPL, said: *“The inherent strength of the business has enabled us to report a resilient performance in the backdrop of underwhelming and volatile wind patterns. We have made significant progress on key strategic initiatives to achieve this level of resilience and further initiatives in the pipeline will further strengthen the architecture enabling the business to rapidly elevate revenues and profitability as wind patterns stabilize.*

We are optimistic about several developments. The marked improvement in grid availability has resulted in greater transmission of the energy generated in turn improving the revenue generation capability of the business. The revival in REC trading has strengthened our ancillary revenue stream and it is reliably generating revenues with full liquidation of certificates for over four quarters now. The demerger of biomass business is behind us now and the business model is leaner and more agile as intended. Our strategic initiative towards deleveraging the balance sheet is making heartening progress – discussions are progressing well and we are optimistic of delivering on this initiative which will significantly enhance the liquidity and cash-flow position of the business.

Going forward, we are now much better placed to capitalize on opportunities that arise in the sector given our strengthened operating profile, improving balance sheet and scale of operations. We are carefully evaluating growth opportunities and strictly building in margin of safety with a clear focus on driving profitable growth.”

Performance Update

- **Wind Business: Steady performance despite delayed onset of wind season**
 - Recent strategic initiatives coupled with improved macros and diversified asset base resulted in delivering steady performance despite delayed onset of wind season
 - Marked improvement of Grid Availability (95%) in TN – sharp reduction in frequency of grid back down and consistent grid availability is expected to sustain henceforth resulting in sustainably elevated level of evacuation
- **Debt pruning to strengthen balance sheet & improve liquidity profile**
 - In parleys with bankers to lower credit cost & extend loan maturities.
 - Refinancing existing high debt cost to result in lower interest outgo and profitability improvement.
 - Working towards bringing down average cost of debt from ~13% at present to single digits.
- **REC Trading- Strong momentum continues**
 - Trading volumes remains elevated - all the RECs generated in 9M FY19 have been realised within the same quarter in which they have been generated
 - Stringent emphasis on compliance has strengthened demand for certificates thereby elevating REC realisations into a reliable revenue stream for the Company.
 - Steady demand and limited supply resulting in certificates trading above their floor price
 - **REC trading at Rs.100-Rs.300 above the floor price of Rs.1,000 from Apr '18 onwards.**

For further information please contact:

Mr. K.V. Kasturi
Orient Green Power Company Limited
Tel: +91 44 4901 5678
Email: kasturi.kv@orientgreenpower.com

Mayank Vaswani / Suraj Digawalekar
CDR India
Tel: +91 22 6645 1230 / 1219
Email: mayank@cdr-india.com
suraj@cdr-india.com

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.