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Orient Green Power gets \$55-m PE funding

Olympus Capital to get 'significant minority' stake

Our Bureau

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Orient Green Power Ltd, a company that is engaged in putting up and owning renewable energy projects, has received \$55 million (Rs 275 crore) of equity funding from Olympus Capital Holdings Asia.

Orient Green Power (OGPL) is a joint venture of the Chennai-based Shriram EPC Ltd and Bessemer Venture Partners. Olympus Capital, a private equity fund, will receive a "significant minority" stake for its investment.

STAKE HOLDING

At present, OPGL is equally held by Shriram EPC and Bessemer Venture. The two partners had previously brought in \$10 million each and are now bringing in another \$10 million each. Thus, OPGL today has an equity base of \$95 million.

OPGL today has 70 MW of installed power capacity - 55 MW of wind mills across three wind farms and 15 MW of biomass-based projects in two locations. Last year, the company achieved a turnover of Rs 45 crore and a pre-tax profit of Rs 18 crore.

CURRENT PROJECTS

At a press conference here today, Mr T. Shivaraman, Managing Director, Shriram EPC, said that OPGL has projects at various stages, amounting to another 146 MW.

Of this, 22 MW would go on stream in the current year and the rest in 2009-10. By that year, the company then would have a capacity of 216 MW.

The whole project would cost about Rs 1,000 crore. About Rs 600 crore of this would be the debt component, Mr Shivaraman said.

On the works are a 15 MW run-of-the-river hydel project in Orissa and a clutch of bio-mass and wind mill projects. The company is also looking at acquiring renewable energy assets, Mr Shivaraman said.

In the following years, OPGL would put up further capacity to become a 500 MW-renewable energy company.

Some time over the next 2-3 years, OPGL would come out with its initial public offering, which would give its private equity investors an exit route.