



ORIENT GREEN POWER COMPANY LIMITED

June 16, 2014

**The Bombay Stock Exchange Limited
Corporate Relations Department
P.J. Towers
Dalal Street
Mumbai-400 001**

**The National Stock Exchange of India Limited
Department of Corporate Services
Exchange Plaza, 5th Floor,
Bandra-Kurla Complex
Mumbai-400 051**

Dear Sirs,

Sub: Q4 and FY14 Results

We enclose Investor Presentation on Q4 and FY14 Results.

We request you to kindly take the same on record and oblige.

Thanking you,

Yours faithfully,
For Orient Green Power Company Limited,

**P.Srinivasan
Company Secretary & Compliance Officer**



Encl: as above

ORIENT GREEN POWER

Investor Presentation

Q4 & FY14 Results



Leading Diversified Renewable Energy Generation Company

Disclaimer

Certain statements in this presentation concerning our future growth prospects are forward looking statements, which involve a number of risks and uncertainties that could cause actual results to differ materially from those in such forward-looking statements. The risks and uncertainties relating to these statements include, but are not limited to, fluctuations in earnings, our ability to manage growth, competitive intensity in our industry of operations including those factors which may affect our cost advantage, wage increases, our ability to attract and retain highly skilled professionals, sufficient availability of inputs, price of inputs, setting of appropriate tariffs by regulatory bodies, our ability to successfully complete and integrate potential acquisitions, liability for damages on our contracts to supply electricity, the success of the companies in which Orient Green Power has made or shall make strategic investments, withdrawal of governmental incentives, political instability, legal restrictions on raising capital or acquiring companies outside India, and unauthorized use of our intellectual property and general economic conditions affecting our industry. Orient Green Power may, from time to time, make additional written and oral forward-looking statements, including those in our reports to shareholders. The Company does not undertake to update any forward-looking statement that may be made from time to time by or on behalf of the company



Financial & Operational Highlights – Q4 & FY14

Performance Highlights

WIND BUSINESS

- 12.6 Mw was added during the quarter and aggregate of 85.0 Mw were added up to Q4 FY14; taking the total operating wind assets capacity to 424 Mw as of March 31, 2014
- Tamil Nadu government has provided assurance of grid availability for evacuation of wind power from FY 2015 onwards
- Despite grid back down, the Operating revenues in Q4 was at a level of Rs. 530.1 Million (growth of 53.1%) on the back of increased capacities, better wind availability and improved machine upkeep and performance. Revenues for the year ended March 2014 increased by 14.5% to Rs. 2,660.7 Million despite significant grid back down in Tamil Nadu
- Operational EBITDA expanded to Rs. 2,200.2 Million (> 18%) for the year ended March 2014
- Aggressively pursuing further capacity additions in potentially good wind sites outside Tamil Nadu
- Generation Based Incentive (GBI) has been finally notified which would entitle the company to get GBI benefit of up to Rs. 10 Million per Mw leading to improved viability of eligible projects

Performance Highlights

BIOMASS BUSINESS

- Two units in Rajasthan continued to be non-operational – one due to high fuel cost and low tariff and another due to delay in receipt of Rajasthan Electricity Regulatory Commission's (RERC) order on new tariff. One of the units is expected to restart operations very soon after RERC order
- Plan to commission balance 20.0 Mw unit over the next 3 months
- Tariff levels in Tamil Nadu remained at a level of Rs. 6.50/ Rs. 7.00 per kwh on merchant basis while it was lower on group captive model
- Proposal to move the Pollachi plant into a group captive model
- Operating revenues for Q4 were at Rs. 1,033.1 Million and Rs. 4,128.6 Million for the year ended March 2014
- During the year, due to permanent suspension of operations at one of the units in Rajasthan, goodwill impairment aggregating to Rs. 186.6 Million has been provided for in the accounts
- Indian Biomass Power association (IBPA) continued its active engagement with the Ministry for New and Renewable Energy (MNRE) and Ministry of Finance for following measures and benefits:
 - Introduction of Generation Based Incentive (GBI) for biomass industry
 - Interest subvention of at least 2% p.a. for all loans to this sector
 - According Priority sector status for lending to this industry

Financial Performance – Q4 & FY14

Rs. Million

	Q4FY14	Q4FY13	FY14	FY13
Sale of Power	840.05	621.73	3,595.40	3,682.93
Other Operating Income	146.85	145.80	533.18	671.57
Total Income	986.90	767.53	4,128.58	4,354.50
Expenditure				
Cost of biomass fuel	307.43	305.12	815.97	1,142.27
O&M and other costs	389.92	419.85	1,244.92	1,342.94
Total Expenditure	697.35	724.97	2,060.89	2,485.21
Operational EBITDA	289.55	42.56	2,067.69	1,869.29
EBITDA (%)	29%	6%	50%	43%
Other Income	12.20	14.33	83.70	241.73
Total EBITDA	301.75	56.89	2,151.39	2,111.02
Depreciation	424.76	282.61	1,433.38	1,100.20
EBIT	-123.01	-225.72	718.01	1,010.82
Finance charges	709.82	487.97	2,651.57	1,891.72
Profit /(loss) before tax	-832.83	-713.69	-1,933.56	-880.90
Profit /(loss) after tax & exceptional item	-1,002.58	-641.32	-2,077.86	-817.11
Profit / (Loss) after Minority Interest	-924.16	-527.09	-1,876.37	-698.88

Balance Sheet as at March 31, 2014

Rs. Million

	As at Mar'14	As at Mar'13
Equity and Liabilities		
Shareholders' Funds		
(a) Share Capital	5,680.78	4,680.78
(b) Reserves & Surplus	4,876.13	6,208.39
Sub-Total Shareholders Funds	10,556.92	10,889.17
Share Application Money Pending Allotment	7.9	1,523.00
Minority Interest	193.49	295.12
Non- current liabilities		
(a) Long - term borrowings	18,817.65	15,871.64
(b) Deferred tax liabilities (net)	68.01	109.84
(c) Other long term liabilities	209.14	2.54
(d) Long - term provisions	15.89	14.34
Sub Total - Non - Current Liabilities	19,110.69	15,998.37
Current Liabilities		
(a) Short - term borrowings	674.75	1,034.97
(b) Trade Payables	588.75	472.73
(c) Other current liabilities	3,993.65	5,131.26
(d) Short - term provisions	4.27	11.15
Sub Total Current Liabilities	5,261.41	6,650.11
Total	35,130.42	35,355.77

Balance Sheet as at March 31, 2014 (contd.)

Rs. Million

	As at Mar'14	As at Mar'13
ASSETS		
Non - Current Assets		
Fixed assets	29,554.85	29,575.51
Goodwill on Consolidation	359.17	511.86
Non-current Investments	0.13	0.13
Long-term loans and advances	2,190.99	2,560.86
Other non Current Assets	316.52	164.99
Sub total Non - Current Assets	32,421.66	32,813.35
Current assets		
Current Investments	2.73	2.78
Inventories	142.17	186.42
Trade receivables	1,014.38	794.33
Cash and cash equivalents	502.73	725.81
Short-term loans and advances	357.48	449.15
Other Current Assets	689.28	383.94
Sub total Current Assets	2,708.76	2,542.42
TOTAL ASSETS	35,130.42	35,355.77

Renewable Energy Certificates

- RECs market underwent significant revival during the quarter, as the demand for certificates rose for fourth straight month as companies seek to comply with renewable targets amid enforcement by government regulators
- The demand surged almost 10-fold since a low in August as regulators in Punjab, Uttarakhand, Maharashtra, Chhattisgarh and Goa began exerting pressure on companies flouting rules
- Further, key development is the CERCs order of extending the validity of RECs issued on or after November 1, 2011 from 365 days to 730 days
- OGPL's share in trading represented 7.2% of trading volumes during the quarter on the exchange
- OGPL had an unsold inventory of 230,349 RECs as of March 31, 2014

REC Trading and Revenue – April 2013 to March 2014

REC Trade Results - Consolidated (IEX + PXIL)					
Month	Market Clearing Volume - Non Solar	REC traded from OGPL Projects	Market Share of OGPL (%)	REC Revenue (Rs. Lacs)	Average Price (Rs./ REC)
Apr – 13	44,459	3,308	7.44%	50	1,500
May – 13	52,968	4,111	7.76%	62	1,500
Jun – 13	72,486	5,740	7.92%	86	1,500
Jul – 13	161,402	12,850	7.96%	193	1,500
Aug – 13	40,889	2,965	7.25%	44	1,500
Sept – 13	49,831	3,621	7.27%	54	1,500
Oct – 13	150,640	10,465	6.95%	157	1,500
Nov – 13	308,928	25,971	8.41%	390	1,500
Dec – 13	403,862	25,746	6.37%	386	1,500
Jan – 14	358,997	23,169	6.45%	347	1,500
Feb – 14	378,825	22,838	6.03%	343	1,500
Mar – 14	658,727	32,064	4.87%	481	1,500
Total	2,682,014	172,848	6.44%	2,593	1,500
Total no. of unsold issued RECs available (Biomass + Wind) as on 31 st March 2014 is 230,349 RECs					

Source	No. of RECs traded (April 2013 to March 2014)	REC Revenue (April 2013 to March 2014) (Rs. Lacs)
BIOMASS	74,260	1,114
WIND	98,588	1,479
TOTAL	172,848	2,593



Wind Operations

Wind Operations - India

Particulars	Unit of Measurement	Q4 FY14	Q4 FY13	FY14	FY13
Capacity	Mw	413.89	328.51	413.89	328.51
Units Generated (Gross)	Mn	99.22	63.60	543.29	527.06
Annualized PLF	%	11.33	8.74	16.60	18.65
Average Gross Realisation (before charges and without REC)	Rs./ Unit	5.44	4.56	5.07	4.62

- Although grid back down continued in the quarter, there was a significant improvement in the PLF on a Y-o-Y basis due to better than expected wind availability as well as greater proportion of new machines with higher sustainable PLF. Lastly, initiatives such as preventive maintenance of machines resulted in lower downtime and higher PLF
- Selling prices were somewhat lower during the quarter on a sequential basis mainly due to more sales in A.P. and Gujarat in the overall product mix

Capacity Expansion

States	Wind Capacity (Mw)	Remarks
Tamil Nadu	11.20	Commissioned in July / August 2013
Andhra Pradesh	43.20 50.70	43.20 Mw commissioned in August 2013 and balance 50.70 Mw planned in season of 2015
Gujarat / Tamil Nadu / Rajasthan	12.60 12.60 23.00	12.60 Mw commissioned in May 2013 12.60 Mw commissioned in Q4 FY14 6.00 Mw commissioned in September 2013 3.00 Mw planned in July 2014 Balance 14.00 Mw planned in season of 2015
Addition in FY 2014	85.60	

Location	Biomass Capacity (Mw)	Estimated date of Completion
Maraikal	7.5	Commissioned in January 2014
Narsinghpur	10.0	Commissioned in January 2014
Kolhapur	20.0	Q2 FY 15
Kishanganj	8.0	Commissioned in Q2 FY14
Addition in FY 2014	45.5	



Biomass Operations

Existing Biomass Operations

Particulars	Unit of Measurement	Q4 FY14	Q4 FY13	FY14	FY13
Capacity (operational during the year)	Mw	68.00	60.50	68.00	60.50
Units Exported	Mn	68.69	56.15	196.21	259.04
PLF	%	46.00	48.04	32.00	55.50
Average Realisation	Rs./ Unit	5.88	6.26	5.95	5.96
Specific Fuel Consumption per unit	Kg/ Unit	2.10	1.85	2.03	1.82
Fuel Cost	Rs./ Unit	4.18	5.37	4.10	4.34
O&M and other Costs	Rs./ Unit	2.13	2.45	2.67	2.05

- Performance in Q4 FY14 was negatively impacted due to the continuous suspension of 2 Rajasthan plants and increase in depreciation & finance costs of 2 other plants which were partly in operation during the quarter
- In Tamil Nadu, realisation across units supplying on merchant basis continued to be robust while it was lower in units which migrated to group captive model during the quarter which would however lead to more stable operations
- All four units in Tamil Nadu and Sanjog in Rajasthan continue to get REC benefits during the quarter
- Fuel Cost somewhat moderated during the quarter mainly due to more proportion of operations in Rajasthan where fuel is available at lower cost. The prices are expected to remain high for some more time in Tamil Nadu while it would be cheaper in Rajasthan during the forthcoming mustard season
- O&M and other costs has reduced during the quarter mainly due to higher output of power from the various units

Existing Projects – Biomass power plants

Name	Capacity (Mw)	Location	Fuel	Customer details			Blended tariff		
					Q4 FY14	Q3 FY14	Q2 FY14	Q1 FY14	Q4 FY13
Kopergaon	2.0	Maharashtra	Co-generation biogas	Captive	3.50	3.50	3.50	3.50	3.50
Dindigul	7.5	Tamil Nadu	Plywood wastes, julieflora, corn stalks and other agri - residues	Merchant	5.06	5.05	6.53	6.75	7.00
Pattukkottai	7.5	Tamil Nadu	Sugarcane residue, coconut residue, julieflora and other agri - residues	Merchant	5.12	5.15	6.67	6.77	6.63
Vandavasi	7.5	Tamil Nadu	Casurina, eucalyptus waste, julieflora, sugarcane waste and groundnut stalks	Merchant	7.63	6.99	No Sale	6.89	7.18
Pollachi	10.0	Tamil Nadu	Julieflora, coconut residue, saw mill waste	Merchant	7.77	6.51	6.74	6.71	6.50
Kotputli	8.0	Rajasthan	Mustard Husk	Grid 100%	No Sale	No Sale	No sale		No Sale
Chippabarod	8.0	Rajasthan	Mustard Husk	Grid 100%	5.04	5.06	5.13	5.13	5.13
Hanumangarh	10.0	Rajasthan	Mustard Husk, Cotton stalk, paddy straw and wheat straw	Merchant	No Sale	No Sale	No sale	4.29	3.79
Kishanganj (commissioned in Oct 2013)	8.0	Rajasthan	Mustard Husk	Grid 100%	5.97	5.90	No sale	No sale	No sale

Capacity Expansion Trend

2010-11	2011-12	2012-13	BUSINESS	2013-14	Planned by season of FY 2015
179.5	317.1	339.0	WIND	424.0	494.6
40.5	60.5	60.5	BIOMASS	86.0	106.0
220.0	377.6	399.5	TOTAL	510.0	600.6



Regulatory Environment & Outlook

Regulatory Impact and other challenges

- Petition filed before TNERC on grid back down issue in Tamil Nadu last year is yet to be disposed off
- Petition filed in Q2 FY14 before the High Court of Madras by Indian Wind Power Association (IWPA) seeking relief on exemption from grid back down for WEGS based on Grid Code which confers Must Run status to WEGs – Order has been remanded by the High Court to TNERC with a direction to pass orders expeditiously. The industry believes that appropriate relief shall be provided which would augur well for 2014 season and thereafter
- In a first, the Uttarakhand ERC has imposed penalty on the state Discom for non-compliance with RPO. More state ERCs expected to follow suit with similar actions which would help improve REC trading in coming months
- Recently, Central Electricity Regulatory Commission (CERC) has issued an order on Scheduling and Forecasting as per which wind power generators are to forecast their generation of the next day, for every 15 minute interval and face penalty if the actual generation is 30 per cent more or less than the submitted forecast. This is indeed an onerous requirement and Petitions filed before the High Courts through the Associations on stalling the Forecasting and scheduling of wind power are yet to be decided. In the meantime, CERC vide its recent order, has deferred the commercial implementation till further orders and has called for suggestions of all concerned parties before reviewing the Renewable Regulatory Fund (RRF) mechanism
- Rajasthan ERC has passed order on our petition in respect of Hanumangarh unit for generic determination of tariff for switch over to Preferential tariff mechanism. Process has been started and it is expected to be completed within the next couple of months
- Petition filed with APTEL seeking a direction to SERCs to enforce RPO and impose penalties

Wind Business Outlook

- Grid infrastructure is expected to improve significantly in Tamil Nadu over the next 2 years which would lead to improved PLFs from 2015-16 onwards. Kayathar line expected to be commissioned in Q1 FY15 which would help in improving PLF in 2014-15 itself. This, coupled with the synchronization of south grid with the national grid would ensure that grid back down does not recur in the coming years
- Appellate Tribunal for Electricity's (APTEL) order has been given effect to from June 2013 thereby granting relief from excessive transmission charges in Tamil Nadu which would go a long way in improving margins
- TNERC order awaited on Must Run status of wind mills and a favorable verdict would help to improve top line and margins from coming season
- Exploring more viable locations with attractive tariff and returns for the last phase of the present expansion plan
- Reintroduction of Generation based incentive (GBI) with higher eligibility amount would significantly improve viability of eligible projects
- Actively pursuing refinancing / securitization of receivables in respect of the entire loan of about Rs. 270 cr. relating to old wind assets with intent to reduce cost of borrowing besides a more staggered repayment schedule

Biomass Business Outlook

- Rajasthan ERC process for fixation of generic tariff under preferential tariff mechanism for Hanumangarh plant would enable the unit to restart operations within a few months at a more viable tariff
- Switch over to group captive mechanism in T.N. plant would bring about more stability in operations at the units throughout the year
- Actively pursuing regulatory agencies in Rajasthan and elsewhere for annual tariff fixation based on fuel price
- Energy Plantation as a means for fuel security – 250 acres planned from Q4 and planned to harvest 10,000 MT during Q1 of FY15
- Initiatives taken through Indian Biomass Power Association along with MNRE for following measures and benefits:
 - Better Tariff from SERC/CERC
 - Annual resetting of Fuel prices for the tariff
 - Introduction of Generation Based Incentive (GBI) for biomass industry
 - Interest subvention of at least 2% p.a. for all loans to this sector
 - According Priority sector status for lending to this industry
- Operational improvements for enhanced efficiencies in progress across all units
- Focusing on measures to refinance existing high cost debt at lower rates of interest



Thank You

Leading Diversified Renewable Energy Generation Company