



ORIENT GREEN POWER COMPANY LIMITED

July 31, 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: Q1 FY15 Results Presentation

We enclose Q1 FY15 Results presentation.

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

Q1 FY15 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 – Q1 FY15

Performance Highlights

- The quarter witnessed a sales growth of 19.5% (Y-o-Y) mainly aided by additional capacities in both wind and biomass businesses
- Increase in tariffs across all biomass operating plants in Rajasthan has positively impacted margins in the business
- Tariff levels also improved in wind business in Tamil Nadu during the quarter
- Sales and other operating income increased to Rs. 1,473.5 Million as against Rs. 1,232.8 Million
- Delay of over three weeks for the onset of the wind season impacted the wind business in Q1 FY15
- There has been a marked improvement in grid availability in Tamil Nadu in June and July as compared to the same period of the previous year
- Operational EBITDA improved from a level of Rs. 728.23 Million to Rs. 905.11 Million mainly due to revenues from increased capacities across both businesses
- Loss after Tax was at Rs. 279.11 Million during Q1 FY 15
- Generation Based Incentive (GBI) has been notified which would entitle the company to get a benefit of up to Rs. 10 Million per Mw on 75.6Mw leading to improved viability

Financial Performance – Q1 FY15

Rs. Million

	Q1FY15	Q1FY14	Y-o-Y (%)	FY14
Sale of Power	1,307.34	1,057.81		3,595.40
Other Operating Income	166.18	174.94		533.18
Total Income	1,473.52	1,232.75	19.5%	4,128.58
Expenditure				
Cost of biomass fuel	279.33	257.13		815.97
O&M and other costs	289.08	247.39		1,244.12
Total Expenditure	568.41	504.52		2,060.09
Operational EBITDA	905.11	728.23	24.3%	2,068.49
EBITDA (%)	61.4%	59.1%		50.1%
Exceptional item	60.09	-		
Other Income	27.38	32.28		82.91
Total EBITDA	872.40	760.51	14.7%	2,151.40
Depreciation	423.83	284.48		1,433.38
EBIT	448.57	476.03		718.02
Finance charges	730.19	542.20		2,651.57
Profit /(loss) before tax	-281.62	-66.17		-1,933.55
Profit /(loss) after tax	-279.11	-71.07		-2,077.86
Profit / (Loss) after Minority Interest	-261.20	-87.16		-1,876.37

Balance Sheet as at June 30, 2014

Rs. Million

EQUITY AND LIABILITIES	As at 30.06.2014	As at 30.06.2013	As at 31.03.2014	As At 31.03.2013
Shareholders' Funds	5,681	5,681	5,681	4,681
Reserves and Surplus	4,617	6,645	4,876	6,208
Share Application Money	8	62	8	1,523
Minority Interest	178	303	193	295
Non Current Liabilities	-	-	-	-
Long term bank borrowings	14,736	15,047	15,198	14,433
Loans from Promoters	4,128	1,657	3,620	1,722
Other liabilities	393	141	293	127
Current Liabilities				
Loans due within one year	3,203	2,520	3,388	2,801
Short Term borrowings	666	989	675	752
Other current liabilities	1,846	3,039	1,198	2,814
TOTAL LIABILITIES	35,456	36,085	35,130	35,356

ASSETS	As at 30.06.2014	As at 30.06.2013	As at 31.03.2014	As At 31.03.2013
Non Current Assets				
Fixed Assets	29,280	29,389	29,555	29,576
Goodwill on consolidation	359	542	359	512
Other Non Current assets	2,595	3,409	2,508	2,726
Current Assets				
Current investments	3	3	3	3
Inventories	203	278	142	186
Trade Receivables	1,182	874	1,014	794
Cash and Cash equivalents	547	444	503	726
Short term loans and advances and other current assets	1,287	1,147	1,047	833
TOTAL ASSETS	35,456	36,085	35,130	35,356

Renewable Energy Certificates

- Some state regulators like Punjab, Uttarakhand, Maharashtra and Goa began exerting pressure on compliance of RPO on the obligated entities.
- Regulators have imposed fines on distribution companies in northern Uttarakhand state and the Union Territory of Dadra and Nagar Haveli in western India, prodding the government-run utilities to buy credits to meet their obligations
- Petition has been filed by the IWPA before the Hon'ble APTEL seeking a direction to all regulators for stricter enforcement of RPO to improve trading of RECs
- Discussion regarding present RPO compliances and steps to improve the compliance was discussed in the last meeting of the Forum of regulators held in June 2014
- OGPL's share in trading on the exchange represented 6.3% of trading volumes during the last 15 months
- OGPL had an unsold inventory of 304,096 RECs as of June 30, 2014

REC Trading and Revenue – April 2013 to June 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%	5.00	1,500
May – 13	52,968	4,111	7.76%	6.20	1,500
Jun – 13	72,486	5,740	7.92%	8.60	1,500
Jul – 13	161,402	12,850	7.96%	19.30	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
Apr – 14	79,354	4,059	5.12%	6.10	1,500
May – 14	29,255	1,309	4.47%	2.00	1,500
Jun – 14	139,184	6,618	4.75%	9.90	1,500
Total	2,930,077	184,834	6.31%	277.3	1,500

Total no. of unsold issued RECs available (Biomass + Wind) as on 30th June 2014 is 304,096 RECs

Source	No. of RECs traded (Aug 2013 to Jun 2014)	REC Revenue (Aug 2013 to Jun 2014) (Rs. Lacs)
BIOMASS	79,558	119.40
WIND	105,276	157.90
TOTAL	184,834	277.30



Wind Operations

Wind Operations

Particulars	Unit of Measurement	Q1 FY15	Q1 FY14
Capacity	Mw	424.0	351.6
Units Generated (Gross)	Mn	170.58	176.00
Annualized PLF	%	18.9	23.5
Average Gross Realisation (before charges and without REC)	Rs./ Unit	5.45	5.19

- Capacities in A.P. (43.2Mw) and Gujarat (25.2Mw), coupled with improved PLF of the good wind sites provided the push in sales value growth during the quarter on a Y-o-Y basis
- 400KVA substation has been commissioned in July at Kayathar which would significantly improve grid availability in coming months in Tamil Nadu
- Sales realisation improved during the quarter (Y-o-Y) in Tamil Nadu thereby somewhat compensating for the lower PLF in that state.
- Improvement in grid as well as wind availability seen in July 2014 v/s July 2013 in all states in India and is illustrated in the table below :

State	Effective installed capacity (Mw)	July-14 (upto 25th)			Effective installed capacity (Mw)	July-13 (upto 25th)		
		Generation (Million Kwh)	PLF (%)	Grid availability (%)		Generation (Million Kwh)	PLF (%)	Grid availability (%)
Tamilnadu		68.33	36.4%	79.1%		51.45	28.5%	64.6%
AndhraPradesh		24.97	60.1%			4.64	29.8%	
Gujarat		7.33	41.9%			2.76	27.7%	
Total	413	100.63	40.8%		344	58.86	28.6%	

Capacity Expansion

Wind

States	Capacity (Mw)	Remarks
Andhra Pradesh	50.70	7.2Mw planned in March 2015 Balance 43.5Mw panned in season of 2015
Tamil Nadu	3.00	Planned in September 2014
Madhya Pradesh	14.00	Planned in season of 2015
TOTAL	67.70	

Biomass

Location	Capacity (Mw)	Estimated date of Completion
Kolhapur	20.0	Q2 FY 15
TOTAL	20.0	



Biomass Operations

Existing Biomass Operations

Particulars	Unit of Measurement	Q1 FY15	Q1 FY14
Capacity (operational during the year)	Mw	68.0	60.5
Units Exported	Mn	68.87	60.57
PLF	%	52.0	58.6
Average Realisation	Rs./ Unit	6.82	6.28
Specific Fuel Consumption per unit	Kg/ Unit	1.90	1.86
Fuel Cost	Rs./ Unit	4.11	4.16
O&M and other Costs	Rs./ Unit	1.52	2.07

- Out of 4 plants in Rajasthan, 3 plants have benefited from an about 10% increase in tariff announced by RERC. Of these 3 units, 2 have been operational and the third recommenced operations in end July 2014 with a new PPA signed with the Rajasthan Discoms
- In Tamil Nadu, 2 units are on Group Captive model which have lead to stable operations. Tariff in these units are expected to improve post the wind season. Efforts are on to convert the sale model of the other 2 units in the state to one of inter state sales to neighbouring states at attractive tariffs
- All four units in Tamil Nadu continued to get REC benefits during the quarter

Existing Projects – Biomass power plants

Name	Capacity	Location	Fuel	Sale Model	Blended Gross tariff (Rs./ Kwh)				
					Q1 FY15	Q4 FY14	Q3 FY14	Q2 FY14	Q1 FY14
Chippabarod	8	Rajasthan	Mustard Husk	Grid 100%	5.76	5.04	5.06	5.13	5.13
Kishanganj	8	Rajasthan	Mustard Husk	Grid 100%	6.54	5.97	5.90	No sale	No sale
Narsinghpur	10	Madhya Pradesh	Bagasse	Grid 100%	5.64	5.64			
Hanumangarh	10	Rajasthan	Mustard Husk, Cotton stalk, paddy straw and wheat straw	Merchant	No sale (tariff increased to 6.02)	No Sale	No Sale	No sale	4.29
Dindigul	7.5	Tamil Nadu	Plywood wastes, julieflora, corn stalks and other agri - residues	Merchant	6.30	5.06	5.05	6.53	6.75
Pattukkottai	7.5	Tamil Nadu	Sugarcane residue, coconut residue, julieflora and other agri - residues	Merchant	6.80	5.12	5.15	6.67	6.77
Pollachi	10	Tamil Nadu	Julieflora, coconut residue, saw mill waste	Merchant	7.59	7.77	6.51	6.74	6.71
Vandavasi	7.5	Tamil Nadu	Casurina, eucalyptus waste, julieflora, sugarcane waste and groundnut stalks	Merchant	8.04	7.63	6.99	No Sale	6.89
Maraikal	7.5	Andhra Pradesh	Julie Flora, Rice Husk	Merchant	5.38	5.38			
Kopargaon	2	Maharashtra	Co-generation biogas	Captive	3.50	3.50	3.50	3.50	3.50

Besides the above gross tariff, five units - 4 Tamil Nadu units and 1 in Rajasthan (Hanumangarh) are eligible for REC benefits

Capacity Expansion Trend

BUSINESS	2010-11	2011-12	2012-13	2013-14 / June 2014	Planned by season of FY 2015
WIND	179.5	317.1	339.0	424.0	491.70
BIOMASS	40.5	60.5	60.5	86.0	106.0
TOTAL	220.0	377.6	399.5	510.0	597.7



Regulatory Environment & Outlook

Regulatory Impact and other challenges

- Rajasthan Electricity Regulatory Commission has revised the tariffs effective April 2014. Three of our biomass plants now enjoy much higher tariff levels (5.76 v/s 5.04 for Chippabarod, 6.54 v/s 5.97 for Kishanganj and 6.02 in Hanumangarh)
- Maharashtra has announced increase in cogen tariff to a level of Rs. 6.27 per Kwh which would significantly improve profitability of the upcoming 20Mw cogen plant in that state
- Tamil Nadu lifts ban on inter state open access thereby permitting consumers and generators in the state to procure and sell power from/to outside states
- The Union Budget announced the restoration of the accelerated depreciation to encourage the wind energy sector. Further, as a boost to the wind energy sector, it has reduced customs duty on critical wind mill components and parts
- The recent announcement in the Budget of funding Green Corridor in the state of Tamil Nadu would augur well for the state in bringing sustained improvement in evacuation of wind power
- APTEL has directed TNERC to consider generation from wind while approving the purchases of power by TNEB which would help in improving the evacuation of wind power
- APTEL has directed MPERC to review on two points, i.e.. Gross Calorific Value (GCV) and Station Heat Rate (SHR) for the purpose of re-fixing the tariff applicable for biomass units in the state.. Hearing held on 31st July 2014 and commission sought a report from State Renewable Energy department and next hearing is listed for August 2014

Wind Business Outlook

- The 400KVA substation at Kayathar was commissioned recently. This, coupled with the Integration of southern corridor with North East West Corridor would help mitigate the high frequency issue faced in TN during wind season and also improve evacuation significantly in the coming months
- 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
- Plans finalised for installing wind mills at more viable locations with attractive tariff and returns for the last phase of the present expansion plan
- Reschedulement of some of the loans has been completed with a longer tenor and this would help in optimising cash flows of the business
- In the process of refinancing / reschedulement of existing loans by taking advantage of the latest RBI guidelines for infrastructure lending

Biomass Business Outlook

- Recent orders on Tariff by CERC for biomass power plants are more future oriented with annual reset prescribed on fuel cost(
 - 5.76 v/s 5.04 for Chippabarod, 6.54 v/s 5.97 for Kishanganj and 6.02 in Hanumangarh)
- Increase in tariff levels for approved by Rajasthan ERC would enable the business to have improved margins and mitigate the adverse impact of fuel price increase in the coming quarters
- Hanumangarh plant has been restarted in July 2014 with PPA in place and a better tariff and this would aid in improved cash flows for the business
- Switch over to group captive mechanism in T.N. plants (Dindigul and Pattukkottai) has helped in a stable tariff regime across two plants
- Recently, Tamil Nadu government lifted the R&C measures and hence, inter state open access is being finalised for two other units for sale to neighbouring states. This would enable the units to have stable operations with an attractive tariff
- Energy Plantation as a means for viable fuel security – planned to harvest 10,000 MT during FY15
- Operational improvements for enhanced efficiencies in progress across all units resulting in higher plant availability
- Reschedulement of some of the loans has been completed with a longer tenor and this would help in optimising cash flows of the business
- Focusing on measures to refinance existing other high cost debt at lower rates of interest



Thank You

Leading Diversified Renewable Energy Generation Company