ORIENT GREEN POWER COMPANY LIMITED

February 25, 2025

BSE Limited
Corporate Relations Department,
P.J. Towers,
Dalal Street,
Mumbai-400 001.
Scrip Code: 533263

National Stock Exchange of India Limited
Department of Corporate Services,
Exchange Plaza, 5th Floor, Bandra-Kurla Complex, Mumbai-400 051.
Scrip Code: GREENPOWER

Subject: Intimation of withdrawal of credit rating

This is to inform you that at the request of M/s. Gamma Green Power Private Limited ("Gamma"), Subsidiary and M/s Clarion Wind Farm Private Limited ("Clarion") Step-down Subsidiary of the Company, CARE Ratings Limited ("CARE") has withdrawn the ratings assigned to the company's banking facilities.

The Company has voluntarily requested for such withdrawal and the banking facilities of Gamma and Clarion continue to be rated as mentioned in the below table by India Ratings & Research Private Limited ("India Ratings").

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	Cash Credit	1.00	IND BBB-/Stable
		Rupee Term loan	27.93	IND BBB-/Stable

The above ratings were already been intimated to Stock exchanges dated January 30, 2025 and February 07, 2025.

A copy of withdrawal letter from CARE is enclosed herewith for reference.

Kindly take the same on record.

Thanking you,

Yours faithfully,

For Orient Green Power Company Limited

KIRITHIKA Digitally signed by KIRITHIKA Date: 2025.02.25 19:00:30 +05'30'

M. Kirithika
Company Secretary & Compliance Officer

Gamma Green Power Private Limited

February 25, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	-	-	Upgraded to CARE BBB-; Stable from CARE BB+; Stable and Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has upgraded and withdrawn the outstanding rating of 'CARE BBB-; Stable' assigned to bank facilities of Gamma Green Power Private Limited (GGPL) with immediate effect. The rating has been withdrawn at the request of GGPL and 'No Objection Certificate' received from the bank that has extended the facilities rated by CARE Ratings. Revision in the rating factors in the sustained operational performance in FY24 and H1FY25, increased financial fungibility with the parent company, Orient Green Power Company Limited (OGPL), which has an improved capital structure following two successful rights issues.

Analytical approach: Standalone and factoring linkages from parent company

CARE Ratings had earlier taken a standalone approach for the rating of bank facilities of GGPL. CARE Ratings has now revised the analytical approach to standalone factoring the linkages to the parent company, OGPL considering the increased financial fungibility with the parent company and improvement in credit profile of the parent after two successful rights issues.

Outlook: Stable

CARE Ratings Limited (CARE Ratings) expects that the performance of the company will continue to remain stable in the medium-term deriving benefits from the group captive arrangements with the reputed clientele.

Detailed description of key rating drivers

Key strengths

Firm off-take aiding in revenue visibility

GGPL has group captive mechanism with a set of customers in Tamil Nadu. The company has power purchase agreements (PPAs) for 3-5 years typically with fixed tariff rates, providing a stable medium-to-long-term revenue visibility for the company. However, the PPAs range up to March 2028 and the debt tenure is up to July 2026 leading to a low tail period. There has been track record of renewal of PPAs with the clients and the continued renewal of PPAs for the residual tenure at competitive rates would be key to the prospects of the company.

Reputed clientele with low counterparty risk

Many of the larger customers for the company are reputed companies in Tamil Nadu. The customer mix under the group structure is moderately diversified with capacity tied up with automotive/automotive ancillary, pharmaceuticals, information technology, and industrials.

Improved financial linkage with parent company

In H1FY25, the parent company (OGPL), raised ₹250 crore through a rights issue from existing investors, part of which was used to repay loans taken from GGPL amounting to ₹12.53 crore as on March 31, 2024. OGPL further infused ₹36.42 crore as unsecured loans into GGPL. Total infusion amounts to ₹49 crore, which was used to repay the loan availed from another group company, SVL. OGPL has extended corporate guarantee towards the external debt availed by GGPL.

Key weaknesses

Relatively low plant load factors

GGPL's plant load factor (PLF) has been continuously below 13% over the last few years. In general, the company has been reporting lower PLF in comparison to the general market conditions. The same can be attributed to the age of the machinery where most of the equipment is old. In FY23, the company also sold ~6-MW capacity of windmills which did not yield energy due to the age of the assets. GGPL's PLF stood at 12.78% for FY24 against 12.13% in FY23. The company achieved PLF of 23.19% in H1 FY24 as the wind generation was higher due to better monsoon, but PLF moderated to its usual levels as second half of the

[1]Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

year is off-season period with limited generation. Despite tariff revisions, due to low capacity and moderate PLF, the scale of operations has remained stagnant at less than ₹25 crore.

Seasonality associated with wind power generation
Wind farms are exposed to the inherent risk of weather fluctuations leading to variations in the wind patterns and velocity which affects the PLF. Generally, the wind farms enjoy higher PLF in May – October (monsoon period) and lower PLFs in the remaining months of the year. Unprecedented weather conditions such as cyclones and floods among others, shortens the wind season further. Owing to seasonal nature of generation, the company relies on banking of excess units, for which it pays banking charges @14% of the units banked. This facility enables the company to meet the off-season power requirement of Group Captive customers.

Moderate financial risk profile with high debt from group companies
There has been considerable reduction in the debt level over the years, however, due to the accumulated losses, the net worth has remained negative. The company had a total debt of ~₹176.05 crore as on September 30, 2024, out of which ~₹161 crore is from group companies, where the repayment obligations is not fixed and is subject to the cash flow availability of GGPL.

Liquidity: Adequate
The company's accruals are tightly matched with the repayment obligations. In terms of collection, there has not been much of delays from the clients as its group captive arrangements. The company had a cash and bank balances of ₹1.55 crore as on September 30, 2024. The group company debt does not have a fixed repayment obligation and the same is subject to cash flow availability at GGPL.

Applicable criteria
Definition of Default
Factoring Linkages Parent Sub JV Group
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Withdrawal Policy
Infrastructure Sector Ratings
Wind Power Projects

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Utilities	Power	Power	Power generation

GGPL, a subsidiary of OGPL was incorporated in December 2009 for the purpose of generating electricity through windmills. GGPL has a total installed capacity of 48.93 MW with 141 WTGs in Tamil Nadu and Gujarat with 45.93-MW capacity in Tamil Nadu and remaining 4 MW in Gujarat. The capacity was mainly built-up through acquiring existing operational windmills. In Tamil Nadu, third-party sale of power is permissible under group captive consumption, windmill power can only be sold to companies holding shares in the power generating entity. In Tamil Nadu, generated power is sold through the group captive consumption mechanism, while in Gujarat generated power is sold to the state Discom. OGPL holds 72.50% stake in the GGPL with rest being held by power purchasing companies.

Brief Financials (₹ crore)	FY23 (A)	FY24 (A)	H1 FY25 (UA)
Total operating income	20.62	21.83	19.36
PBILDT	10.69	12.04	15.03
PAT	16.16	1.40	10.31
Overall gearing (times)	-1.78	-1.82	-1.81
Interest coverage (times)	2.24	4.04	12.22

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	September 2025	0.00	Withdrawn

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	-	-	1)CARE BBB-; Stable (25-Feb-25)	1)CARE BB+; Stable (08-Jan-24)	1)CARE BB; Stable (05-Jan-23)	1)CARE B+; Stable (31-Dec-21)

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:
Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:
The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

For detailed Rationale Report and subscription information, please visit www.careedge.in

Clarion Wind Farm Private Limited

February 25, 2025

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	-	-	Upgraded to CARE BBB-; Stable from CARE BB+; Stable and Withdrawn

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

CARE Ratings Limited (CARE Ratings) has upgraded and withdrawn the outstanding ratings of 'CARE BBB-; Stable' assigned to bank facilities of Clarion Wind Farm Private Limited (CWFL) with immediate effect. The withdrawal is at the request of CWFL and 'No Objection Certificate' received from the bank that has extended the facilities rated by CARE Ratings. Revision in the rating factors in the sustained operational performance in FY24 and H1FY25, increased financial fungibility with the parent company, Orient Green Power Company Limited (OGPL), which has an improved capital structure following two successful rights issues.

Analytical approach: Standalone and factoring linkages with parent company.

CARE Ratings had earlier taken a standalone approach for the rating of bank facilities of CWFL. CARE Ratings has now revised the analytical approach to standalone factoring the linkages to the parent company, OGPL, considering the increased financial fungibility with the parent company and improvement in credit profile of the parent after two successful rights issues.

Outlook: Stable

CARE Ratings Limited (CARE Ratings) expects that the performance of the company will continue to remain stable in the medium-term deriving benefits from the group captive arrangements with the reputed clientele.

Detailed description of key rating drivers

Key strengths

Firm off-take aiding in revenue visibility

CWFL has group captive mechanism with a set of customers in Tamil Nadu. The company has power purchase agreements (PPAs) for 3-5 years typically with fixed tariff rates thereby, providing a stable medium-to-long-term revenue visibility for the company. However, the PPAs range up to March 2028 and the debt tenure is up to August 2027 leading to a low tail period. There has been track record of renewal of PPAs with the clients and the continued renewal of PPAs for the residual tenure at competitive rates would be key to the prospects of the company.

Reputed clientele with low counterparty risk

Many of the larger customers for the company are reputed companies in Tamil Nadu. The customer mix under the group structure is moderately diversified with capacity tied up with automotive/automotive ancillary, pharmaceuticals, information technology and industrials.

Improving, yet moderate financial risk profile

There has been a reduction of term loans in the CWFL over the last few years. The external bank debt obligations of CWFL stands at ₹29.91 crore as of September 2024, compared to ~₹41 crore as on March 31, 2024, and ~₹57 crore as on March 31, 2023. In July 2023, the company has also refinanced its existing high-cost borrowing with low-cost loans, with average savings in interest cost at ~300-400 bps, leading to improved debt coverage metrics. In addition to the bank debt, the company has debt from other group companies to the extent of ₹129.27 crore as on March 31, 2024, which do not have a fixed repayment schedule.

Improved financial linkage with parent company

In H1 FY25, OGPL raised ₹250 crore through a rights issue from existing investors, part of which was used to repay loans taken by CWFL from another group company, SVL Ltd. OGPL infused ~₹24 crore as unsecured loans into CWFL, which was used to settle the loan with SVL. OGPL has extended corporate guarantee towards the external debt availed by CWFL.

[1]Complete definition of ratings assigned are available at www.careedge.in and other CARE Ratings Limited's publications.

Key weaknesses

Relatively low plant load factors
CWFL's plant load factor (PLF) has been continuously below 15% in FY19-FY23, and for FY24, the PLF has improved moderately to 15.70%. In general, the company has been reporting lower PLF in comparison to the general market conditions. The same can be attributed to the age of the machinery where most of the equipment is ~20 years old. In FY23, the company has also sold windmills aggregating to a capacity of ~4.5 MW, which had stopped yielding energy. In H1 FY24, wind generation was higher due to a favourable monsoon, resulting in a peak PLF of 26.02%. However, FY24 was an exceptional year for wind power, leading to abnormally high PLF levels. This has moderated in H1 FY25, with the PLF dropping to ~20.56%. Despite tariff revisions, due to low capacity and moderate PLF, the scale of operations has remained stagnant ~₹45 crore.

Seasonality associated with wind power generation
Wind farms are exposed to inherent risk of weather fluctuations leading to variations in the wind patterns and velocity which affects the PLF. Generally, the wind farms enjoy higher PLF in May – October (monsoon period) and lower PLFs in the remaining months of the year. Unprecedented weather conditions such as cyclones and floods among others, shortens the wind season further. Owing to seasonal nature of generation, the company relies on banking of excess units, for which it pays banking charges @14% of the units banked. This facility enables the company to meet the off-season power requirement of Group Captive customers.

Exposure to group entity in the form of unsecured loans
CWFL has provided loan to group company Gamma Green Power Pvt Ltd (GGPL). Company's net worth turned positive only in FY23, however, adjusting for loans to group company (GGPL) of ~₹101 crore, the adjusted net worth continues to be negative.

Liquidity: Adequate
The company's accruals are tightly matched with the repayment obligations. In terms of collection, there has not been much of delays from the clients as its group captive arrangements. The company had a cash and bank balances of ₹4.17 crore as on September 30, 2024. The group company debt does not have a fixed repayment obligation and the same is subject to cash flow availability at CWFL.

Applicable criteria
Definition of Default
Factoring Linkages Parent Sub JV Group
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Withdrawal Policy
Infrastructure Sector Ratings
Wind Power Projects

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Utilities	Power	Power	Power generation

CWFL, a subsidiary of Bharath Wind Farm Limited (BWFL), was incorporated in May 2008 for the purpose of generating electricity through windmills. CWFL is a step-down subsidiary of OGPL. CWFL has a total installed capacity of 80.25 MW in Tamil Nadu. The capacity was mainly built-up through acquiring existing operational windmills. In Tamil Nadu, third-party sale of power is permissible under group captive consumption, that is, windmill power can only be sold to companies holding shares in the power generating entity. CWFL was incorporated for sole purpose of meeting the group captive consumption mechanism. BWFL holds 72.35% stake in CWFL with rest held by group captive consumers.

Brief Financials (₹ crore)	FY23 (A)	FY24 (A)	H1 FY25 (UA)
Total Operating Income	42.82	47.12	32.76
PBILDT	30.09	33.03	24.89
PAT	27.56	14.67	19.62
Overall Gearing (times)	14.12	5.96	3.26
Interest coverage (times)	2.51	3.91	8.61

A: Audited UA: Unaudited; Note: these are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	September 2026	0.00	Withdrawn

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022
1	Fund-based - LT-Term Loan	LT	-	-	1)CARE BBB-; Stable (25-Feb-25)	1)CARE BB+; Stable (08-Jan-24)	1)CARE BB; Stable (05-Jan-23)	1)CARE B+; Stable (03-Feb-22)

LT: Long term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Note on complexity levels of rated instruments: CARE Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:
Established in 1993, CARE Ratings is one of the leading credit rating agencies in India. Registered under the Securities and Exchange Board of India, it has been acknowledged as an External Credit Assessment Institution by the RBI. With an equitable position in the Indian capital market, CARE Ratings provides a wide array of credit rating services that help corporates raise capital and enable investors to make informed decisions. With an established track record of rating companies over almost three decades, CARE Ratings follows a robust and transparent rating process that leverages its domain and analytical expertise, backed by the methodologies congruent with the international best practices. CARE Ratings has played a pivotal role in developing bank debt and capital market instruments, including commercial papers, corporate bonds and debentures, and structured credit.

Disclaimer:
The ratings issued by CARE Ratings are opinions on the likelihood of timely payment of the obligations under the rated instrument and are not recommendations to sanction, renew, disburse, or recall the concerned bank facilities or to buy, sell, or hold any security. These ratings do not convey suitability or price for the investor. The agency does not constitute an audit on the rated entity. CARE Ratings has based its ratings/outlook based on information obtained from reliable and credible sources. CARE Ratings does not, however, guarantee the accuracy, adequacy, or completeness of any information and is not responsible for any errors or omissions and the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE Ratings have paid a credit rating fee, based on the amount and type of bank facilities/instruments. CARE Ratings or its subsidiaries/associates may also be involved with other commercial transactions with the entity. In case of partnership/proprietary concerns, the rating/outlook assigned by CARE Ratings is, inter-alia, based on the capital deployed by the partners/proprietors and the current financial strength of the firm. The ratings/outlook may change in case of withdrawal of capital, or the unsecured loans brought in by the partners/proprietors in addition to the financial performance and other relevant factors. CARE Ratings is not responsible for any errors and states that it has no financial liability whatsoever to the users of the ratings of CARE Ratings. The ratings of CARE Ratings do not factor in any rating-related trigger clauses as per the terms of the facilities/instruments, which may involve acceleration of payments in case of rating downgrades. However, if any such clauses are introduced and triggered, the ratings may see volatility and sharp downgrades.

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