

Press Release

OPG Power Generation Private Limited

December 27, 2018



Rating Update

Total Bank Facilities Rated*	Rs. 1675 Cr.#
Long Term Rating	ACUITE A+ (Downgraded from ACUITE AA-/Stable) Issuer not co-operating*
Short Term Rating	ACUITE A1 (Downgraded from ACUITE A1+) Issuer not co-operating*

#Refer Annexure for details

*The issuer did not co-operate; Based on best available information.

Acuité has downgraded the long-term rating to '**ACUITE A+** (read as ACUITE A plus) from '**ACUITE AA- (read as ACUITE double A minus)**' and short term rating to '**ACUITE A1**' (read as ACUITE A one) from '**ACUITE A1+** (read as ACUITE A1 plus)' on the Rs.1675.00 crore bank facilities of OPG Power Generation Private Limited. This rating is now an indicative rating and is based on the best available information.

Non-cooperation by the issuer/borrower: Acuité has been requesting for data, information and undertakings from the rated entity for conducting surveillance & review of the rating. However, the issuer/borrower failed to submit such information before due date.

This rating is therefore being flagged as "Issuer not-cooperating", in line with prevailing SEBI regulations and Acuite's policies.

Applicable Criteria

- Default Recognition: <https://www.acuite.in/criteria-default.htm>
- Entities in Infrastructure Sector: <https://www.acuite.in/view-rating-criteria-14.htm>

Limitation regarding information availability: The rating is based on information available from sources other than the issuer/borrower (in the absence of information provided by the issuer/borrower). Acuité endeavored to gather information about the entity / industry from the public domain. Therefore, Acuite cautions lenders and investors regarding the use of such information, on which the indicative credit rating is based.

About the Rated Entity:

OPG Power Generation Private Limited (OPG), established in 2005, is an independent power producer (IPP) with coal based power generating units located at Gummidi poondi, Chennai, Tamil Nadu (TN). As on October 2017, OPG has an installed capacity of 414 (MW) comprising four operational units. The primary fuel used in the company's power plant is coal (high ash Indian coal/ high moisture Indonesian coal/ blend of both) with the alternate fuel being High Sulphur Diesel. Currently, OPG sells 80 MW to TANGEDCO on a long term basis. Out of the remaining 337 MW capacity, 257MW is sold to industrial consumers (Group captive) under agreements with tenors up to three years.

For FY2016-17, OPG reported profit after tax (PAT) of Rs. 235.93 crore on operating income of Rs. 1300.75 crore as compared with PAT of Rs. 262.55 crore on operating income of Rs. 1223.10 crore for FY2015-16. The net worth stood at Rs. 1413.03 crore as on 31 March, 2017 as against Rs. 1177.10 crore as on 31 March, 2016.

Any other information:

Acuité is yet to receive the latest No Default Statement (NDS) from the rated entity, despite repeated requests and follow-ups

Status of non-cooperation with previous CRA (if applicable)

None

Rating History (Upto last three years)

Date	Name of Instrument / Facilities	Term	Amount (Rs. Cr.)	Ratings/Outlook
28-Sep-2017	Term Loan	Long Term	13.34	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	70.91	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	58.06	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	61.79	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	8.83	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	64.71	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	3.89	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	27.99	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	29.07	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	37.15	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	185.12	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	111.06	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	90.55	ACUITE AA-/Stable (Assigned)
	Term Loan	Long Term	99.09	ACUITE AA-/Stable (Assigned)
	Cash Credit	Long Term	195.00	ACUITE AA-/Stable (Assigned)
	Letter of Credit	Short term	443.15	ACUITE A1+ (Assigned)
	Bank Guarantee	Short term	174.85	ACUITE A1+ (Assigned)
	Proposed	Short term	0.44	ACUITE A1+ (Assigned)

***Annexure – Details of instruments rated**

Name of the Facilities	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. Crore)	Ratings
Term Loan	Not Applicable	Not Applicable	Not Applicable	13.34	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	70.91	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	58.06	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	61.79	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	8.83	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	64.71	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	3.89	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	27.99	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	29.07	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	37.15	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	185.12	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	111.06	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	90.55	ACUITE A+ (Downgraded) Issuer not co-operating*
Term Loan	Not Applicable	Not Applicable	Not Applicable	99.09	ACUITE A+ (Downgraded) Issuer not co-operating*
Cash Credit	Not Applicable	Not Applicable	Not Applicable	195.00	ACUITE A+ (Downgraded) Issuer not co-operating*
Letter of Credit	Not Applicable	Not Applicable	Not Applicable	443.15	ACUITE A1 (Downgraded) Issuer not co-operating*

Bank Guarantee	Not Applicable	Not Applicable	Not Applicable	174.85	ACUITE A1 (Downgraded) Issuer not co-operating*
Proposed	Not Applicable	Not Applicable	Not Applicable	0.44	ACUITE A1 (Downgraded) Issuer not co-operating*

*The issuer did not co-operate; Based on best available information.

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About Acuité Ratings & Research:

Acuité Ratings & Research Limited (*Erstwhile SMERA Ratings Limited*) is a full-service Credit Rating Agency registered with the Securities and Exchange Board of India (SEBI). The company received RBI Accreditation as an External Credit Assessment Institution (ECAI), for Bank Loan Ratings under BASEL-II norms in the year 2012. Since then, it has assigned more than 6,000 credit ratings to various securities, debt instruments and bank facilities of entities spread across the country and across a wide cross section of industries. It has its Registered and Head Office in Mumbai.

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