



INOX WIND LIMITED
Q1FY18 INVESTOR UPDATE

This presentation and the following discussion may contain “forward looking statements” by Inox Wind Limited (“IWL” or “the Company”) that are not historical in nature. These forward looking statements, which may include statements relating to future state of affairs, results of operations, financial condition, business prospects, plans and objectives, are based on the current beliefs, assumptions, expectations, estimates, and projections of the management of IWL about the business, industry and markets in which IWL operates.

These statements are not guarantees of future performance, and are subject to known and unknown risks, uncertainties, and other factors, some of which are beyond IWL’s control and difficult to predict, that could cause actual results, performance or achievements to differ materially from those in the forward looking statements.

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❑ FINANCIAL RESULTS HIGHLIGHTS

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- ❑ TECHNOLOGY



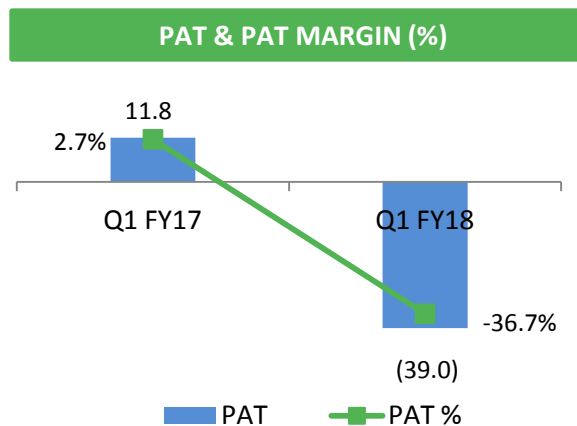
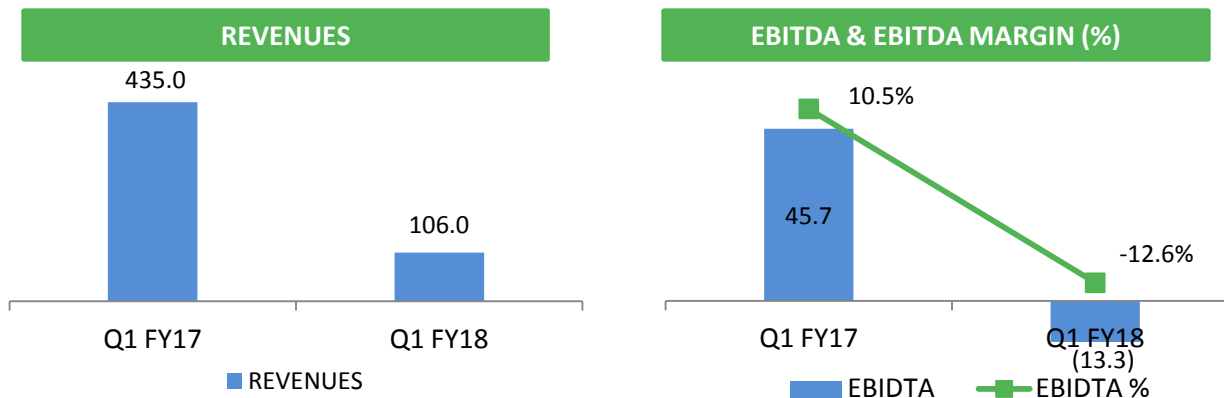
FINANCIAL RESULTS HIGHLIGHTS

- ✓ As was anticipated, we are seeing a temporary downturn in the Indian Wind Power market due to the transition from the FIT based market regime to the auction based market regime.
- ✓ We expect this transition to continue in Q2 as well, with normalization from an order inflow perspective to commence from Q3 onwards and execution to pickup from Q4 onwards.
- ✓ Current status of auctions:
 - ✓ SECI – 2nd auction of 1000MW process underway. Technical Bids have been submitted. Expect reverse auction in August. We look forward to more regular auctions as stated by the Honorable Power Minister, Mr Piyush Goyal * in a recent power ministry event.
 - ✓ State Auctions – Gujarat and Tamil Nadu have announced their wind auctions of 500MW each, expected to be completed shortly. We expect other windy States to follow and announce their auction guidelines soon.
- ✓ We anticipate FY19 as the beginning of a phase of robust growth for the wind industry.

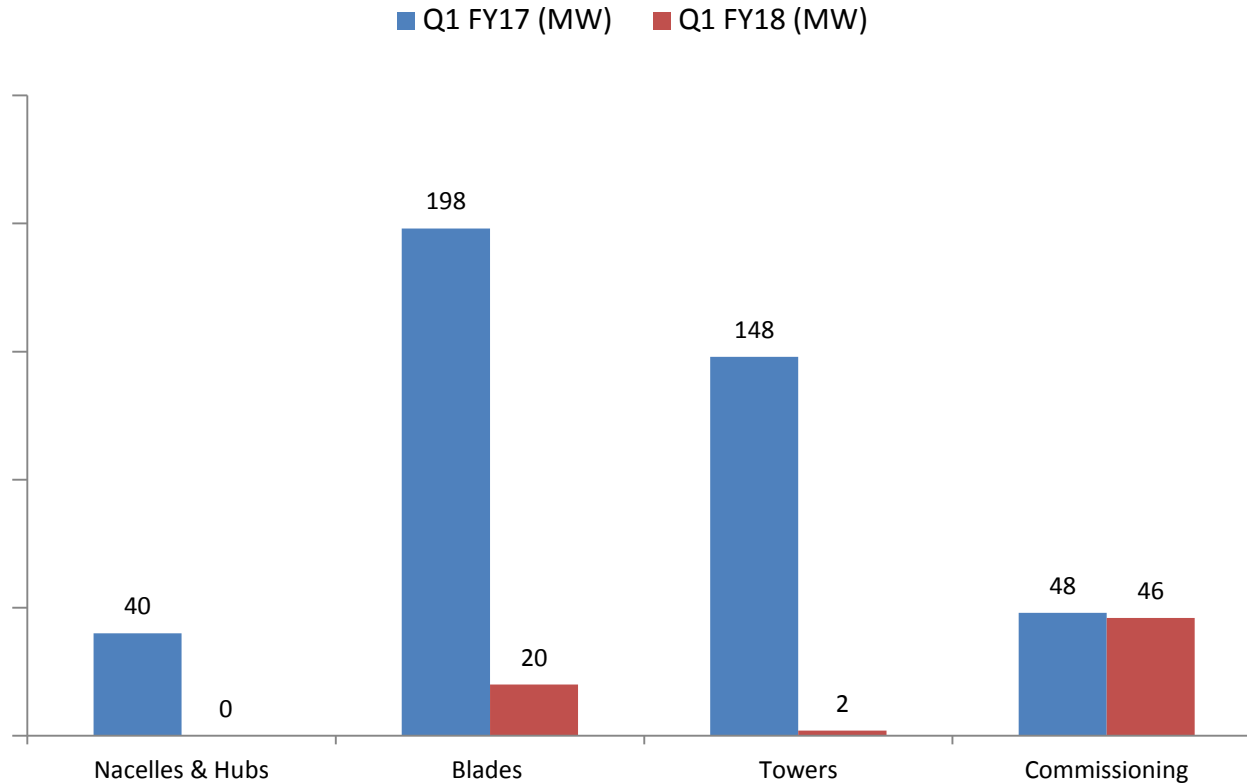
* <http://www.livemint.com/Industry/L8dink3xe92t6GwnUPDieP/Wind-power-auction-every-month-says-energy-minister-Piyush.html>

- ✓ Sales – Blades (20MW), Towers (2MW).
- ✓ Commissioning 46MW in the quarter (vs 48MW in Q1FY17).
- ✓ Receivables reduced by ~Rs400cr to Rs 1,984cr (vs Rs 2,382cr in March 17).
- ✓ Identified & implementing various steps to bring in incremental cost savings in the existing supply chain.
Focused on improving the output efficiencies across our product portfolio.
- ✓ The National Company Law Tribunal had admitted a petition filed by an operational creditor, Ms/ Jeena & Co., against the Company and had commenced insolvency proceedings. On appeal by the Company, the National Company Law Appellate Tribunal (NCLAT) quashed orders of National Company Law Tribunal, Chandigarh and declared the insolvency proceedings illegal.

In Rs. Cr.

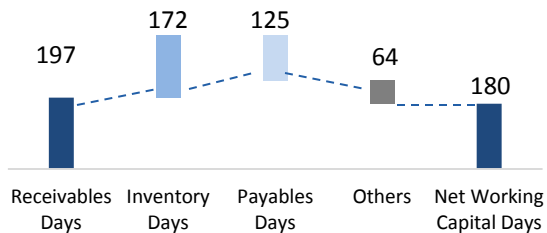


Q1 results reflect the temporary downturn in the Indian Wind Power sector

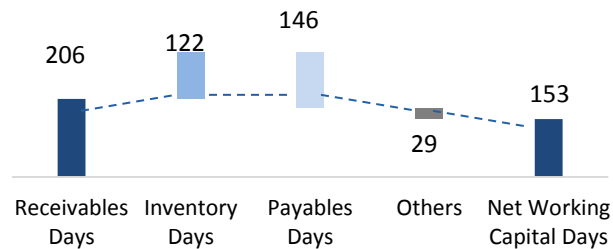


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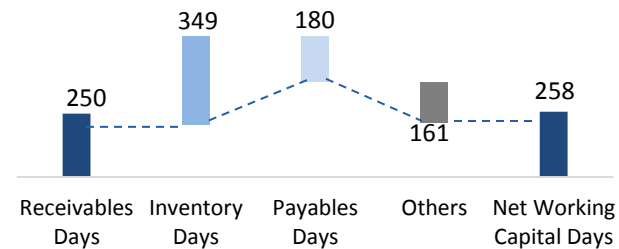
June 2016



March 2017



June 2017



Particulars (Rs Cr)	June 2016	March 2017	June 2017
Inventory	688.4	690.4	866.5
Receivables	2,417.6	2382.3	1984.3
Payables	801.7	968.7	628.8
Others	76.6	300.1	142.2
Net Working Capital	2,227.7	1803.9	2079.8

(In Rs Cr)	Q1 FY17	FY 17	Q1 FY18
Opening Net debt	(641)	(641)	(779)
Cash Profit	22	347	(26)
Net Working capital	(587)	(163)	(276)
Capex	(42)	(303)	(14)
Other	24	(19)	(16)
Closing Net debt	(1,225)	(779)	(1,110)

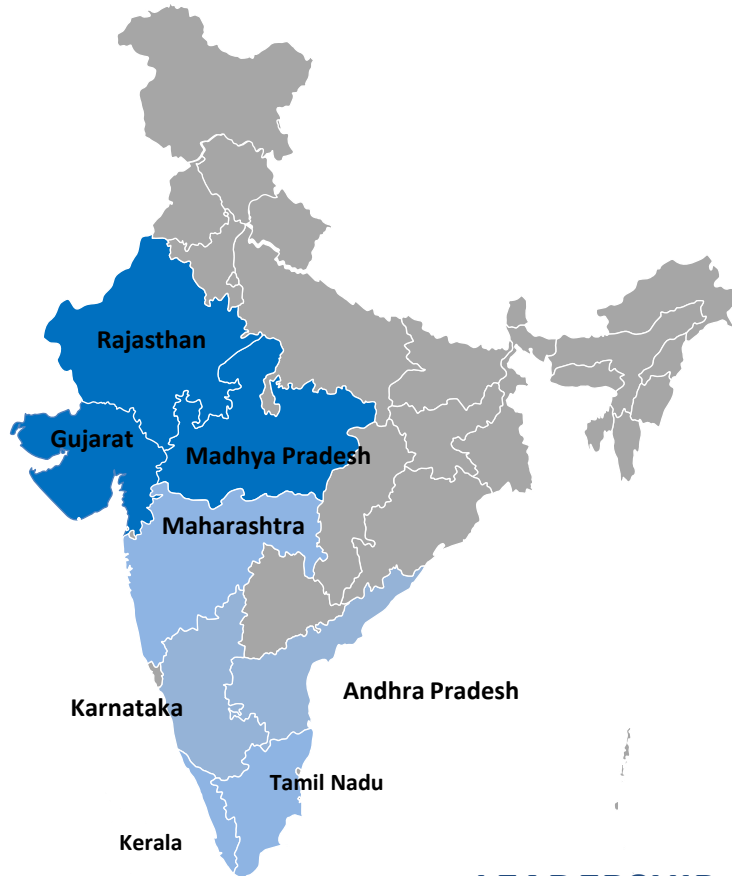
(In Rs cr)	Jun-16	Mar-17	Jun-17
Net Debt	1,225	779	1,110
Equity	1,916	2,190	2,151
Net Debt: Equity (x)	0.64	0.36	0.52

- ✓ Comfortable net D/E ratio of 0.52x

- ✓ Current order book of the company stands at 300MW based on SECI 1st auction. We expect to commence the execution of our SECI-1 order book in H2.
- ✓ Current status of auctions:
 - ✓ SECI – 2nd auction of 1000MW process underway. Technical Bids have been submitted. Expect reverse auction in August.
 - ✓ State Auctions – Gujarat and Tamil Nadu have come out with their wind auctions of 500MW each, expected to be completed shortly. We expect other windy States to follow and announce their auction guidelines soon.
- ✓ PSU tenders and captive orders are expected to be in addition to these auctions
- ✓ We anticipate FY19 as the beginning of a phase of robust growth for the wind industry
- ✓ We believe that Inox Wind, on the back of its cost-competitive advantage of being amongst the lowest cost producer of wind turbines globally, would be a major beneficiary in the auctioning regime.

CURRENT CAPACITY (MW)				
Plant Location	Una, Himachal Pradesh	Rohika, Gujarat	Barwani, Madhya Pradesh	Total
Nacelles & Hubs	1,100	-	-	1,100
Blades	-	800	800	1,600
Towers	-	300	300	600

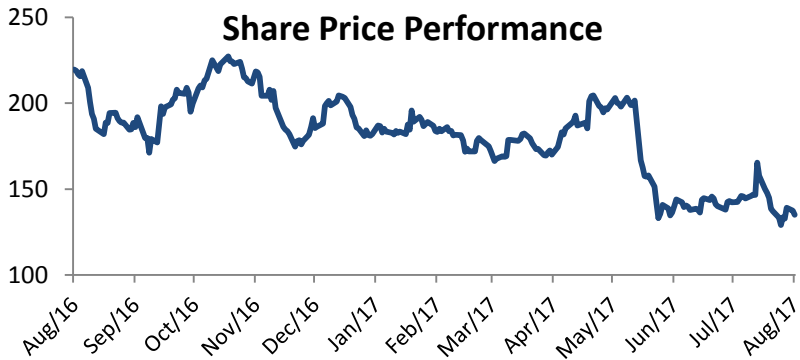
- Well positioned to take advantage of the growing market.
- Potential to debottleneck our nacelle and tower capacity with minor capex.
- Tower capacity can also be outsourced depending on project location.



- ✓ Amongst the largest project site allottees in Gujarat, Rajasthan and Madhya Pradesh
- ✓ Expanded presence in Andhra Pradesh and Karnataka and Kerala
- ✓ Sufficient project site inventory for installation of an aggregate capacity of more than 5,000 MW

LEADERSHIP ACROSS WIND RICH STATES

SHAREHOLDING STRUCTURE



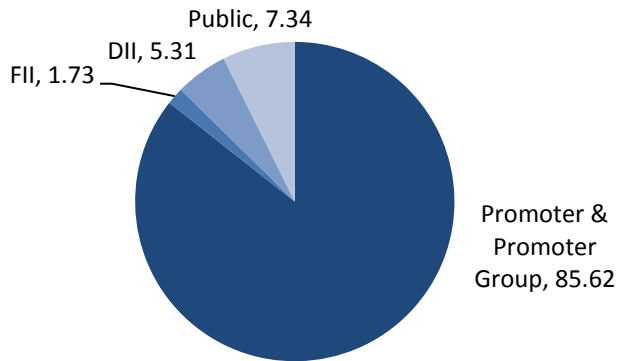
Source - BSE

Market Data	As on 08.08.17 (BSE)
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Market capitalization (Rs. Cr)	2,996
Price (Rs.)	135
No. of shares outstanding (Cr)	22
Face Value (Rs.)	10.0

Source - BSE

% Shareholding – 30th June 2017



Source - Company

Key Institutional Investors at 30 th June 2017	% Holding
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Reliance Mutual Fund	2.02%
Bio Action of Veda Research	0.45%
Reliance Life Insurance	0.37%
The Master Trust Bank of Japan	0.31%
Jai-Vijay Resources	0.28%
Grandeur Peak Emerging Markets	0.27%
HSBC Mutual Fund	0.18%

Source – Company

DETAILED FINANCIALS

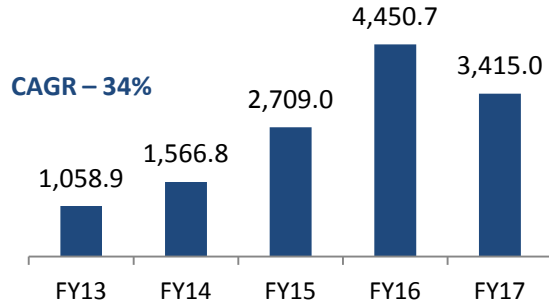
CONSOLIDATED P&L STATEMENT



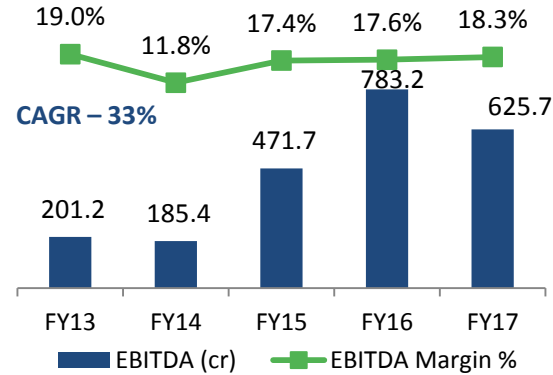
(In Rs Lakh)	Q1FY18	Q1FY17	YoY	Q4FY17	QoQ
Income					
(a) Revenue from operations (net of taxes)	10,599	43,499	-76%	101,922	-90%
(b) Other income	1,069	2,066	-48%	1,433	-25%
Total Income (a+b)	11,668	45,565	-74%	103,355	-89%
Expenses					
a) Cost of materials consumed	1,580	29,688	-95%	36,677	-96%
b) Changes in inventories of finished goods and work-in-progress	-1,804	-3,058	-41%	2,362	-176%
c) Employee benefits expense	2,686	2,895	-7%	2,895	-7%
d) Finance costs	4,241	3,868	10%	4,417	-4%
e) EPC, O&M, and Common Infrastructure Facility expenses	7,157	3,570	100%	26,660	-73%
f) Net (gain)/loss on foreign exchange fluctuation and derivatives	-562	-237	137%	-1,043	-46%
g) Depreciation and amortization expense	1,310	978	34%	1,134	16%
h) Other expenses	2,874	6,075	-53%	11,419	-75%
Total Expenses (a to h)	17,482	43,779	-60%	84,521	-79%
Profit/(Loss) before tax	-5,814	1,786	-426%	18,834	-131%
Total Tax Expense	-1,912	604	-417%	6,080	-131%
Profit/(Loss) for the period	-3,902	1,182	-430%	12,754	-131%
Other Comprehensive Income (after tax)	39	-1		-50	
Total Comprehensive Income for the period comprising Net Profit/(Loss) for the period & Other Comprehensive Income	-3,863	1,181	-427%	12,704	-130%
Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA) Incl Other Income	-263	6,632	-104%	24,384	-101%
Paid-up Equity Share Capital (Face value of Rs 10 each)	22,192	22,192		22,192	
Basic & Diluted Earnings per share (Rs) (Face value of Rs 10 each) Not annualised	-1.76	0.53	-432%	5.75	-131%

In Rs. Cr

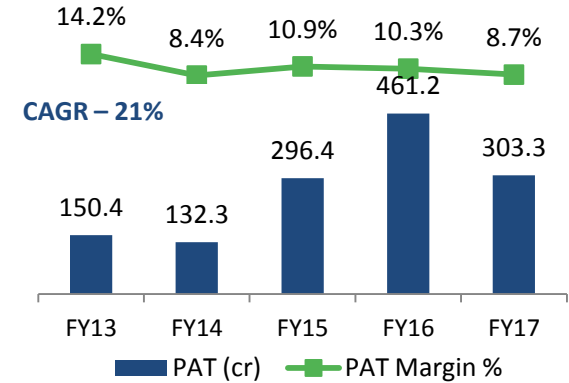
Revenue from Operations



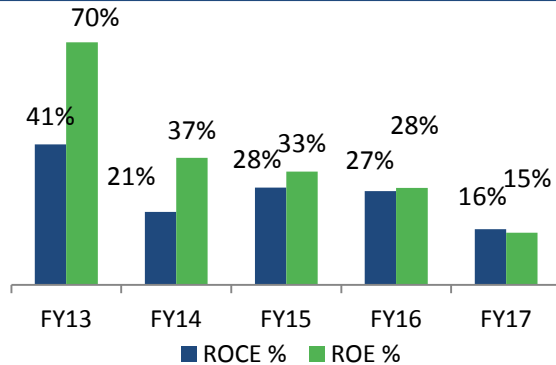
EBIDTA (Inc OI) & EBIDTA Margin %



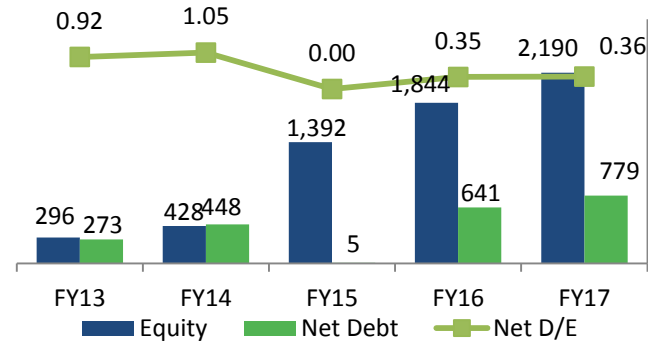
PAT & PAT Margin %



Return Ratios



Net Debt/Equity



ROE: PAT/Avg. Equity, ROCE: EBIT/Avg. Capital Employed [(Capital Employed = Equity + Total Debt)]

Consolidated financials, FY13-15 as per IGAAP, FY16-17 as per Ind AS

INDUSTRY SECTION – EXPLAINING THE AUCTION REGIME

32.2 GW

- INDIA'S INSTALLED WIND CAPACITY MARCH 17*

60GW

- TARGET WIND INSTALLATION BY 2022**

**> 7 GW ANNUAL
ADDITION EXPECTED
IN NEXT FIVE YEARS**

- ANNUAL ADDITION OF WIND ENERGY PRODUCTION TO DOUBLE ON BACK OF-:
 - CENTRAL AUCTIONS – ~4GW/YEAR
 - STATE AUCTIONS – ~3GW/YEAR
 - PSU/OTHERS – ~1GW/YEAR

* http://www.cea.nic.in/reports/monthly/installedcapacity/2017/installed_capacity-03.pdf

** <http://pib.nic.in/newsite/PrintRelease.aspx?relid=155612>

LOWER REGULATORY RISK

LONG TERM (~25 YRS)
PPA SIGNED UPFRONT

ASSURANCE OF GRID
CONNECTIVITY TO BE
DONE WITH CENTRAL
TRANSMISSION UTILITY



Lower power cost

LOWER FINANCIAL RISK

LOWER COST OF DEBT TO
BE AVAILABLE

HIGHER DURATION LOANS
AVAILABLE

LOWER INVESTOR
RETURN EXPECTATION



Market expansion

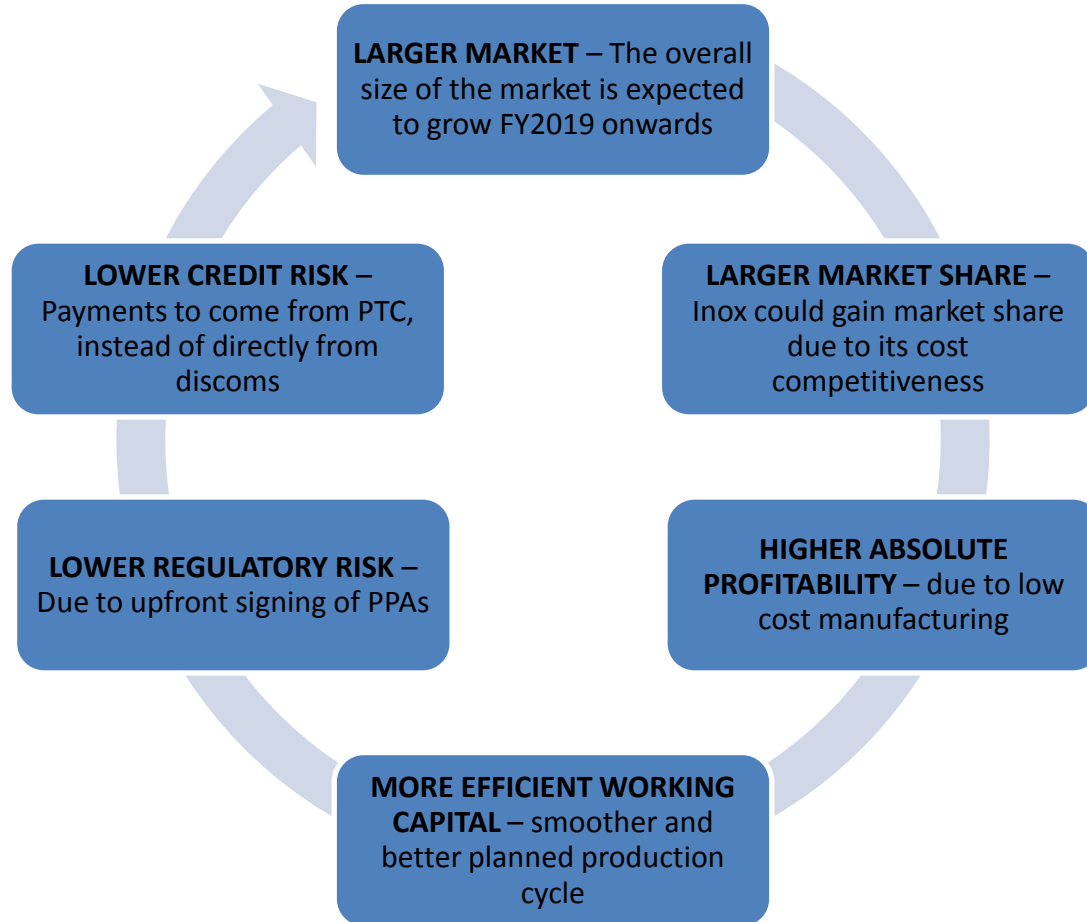
OTHERS

INDUSTRY TO MOVE
AWAY FROM "4TH
QUARTER/MARCH"
DEPENDENCE

STABLE SET OF "LONG
ONLY" INVESTORS TO
ENTER THE SPACE



WHY IS INOX WIND A WINNER IN THE AUCTION REGIME?



Moving towards bigger turbines on the same platform

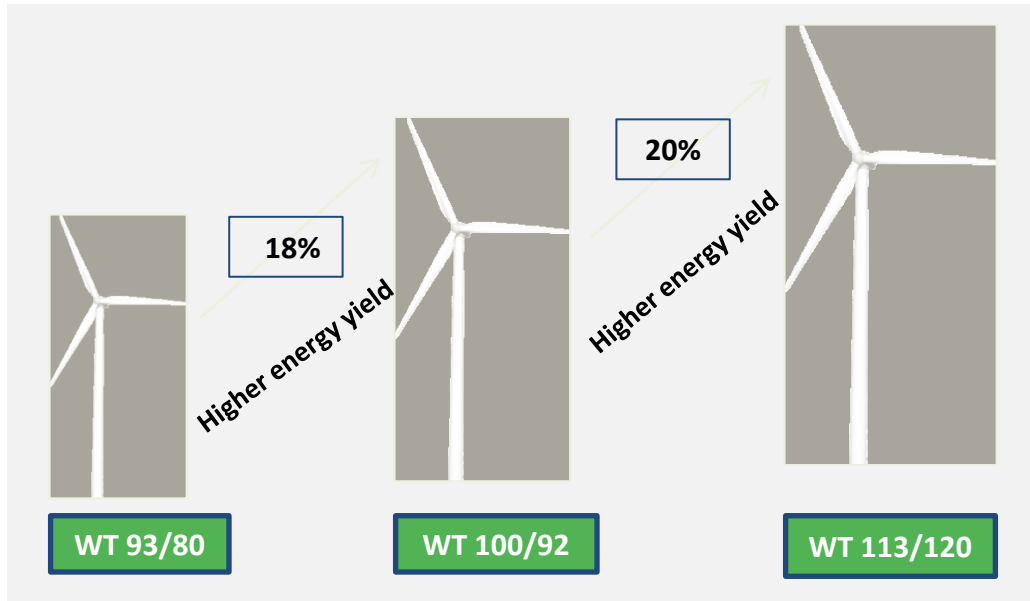
Higher Energy Yield



Lower Energy Cost



Higher Returns



- ✓ Inox Wind is in advanced stages of creating the next generation of Wind turbines
- ✓ In advanced stages of launching “Power Booster” technology upgrade leading to enhancing output across the operating fleet
- ✓ One of the few players to have 120m hybrid towers in India

FOR FURTHER QUERIES :



THANK YOU



Mr. Atul Soni

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