

IWL: NOI: 37: 2018

07<sup>th</sup> August, 2018

The Secretary BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001 Fax No. 022-22723121/2037/39/41/61	The Secretary National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai 400 051 Fax No. 022-2659 8237/38
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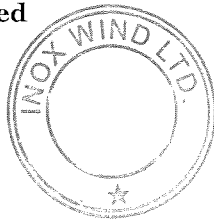
**Scrip code: 539083****Scrip code: INOXWIND****Sub: Disclosure of Material Event/ Information under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Earnings Presentation**

Dear Sir/ Madam,

Pursuant to the Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed a copy of the Earnings Presentation on the Standalone and Consolidated Unaudited Financial Results of the Company for the quarter ended 30<sup>th</sup> June, 2018. The said Earnings Presentation is also being uploaded on the Company's website, [www.inoxwind.com](http://www.inoxwind.com).

We request you to please take the above on record.

Thanking You

Yours faithfully,  
For **Inox Wind Limited**  
Deepak Banga  
**Company Secretary**

Encl: As above



**INOX WIND LIMITED**  
**Q1FY19 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.*

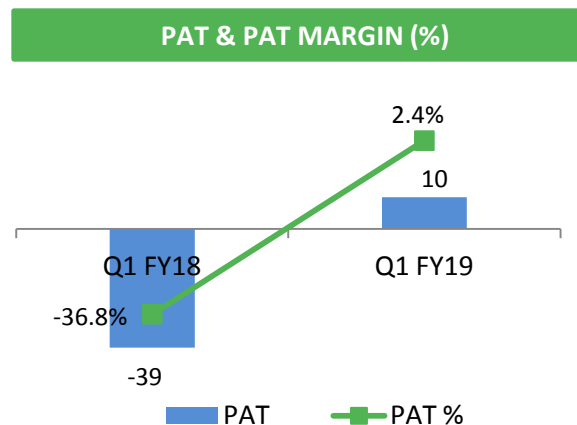
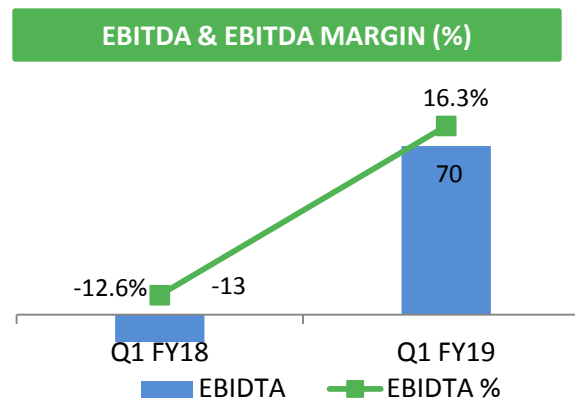
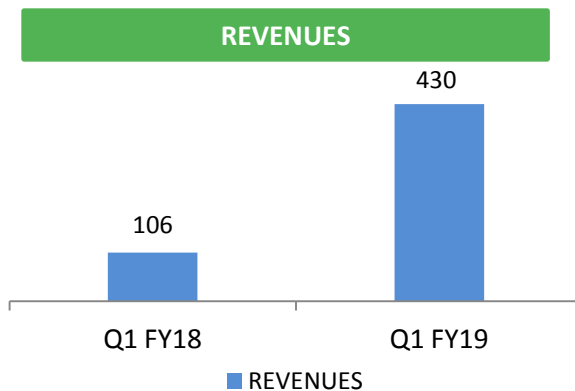
*Such statements are not, and should not be construed, as a representation as to future performance or achievements of IWL. In particular, such statements should not be regarded as a projection of future performance of IWL. It should be noted that the actual performance or achievements of IWL may vary significantly from such statements.*

- ❑ QUARTERLY HIGHLIGHTS
- ❑ RESULT ANALYSIS
- ❑ WORKING CAPITAL ANALYSIS
- ❑ CASH FLOW AND DEBT ANALYSIS
- ❑ WIND SECTOR: GAINING STRENGTH
- ❑ LIGHT AT THE END OF THE TUNNEL FOR WIND SECTOR
- ❑ WIND AUCTIONS
- ❑ ORDER BOOK
- ❑ MANUFACTURING CAPACITY
- ❑ PROJECT SITES
- ❑ TECHNOLOGY
- ❑ O&M – ANNUITY BUSINESS
- ❑ SHAREHOLDING STRUCTURE
- ❑ DETAILED FINANCIALS



- ✓ **Inox Wind turns back into profitability after a 4 quarter gap on back of the start of SECI-1 execution.** The past 12 months have been a period of painful transition which the company has successfully weathered and we look forward to strong execution and profitability in the coming quarters.
- ✓ We have recommenced operations across our manufacturing facilities in Gujarat, Himachal Pradesh and Madhya Pradesh during the quarter.
- ✓ The quarter saw delivery of 80MW and commissioning of 22MW.
- ✓ Continued reduction in net receivables by Rs315cr vs. Q4FY18. Net receivable balance of Rs1,175cr includes sale of Rs430cr booked in Q4FY19.
- ✓ Continual reduction in net debt during the quarter. Net Debt to Equity ratio stands at 0.32x (vs. 0.35x in Q4FY18). This is the 5<sup>th</sup> successive quarter of reduction in Net debt.

(Consolidated  
Financials in Rs cr)



**Q1FY19 results reflect the turnaround with the start of execution of SECI orders under the auction regime**

Particulars (Rs Cr)	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18	Jun-18
Inventory	690	867	955	941	929	779
Net Receivables	2,366	1,982	1,657	1,360	1,060	1,175
Payables	969	629	506	452	536	635
Others	284	139	179	140	214	138
<b>Net Working Capital</b>	<b>1,804</b>	<b>2,080</b>	<b>1,927</b>	<b>1,710</b>	<b>1,239</b>	<b>1,181</b>

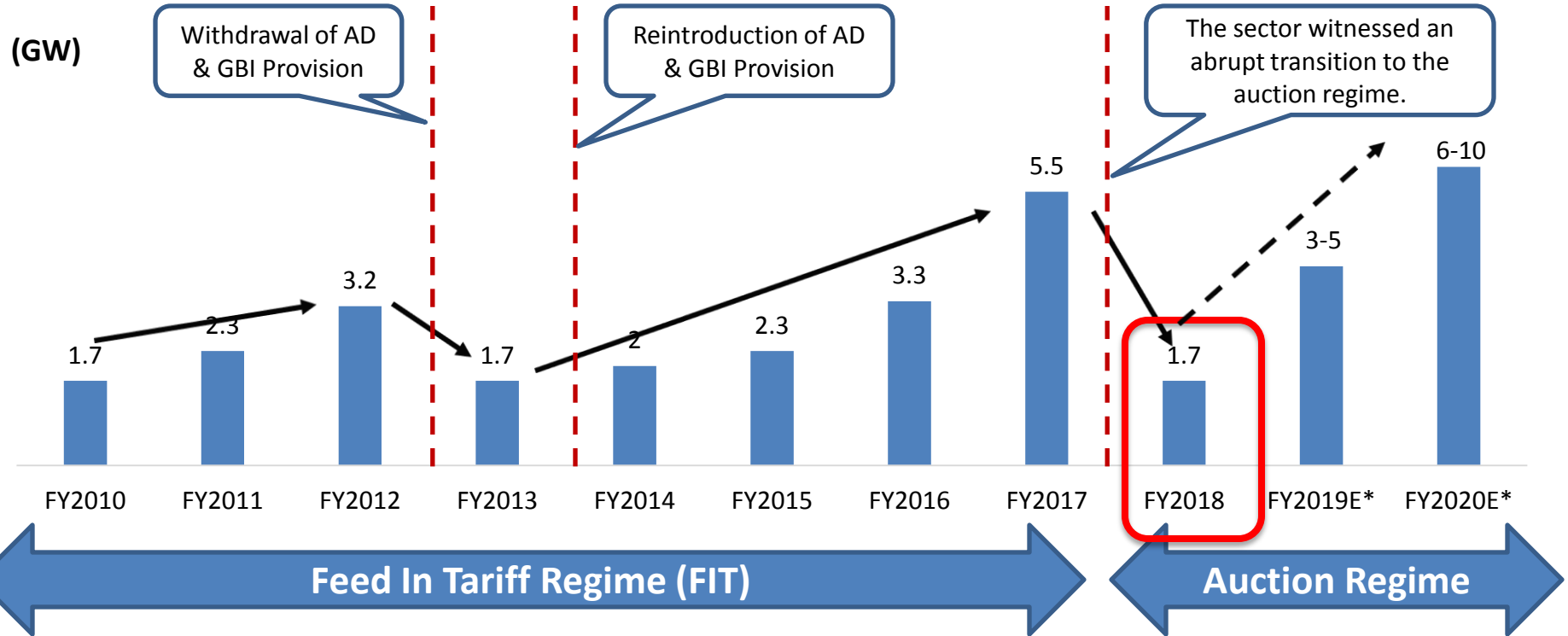
- **Inventory:** Reduction of Rs150cr on back of the start of SECI execution during the quarter.
- **Net Receivables:** Continued reduction in net receivables of Rs315cr in Q1FY19 vs. Q4FY18. The closing net receivable balance is higher on back of the inclusion of Q1 sales of Rs430cr.
- **Net Working Capital:** Reduction in net working capital continues. We look forward to a more efficient working capital cycle under the auctioning regime.

(In Rs Cr)	Q1FY18	FY18	Q1FY19
Opening Net Debt	(779)	(779)	(705)
Cash Profit	(26)	(133)	27
Net Working Capital	(276)	565	58
Capex	(14)	(177)	(6)
Others	(16)	(181)	(11)
Closing Net Debt	(1,110)	(705)	(638)

(In Rs Cr)	Q1FY18	Q2FY18	Q3FY18	Q4FY18	Q1FY19
Net Debt	1,110	1,037	901	705	638
Equity	2,151	2,105	2,059	2,004	2,015
Net Debt: Equity (x)	0.52	0.49	0.44	0.35	0.32

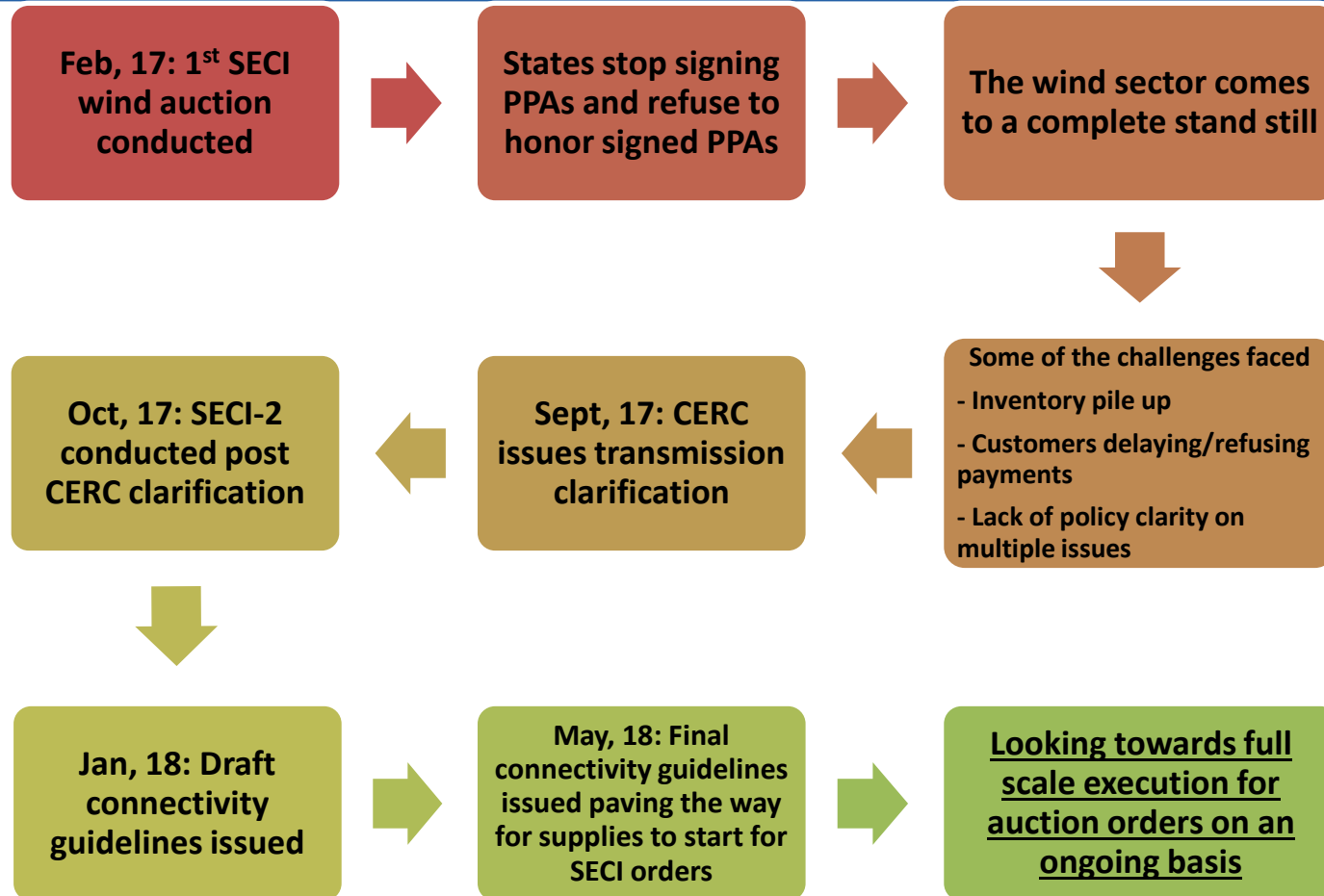
- ✓ **Continuous reduction in Net D/E ratio.** Q1FY19 Net D/E ratio stands at 0.32x.
- ✓ **Strong improvement in net debt in past 5 quarters.** Net Debt reduced by Rs472cr in the past 5 quarters.





**Impact of the abrupt transition to auction Regime from FIT regime seen in wind installations in FY18. The impact of 7.5GW auctions conducted over the last 15 months would be visible in installations in FY19-20.**

\* <http://www.livemint.com/Industry/1yhOAeUgYHEoINADdwPS3L/India-to-auction-100GW-of-green-energy-contracts-by-March-20.html>

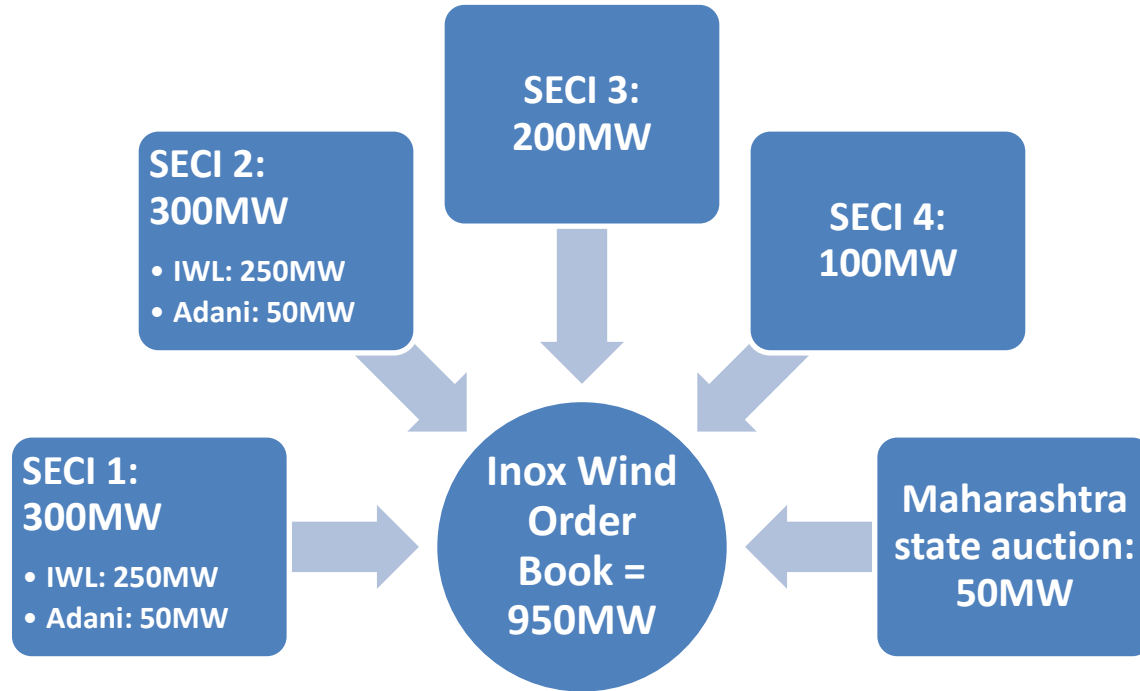


Auction	Month	Volume (MW)
SECI 1	February 2017	1050 MW
Tamil Nadu	August 2017	500 MW
SECI 2	October 2017	1000 MW
Gujarat	December 2017	500 MW
SECI 3	February 2018	2000 MW
Maharashtra	March 2018	500 MW
SECI 4	April 2018	2000 MW
<b>Total</b>		<b>7550 MW</b>

- The 7.5GW auctions conducted in the past 15 months should reflect in capacity addition over FY19 and FY20.
- In addition, the government has announced wind auctions of 10GW per annum till 2028\* which provides huge potential runway for the sector.
- RPO target increased to 21% for FY22 for state discoms from 17% in FY19\*\*.
- Strong volume of upcoming auctions from SECI, NTPC, Wind solar hybrid etc in the next 6-12 months.

\* <https://www.financialexpress.com/economy/india-to-auction-40-gw-renewables-every-year-till-2028/1226479/>

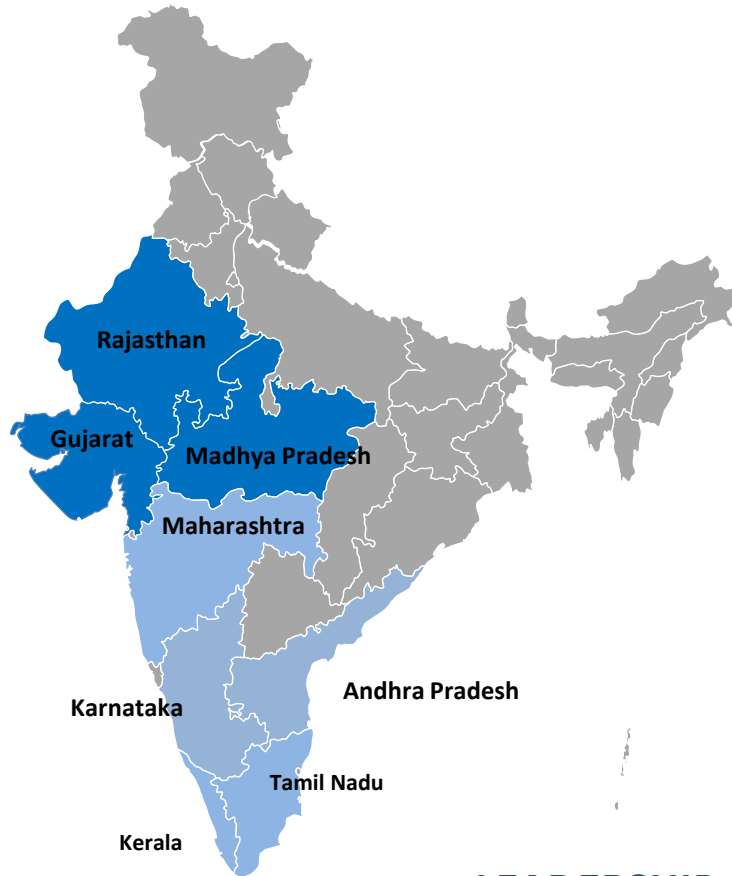
\*\* <https://www.livemint.com/Money/enQ7h8JaD6rKXGXiMTsORM/Govtsrenewableenergyusagetargets-ambitious-scaling-up.html>



- Inox Wind confirmed order book of 950 MW would translate into revenues in excess of Rs 6,500 crores over FY19 & FY20.
- In discussions for orders worth 600MW+ from other winning IPP's from SECI-3, SECI-4 & state auctions which would be implemented during the next 12-24 months.

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

- 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**

## Moving towards bigger turbines on the same platform

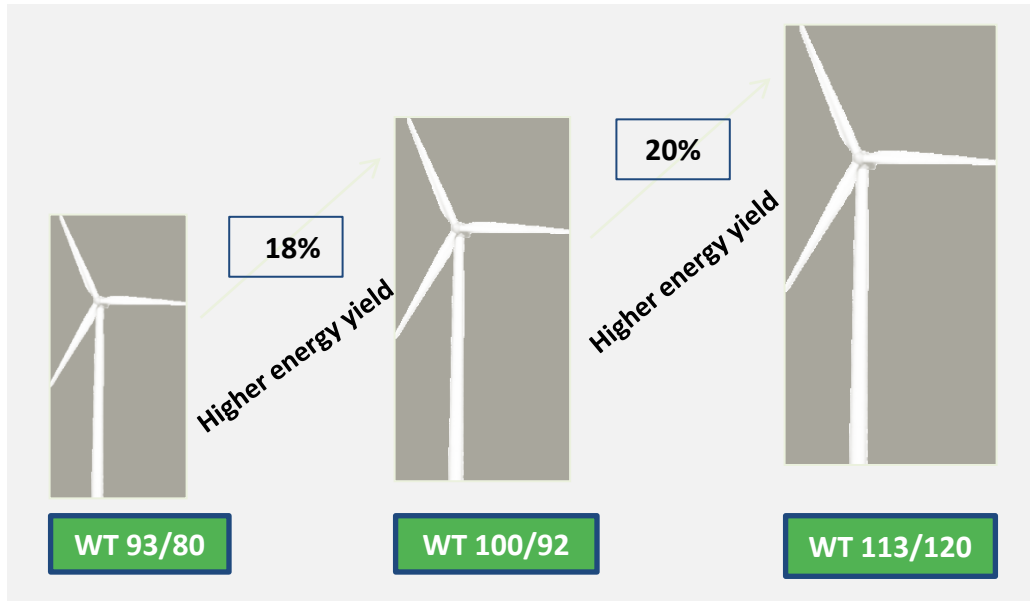
Higher Energy Yield



Lower Energy Cost



Higher Returns

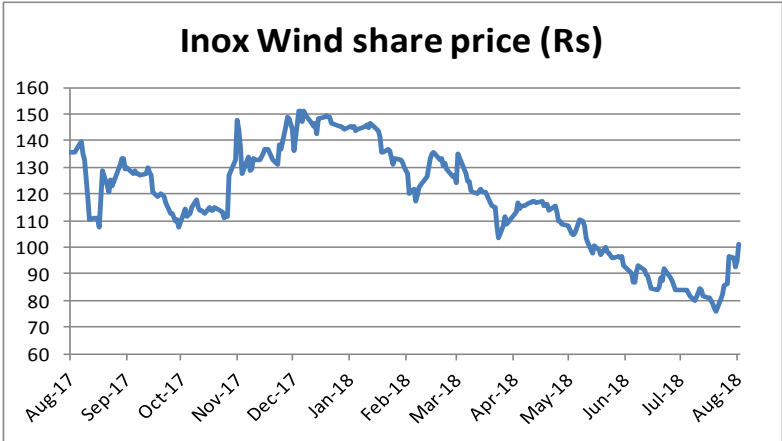


- ✓ Inox Wind is working towards the next generation of Wind turbines with higher hub heights and longer blades to deliver superior PLFs.
- ✓ Implementing “Power Booster” technology upgrade leading to enhancing output across the operating fleet.

- ✓ Inox Wind has an installed wind turbine base of approx 2.4GW in India with multi year O&M agreements
- ✓ We expect this revenue stream to pick up strongly in the coming years as the fleet size increases on back of strong auction order inflow.
- ✓ O&M revenues are noncyclical in nature, have steady cash flow generation and higher margins

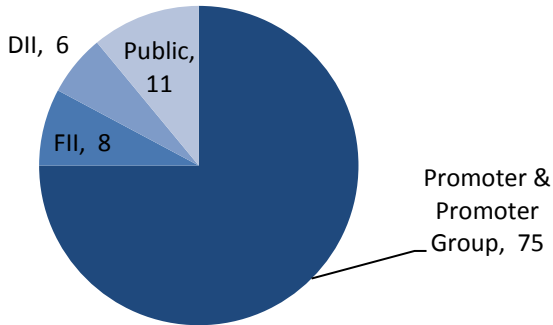


# SHAREHOLDING STRUCTURE



Source - BSE

## % Shareholding – As of 30<sup>th</sup> June 2018



Source - Company

Market Data	As on 06.08.18 (BSE)
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Market capitalization (Rs. Cr)	2155
Price (Rs.)	97
No. of shares outstanding (Cr)	22
Face Value (Rs.)	10.0

Source - BSE

Key Institutional Investors as of 30 <sup>th</sup> June 2018	% Holding
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Prime India Opportunity	2.8%
Nomura Singapore	2.3%
Aadi Financial Advisors	1.4%
Elaara India Opportunity Fund	1.0%
Blue Diamond Properties	0.7%
India Opportunities Growth Fund	0.5%

Source – Company

# DETAILED FINANCIALS

## CONSOLIDATED P&L STATEMENT



Sr No	Particulars (In Rs Lakhs)	Q1FY19	Q1FY18	YoY	Q4FY18	QoQ
		(Unaudited)	(Unaudited)		(Audited)	
1	Income					
	(a) Revenue from operations (net of taxes)	43,045	10,599	306%	20,341	112%
	(b) Other income	329	1,069	-69%	223	48%
	<b>Total Income (a+b)</b>	<b>43,374</b>	<b>11,668</b>	<b>272%</b>	<b>20,564</b>	<b>111%</b>
2	Expenses					
	a) Cost of materials consumed	25,060	1,580	1486%	1,477	1597%
	b) Changes in inventories of finished goods and work-in-progress	193	-1,804	-111%	5,017	-96%
	c) Employee benefit expense	2,232	2,686	-17%	2,276	-2%
	d) Finance costs	3,914	4,241	-8%	4,369	-10%
	e) EPC, O&M, and Common Infrastructure Facility expenses	3,773	7,157	-47%	6,926	-46%
	f) Net (gain)/loss on foreign exchange fluctuation and derivatives	-240	-562	na	419	na
	g) Depreciation and amortization expense	1,636	1,310	25%	1,225	34%
	h) Other expenses	4,987	2,874	74%	7,201	-31%
	<b>Total Expenses (a to h)</b>	<b>41,555</b>	<b>17,482</b>	<b>138%</b>	<b>28,910</b>	<b>44%</b>
3	Share of loss of associates	7	-		2	
4	<b>Profit/(Loss) before tax (1-2-3)</b>	<b>1,812</b>	<b>-5,814</b>	na	<b>-8,348</b>	na
5	Total Tax Expense	775	-1,912	na	-2,782	na
6	<b>Profit/(Loss) for the period (4-5)</b>	<b>1,037</b>	<b>-3,902</b>	na	<b>-5,566</b>	na
7	Total other comprehensive income (net of tax)	-13	39		49	
8	Total Comprehensive Income for the period comprising Net Profit/(Loss) for the period & Other Comprehensive Income (6+7)	1,024	-3,863	na	-5,517	na
9	Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA)	7,362	-263		-2,754	
10	<b>Basic &amp; Diluted Earnings per share (Rs)</b>	<b>0.47</b>	<b>-1.76</b>	na	<b>-2.51</b>	na

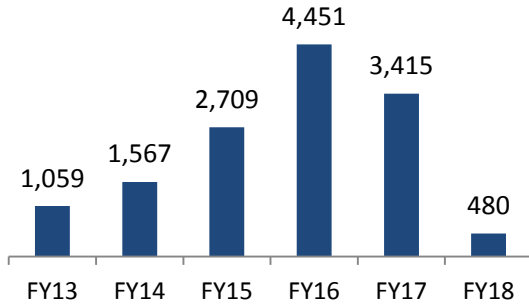
# FINANCIAL SUMMARY



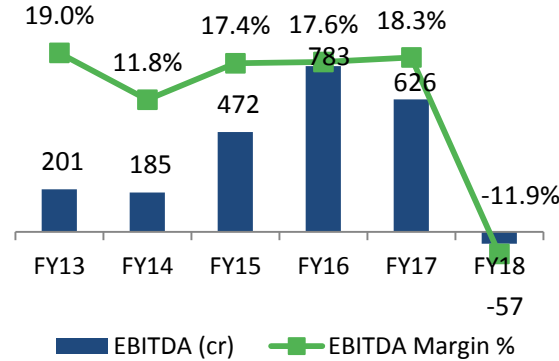
ROE: PAT/Avg. Equity, ROCE: EBIT/Avg. Capital Employed [(Capital Employed = Equity + Total Debt)]

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

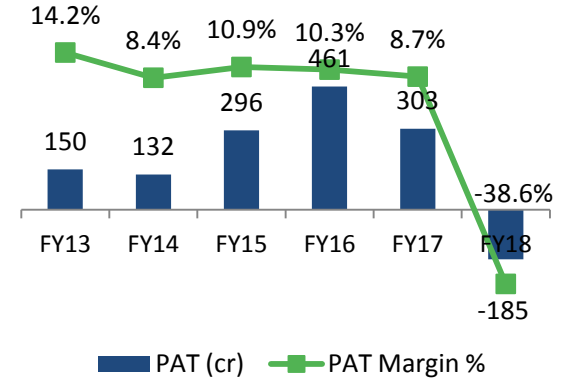
## Revenue from Operations



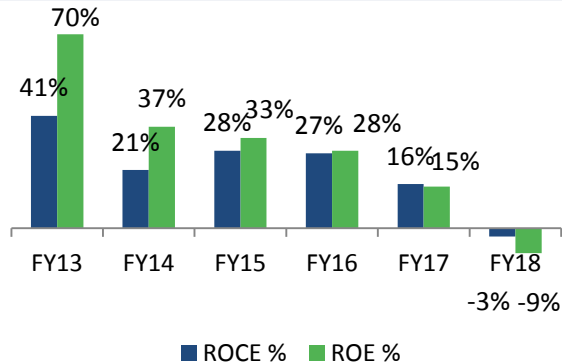
## EBIDTA (Inc OI) & EBIDTA Margin %



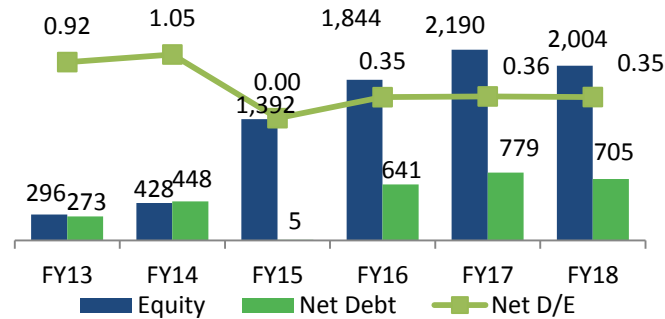
## PAT & PAT Margin %



## Return Ratios



## Net Debt/Equity



**FY18 results reflect the transition to the auction regime in the Indian Wind Power sector**

In Rs. Cr



THANK YOU



**Mr. Atul Soni**

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