

IWL: NOI: 21: 2018

18th May, 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
---	---

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 Audited Financial Results of the Company for the quarter and financial year ended 31st March, 2018. The said Earnings Presentation is also being uploaded on the Company's website, 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
Q4FY18 & FY18 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.

- ❑ FY18: THE YEAR THAT WAS
- ❑ KEY HIGHLIGHTS
- ❑ RECENT POLICY UPDATES FOR WIND INDUSTRY
- ❑ RESULT ANALYSIS
- ❑ SALES & COMMISSIONING
- ❑ WORKING CAPITAL ANALYSIS - POSITIVE MOMENTUM CONTINUES
- ❑ FY18 – FOCUS ON BALANCE SHEET IMPROVEMENT
- ❑ CASH FLOW AND DEBT ANALYSIS
- ❑ STRONG ORDER BOOK
- ❑ MANUFACTURING CAPACITY
- ❑ PROJECT SITES
- ❑ TECHNOLOGY
- ❑ O&M – ANNUITY BUSINESS
- ❑ SHAREHOLDING STRUCTURE
- ❑ DETAILED FINANCIALS
- ❑ LOOKING AHEAD
- ❑ FINANCIAL SUMMARY



- ✓ **Regime change causes disruption.** FY18 was a year of transformation for the Indian Wind Sector on back of the change to an auction regime vs. FIT regime earlier. This led to a huge disruption in the industry during the year which is reflected in the annual wind capacity addition of 1.7GW in FY18 vs 5.5GW added in FY17. The industry faced variety of issues ranging from high inventory, stranded assets, stuck PPAs etc.
- ✓ **Silver Lining - FY18 finishes strongly on the auctions front.** 7.5GW of auctions were conducted during FY18 comprising of 6GW from SECI and 1.5GW from state auctions.
- ✓ **Hon Power Minister announces 10GW auctions in FY19 & FY20 each*.** The govt gave a strong auction pipeline of 10GW in FY19 & FY20 each which is comforting for the order inflow from a 12-24 months perspective for the sector in order to reach the 2022 target of 60GW wind installations.
- ✓ **FY19-20 to witness strong wind power capacity addition** on back of auctions conducted in FY18 and a strong auction pipeline.
- ✓ **Wind power tariffs now below non renewable sources** (e.g. coal). The current auction discovered tariffs are below the average rate of thermal power which is a strong economic rationale for increasing renewable power generation in the country.

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

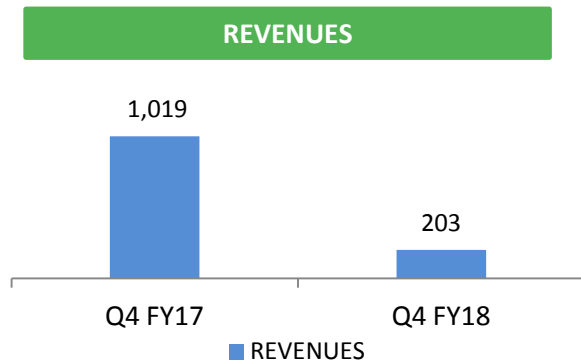
- ✓ **Continued order wins bode well for FY19-20 revenue outlook.** Won orders of 350MW during the quarter from SECI-3 (200MW), SECI-4 (100MW) and Maharashtra state auction (50MW). **This takes our total auction based order book to a sector leading 950MW.**
- ✓ **Effective April, we have recommenced operations across our manufacturing facilities in Gujarat, Himachal Pradesh and Madhya Pradesh after a near 4 quarter gap for the execution of SECI orders in FY19.**
- ✓ Achieves commissioning of 82MW in the quarter (FY18: 172MW).
- ✓ OFS concluded in March,2018 to comply with the SEBI listing requirements of having promoter holding at 75% within 3 years of the IPO.
- ✓ Continued reduction in net receivables by Rs300cr in Q4FY18 and by Rs1,306cr in FY18. Additionally, we have collected over Rs200cr since April, 18 to date.
- ✓ Strong improvement in net working capital which reduced by Rs470cr in Q4FY18 and Rs565cr in FY18.
- ✓ Net Debt reduced by Rs405cr in the past 3 quarters. Net Debt to Equity ratio stands at 0.35x.

- ✓ **National Wind-solar Hybrid Policy.** Ministry of New and Renewable Energy (MNRE) unveiled a National Wind-solar Hybrid Policy which seeks to promote new hybrid projects as well as hybridization of the existing projects.
- ✓ **Gujarat announces policy for allotment & reservation of Land for wind power projects in Kutch area** to prevent hoarding of land sites. Additionally, allotment of sites would be done to companies which have won wind bids in state or central auctions. They have increased the land site to 1.5 hectare per MW from 1 hectare per MW to accommodate larger than 100m rotor diameters wind turbines.
- ✓ **Approval of the detailed procedure for grant of connectivity for renewable energy projects** to the inter state transmission systems (ISTS).
- ✓ **Publishing of National Offshore Wind Energy Policy.** NIWE has invited EOI for the first 1000 MW Offshore Wind Farm in Gujarat.

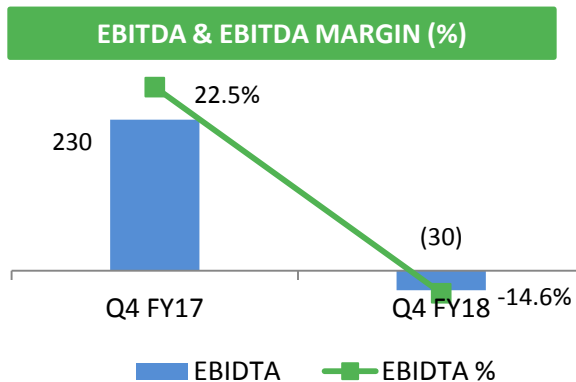
In Rs. Cr.

Q4 FY18 YoY ANALYSIS

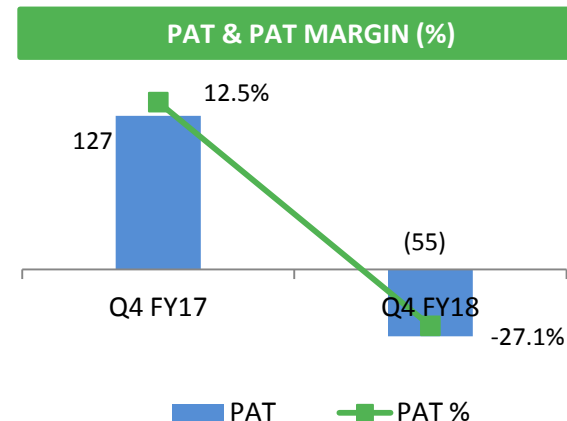
REVENUES



EBITDA & EBITDA MARGIN (%)

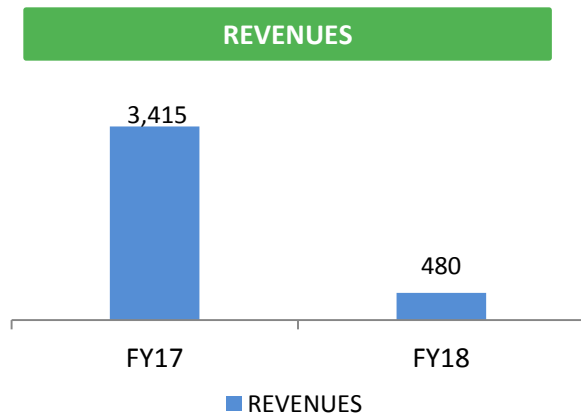


PAT & PAT MARGIN (%)

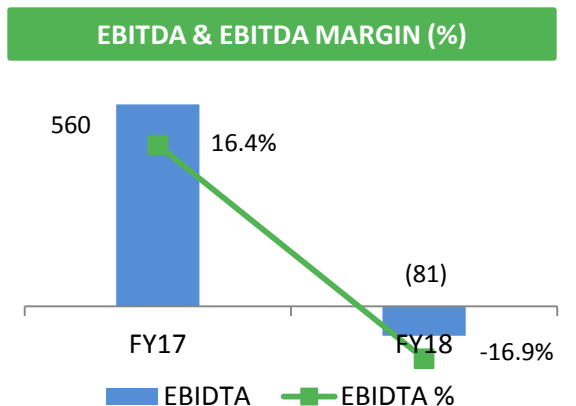


FY18 YoY ANALYSIS

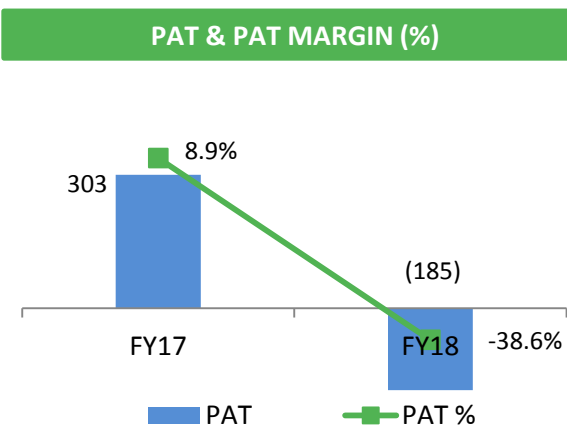
REVENUES



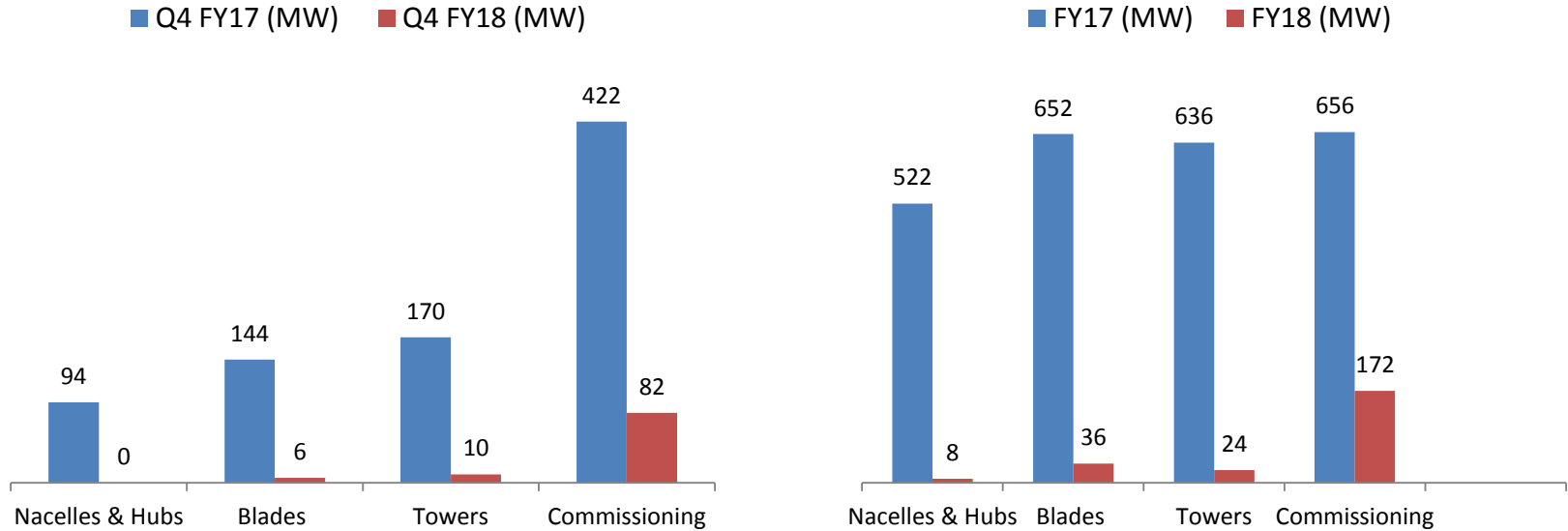
EBITDA & EBITDA MARGIN (%)



PAT & PAT MARGIN (%)



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



The sales & commissioning numbers were impacted by the transition to the auction regime in the Indian Wind Power sector in FY18

Particulars (Rs Cr)	Mar-17	Jun-17	Sep-17	Dec-17	Mar-18
Inventory	690.4	866.5	955.4	940.6	929.4
Net Receivables	2,366.4	1,981.5	1,656.7	1,360.3	1060.0
Payables	968.7	628.8	506.1	451.7	536.3
Others	284.1	139.4	179.1	139.7	213.7
Net Working Capital	1,804.0	2,079.8	1,926.9	1,709.5	1239.4

- Continued reduction in Net Receivables by Rs300cr in Q4FY18 and Rs1,306cr in FY18.
- Sharp reduction in Net Working capital by Rs470cr in Q4FY18 and Rs565cr in FY18.

- ✓ The year was marked by our unrelenting focus on improving balance sheet metrics. We are highlighting some of the internals of the metrics to give you more insights.

Net Receivables	(Rs cr)
FY18 Opening Balance	2,366
Add Sales during the year	480
Less FY18 Closing Balance	1,060
Total Collections during FY18	1,786
Note: - Closing balance includes sales from 4QFY18. - Additionally, we have collected over Rs200cr during April-May,18.	

Net Working Capital	(Rs cr)
FY18 Opening Balance	1,804
Less FY18 Closing Balance	1,239
Total NWC reduced during FY18	565

Net Debt	(Rs cr)
FY18 Opening Balance	779
Less FY18 Closing Balance	705
Total Net Debt reduction during FY18	75
Note: - Net Debt has reduced by Rs405cr since 1QFY18	

(In Rs Cr)	4QFY17	4QFY18	FY17	FY18
Opening Net Debt	(946)	(901)	(641)	(779)
Cash Profit	138	(43)	347	(133)
Net Working Capital	159	470	(163)	565
Capex	(175)	(141)	(303)	(177)
Others	44	(90)	(19)	(180)
Closing Net Debt	(779)	(705)	(779)	(705)

(In Rs Cr)	4QFY17	1QFY18	2QFY18	3QFY18	4QFY18
Net Debt	779	1,110	1,037	901	705
Equity	2,190	2,151	2,105	2,059	2,004
Net Debt: Equity (x)	0.36	0.52	0.49	0.44	0.35

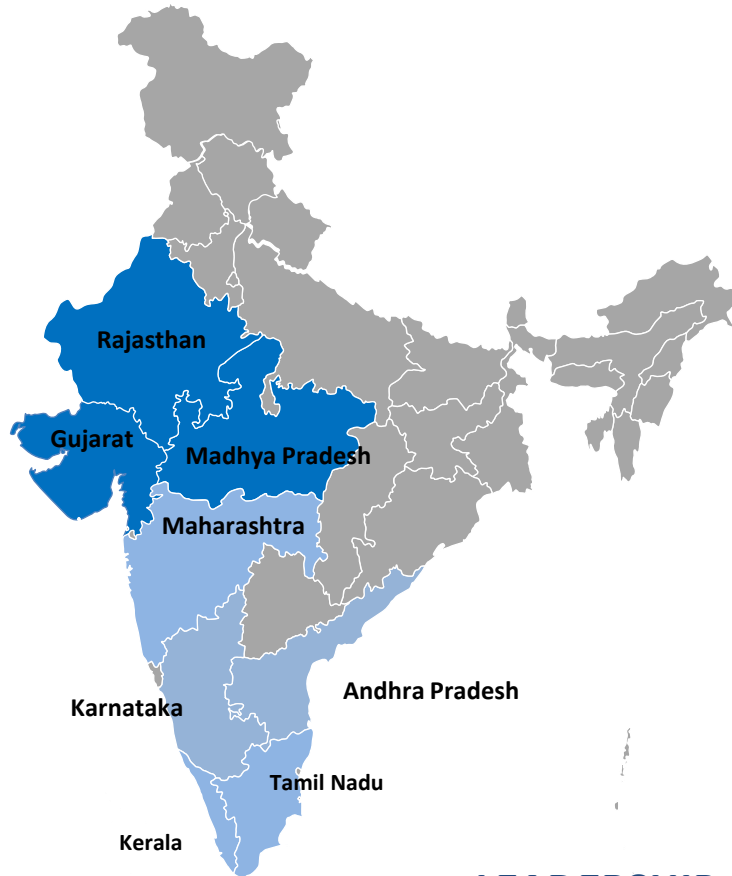
- ✓ **FY18 Net D/E ratio stands at 0.35x.**
- ✓ **Strong improvement in net D/E in past 3 quarters.** Net Debt reduced by Rs405cr in the past 3 quarters.

- ✓ **Auction based order book stands at 950MW.** During the quarter, we won total orders of 350MW from SECI-3 (200MW), SECI-4 (100MW) and Maharashtra state auction (50MW).
- ✓ We look forward to increasing our order book from the annual 10GW auctions expected in FY19 & FY20*.
- ✓ 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.

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

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

Moving towards bigger turbines on the same platform

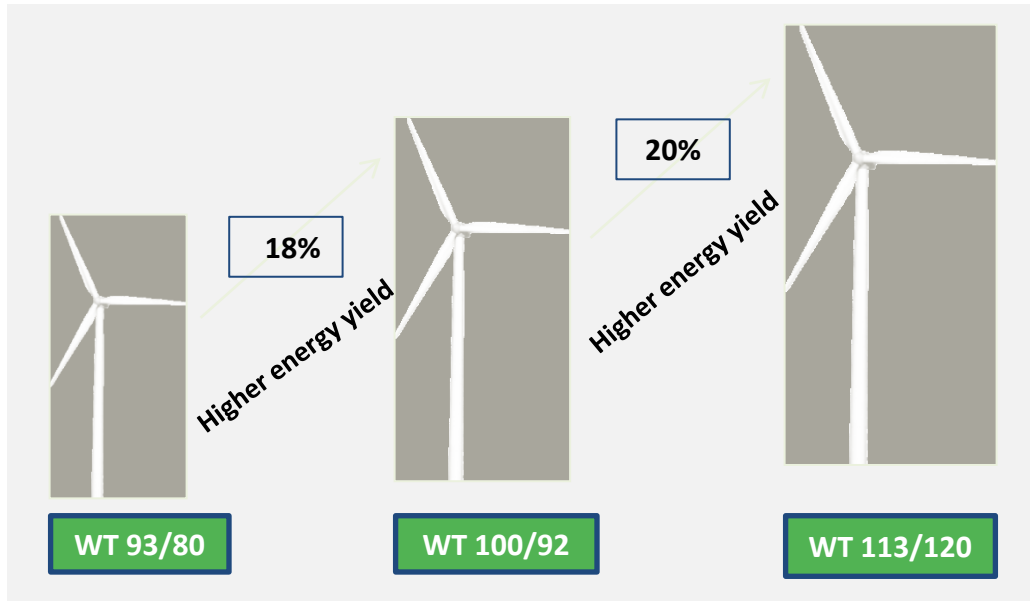
Higher Energy Yield



Lower Energy Cost



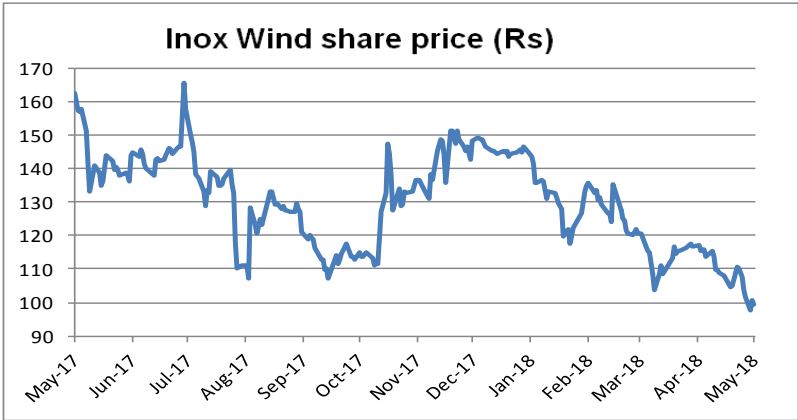
Higher Returns



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

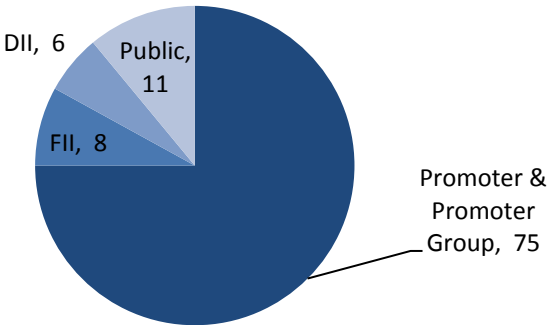
- ✓ Inox Wind has an installed wind turbine base of approx 2.4GW in India with multi year O&M agreements
- ✓ We expect this revenue stream to pick up strongly in the coming years as the fleet size increases on back of strong auction order inflow.
- ✓ O&M revenues are noncyclical in nature, have steady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

SHAREHOLDING STRUCTURE



Source - BSE

% Shareholding – As of 31st March 2018



Source - Company

Market Data

As on 17.05.18 (BSE)

Market capitalization (Rs. Cr)	2181
Price (Rs.)	98
No. of shares outstanding (Cr)	22
Face Value (Rs.)	10.0

Source - BSE

Key Institutional Investors as of 31st March 2018

Investor	% Holding
Prime India Opportunity	2.7%
Nomura Singapore	2.3%
Aadi Financial Advisors	1.4%
Elaara India Opportunity Fund	1.0%
India Opportunities Growth Fund	0.5%

Source – Company

DETAILED FINANCIALS

CONSOLIDATED P&L STATEMENT



	(In Rs Lakhs)	Q4FY18	Q4FY17	YoY	Q3FY18	QoQ	FY18	FY17	YoY
1	Income								
	(a) Revenue from operations (net of taxes)	20,341	101,922	-80%	9,093	124%	47,984	341,500	-86%
	(b) Other income	223	1,433		380		2,436	6,532	
	Total Income (a+b)	20,564	103,355	-80%	9,473	117%	50,420	348,032	-86%
2	Expenses								
	a) Cost of materials consumed	1,477	36,677	-96%	1,367	8%	4,704	191,967	-98%
	b) Changes in inventories of finished goods and work-in-progress	5,017	2,362	112%	1,925	161%	7,134	-2,995	-338%
	c) Employee benefits expense	2,276	2,895	-21%	2,408	-5%	9,968	11,736	-15%
	d) Finance costs	4,369	4,417	-1%	4,063	8%	17,122	15,512	10%
	e) EPC, O&M, and Common Infrastructure Facility expenses	6,926	26,660	-74%	3,010	130%	19,993	48,735	-59%
	f) Net (gain)/loss on foreign exchange fluctuation and derivatives	419	-1,043	-140%	-225	-286%	-129	-1,878	-93%
	g) Depreciation and amortization expense	1,225	1,134	8%	1,340	-9%	5,227	4,374	20%
	h) Other expenses	7,201	11,419	-37%	2,411	199%	14,447	37,900	-62%
	Total Expenses (a to h)	28,910	84,521	-66%	16,299	77%	78,466	305,351	-74%
3	Share of loss of associates	2	-		-		2	-	
4	Profit/(Loss) before tax (1-2-3)	-8,348	18,834	-144%	-6,826	22%	-28,048	42,681	-166%
5	Total Tax Expense	-2,782	6,080		-2,214		-9,287	12,352	
6	Profit/(Loss) for the period (3-4)	-5,566	12,754	-144%	-4,612	21%	-18,761	30,329	-162%
7	Total other comprehensive income (net of tax)	49	-50		72		231	-53	
8	Total Comprehensive Income for the period comprising Net Profit/(Loss) for the period & Other Comprehensive Income (5+6)	-5,517	12,704		-4,540		-18,530	30,276	
9	Earnings Before Interest, Tax, Depreciation & Amortization (EBITDA)	-2,754	24,385	-111%	-1,423	94%	-5,699	62,567	-109%
10	Paid-up Equity Share Capital (Face value of Rs 10 each)	22,192	22,192		22,192		22,192	22,192	
11	Other Equity excluding revaluation reserves	-	-		-		178,236	196,767	
12	Basic & Diluted Earnings per share (Rs)	-2.51	5.75	-144%	-2.08	21%	-8.45	13.66	-162%

DETAILED FINANCIALS

CONSOLIDATED BALANCE SHEET



Particulars	As at 31-Mar-18	As at 31-Mar-17
Assets		
(1) Non-current assets		
(a) Property, Plant and Equipment	95,511	73,456
(b) Capital work-in-progress	1,957	11,246
(c) Other Intangible assets	2,972	3,036
(d) Financial Assets		
(i) Investments	2	5,325
(ii) Loans	1,494	1,590
(iii) Other financial assets	25,218	17,533
(e) Deferred tax assets (Net)	8,643	-
(f) Tax assets	1,787	508
(g) Other non-current assets	10,040	8,979
Total Non - Current assets	147,624	121,673
(2) Current assets		
(a) Inventories	92,936	69,037
(b) Financial Assets		
(i) Investments	5	20,008
(ii) Trade receivables	133,867	238,243
(iii) Cash and cash equivalents	4,558	20,423
(iv) Bank Balances other than (iii) above	8,110	23,320
(v) Loans	3	8,679
(vi) Other financial assets	4,350	1,273
(c) Other current assets	18,349	12,802
Total Current assets	262,178	393,785
Total Assets (1+2)	409,802	515,458

Particulars	As at 31-Mar-18	As at 31-Mar-17
EQUITY AND LIABILITIES		
(1) Equity		
(a) Equity Share capital	22,192	22,192
(b) Other Equity	178,236	196,767
Total equity	200,428	218,959
Liabilities		
(2) Non-current liabilities		
(a) Financial Liabilities		
(i) Borrowings	34,779	18,623
(ii) Other financial liabilities	183	240
(b) Provisions	737	778
(c) Deferred tax liabilities (Net)	-	1,240
(d) Other non-current liabilities	2,403	9,055
Total Non - current liabilities	38,102	29,936
(3) Current liabilities		
(a) Financial Liabilities		
(i) Borrowings	48,272	134,163
(ii) Trade payables	53,625	96,870
(iii) Other financial liabilities	34,098	25,156
(b) Other current liabilities	34,800	8,415
(c) Provisions	323	293
(d) Current Tax Liabilities (Net)	154	1,666
Total Current liabilities	171,272	266,563
Total Equity and liabilities (1+2+3)	409,802	515,458

- ✓ **Sector prospects looking strong.** The reduced cost of power from renewable auctions provides a strong economic rationale for preferring renewables vs. fossil fuels. At today's auction prices, wind energy is the lowest cost of power amongst the various options available for discoms which leads to increased demand from them for wind energy.
- ✓ **Auction Pipeline** – The Honourable Power Minister, Shri R K Singh, announced the roadmap to reach the government's target of 60GW of wind power installations by 2022 through wind auctions of 10GW in FY19 & FY20 each.* This is a major step in providing an order pipeline of the future wind auctions to come for all stakeholders in the wind sector including IPPs, WTG manufacturers, financial institutions etc. We expect the Indian wind power market to be as follows:-
 - 4GW-6GW from SECI auctions,
 - 2GW-3GW from state auctions,
 - 1GW+ from PSU/captives.
- ✓ **Execution** – Sharp revival in the sector in terms of execution from FY19 onwards on back of the 7.5GW auctions conducted in FY18 and 10GW auctions to be conducted in FY19 & FY20 each under various SECI & state auctions.
- ✓ **Working capital & inventory levels to come down under the auction regime.** Smoother trajectory of production & execution cycle leading to improved working capital management.
- ✓ **Launch of new products** to drive cost of energy lower on back of higher PLFs from newer models.

• <http://www.livemint.com/Industry/1yhOAeUgYHEolNADdwPS3L/India-to-auction-100GW-of-green-energy-contracts-by-March-20.html>

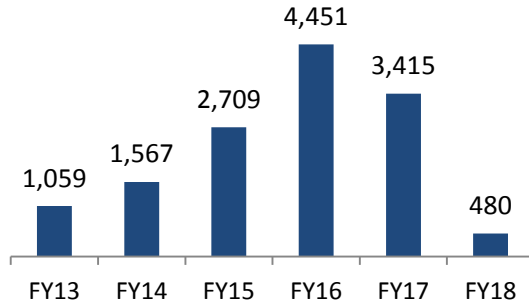
FINANCIAL SUMMARY



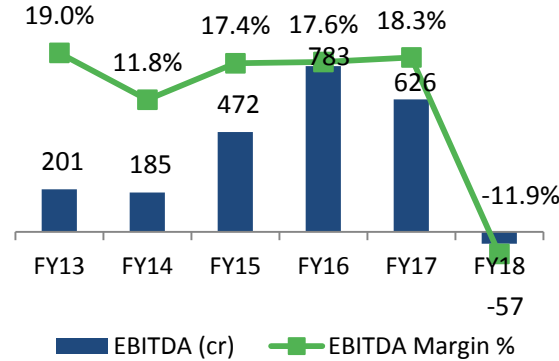
ROE: PAT/Avg. Equity, ROCE: EBIT/Avg. Capital Employed [(Capital Employed = Equity + Total Debt)]

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

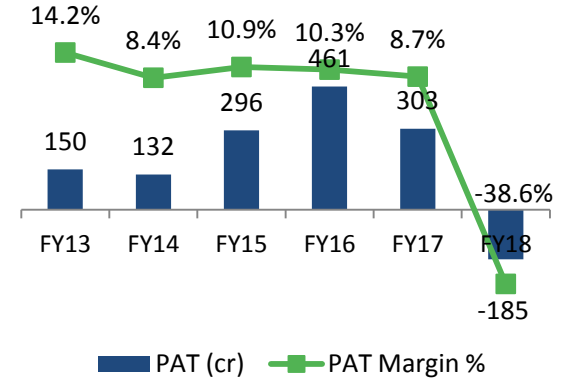
Revenue from Operations



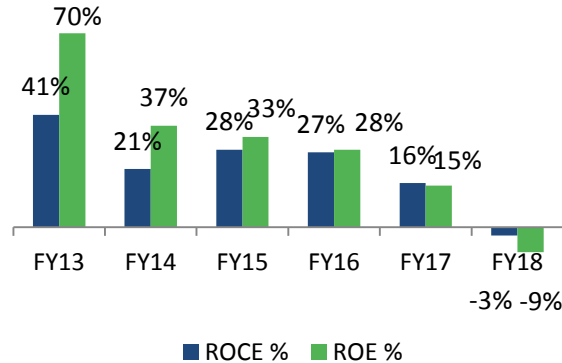
EBIDTA (Inc OI) & EBIDTA Margin %



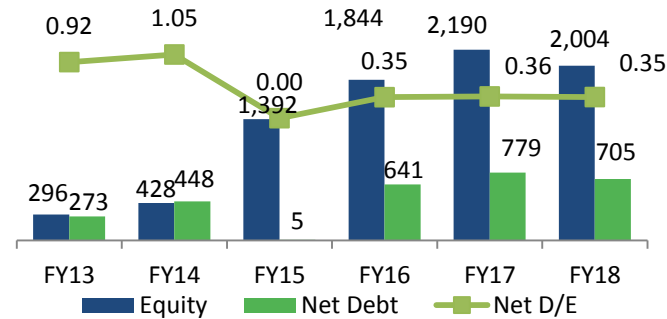
PAT & PAT Margin %



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

Head - Investor Relations- Inox Wind

Contact No: 0120 6149881

Email : Investors@inoxwind.com