IWL: NOI: 24: 2016

06th May, 2016

The Secretary BSE Limited Phiroze Jeejeebhoy Towers Limited Dalal Street , Mumbai 400 001	The Secretary National Stock Exchange Limited Exchange Plaza Bandra Kurla Complex Bandra (E) Mumbai 400 051
Scrip code: 539083	Scrip code: INOXWIND
Fax No 022-22723121/2037/39/41/61	Fax No 022-2659 8237/38

Dear Sir,

Sub: Investor presentation for Q4 and Financial year ended 31st March, 2016 as per Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

Pursuant to Regulation 30 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached the Investor's presentation for the Q4 and Financial year ended 31st March, 2016.

We request you to please take the above on record.

Yours faithfully,

For Inox Wind Limited

Shubha Singh
Company Secretary

INOX WIND LIMITED

Encl: As Above

INOX WIND LIMITED
QUARTERLY INVESTOR UPDATE
Q4 & FY16

DISCLAIMER

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.

DISCUSSION SUMMARY

- KEY BUSINESS DEVELOPMENTS
- Q4 & FY16 RESULT ANALYSIS
- ORDER BOOK UPDATE
- MANUFACTURING CAPACITY
- LAUNCH OF 113 M TURBINE
- SHAREHOLDING STRUCTURE
- CONSOLIDATED FINANCIALS
- SECTOR UPDATE

KEY BUSINESS DEVELOPMENTS

LANDMARK YEAR FOR INOX WIND – INDIA'S LEADING WIND SOLUTIONS PROVIDER

TECHNOLOGY

- ✓ Two strategic long-term technology agreements signed with AMSC for securing technology know-how for 2MW ECS in India and collaboration for development of 3MW WTG in India
- ✓ Successful launch of high performance WTG with 113 m rotor diameter

MANUFACTURING

- ✓ Capacity expansion accomplished – Capacity doubled to 1,600 MW

SALES

- ✓ More than 60% growth rate maintained even on higher base
- ✓ Market share doubled to ~23% in FY16

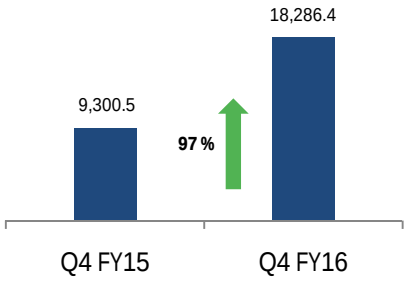
PROJECT EXECUTION

- ✓ Highest ever annual commissioning at 786 MW – 187% YoY growth
- ✓ Commissioning of common infrastructure for 800 MW of power evacuation

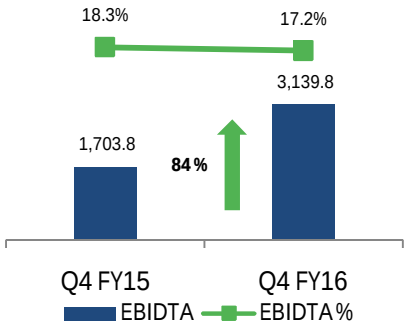
Q4 & FY16 – RESULT ANALYSIS

Q4 FY16 YoY ANALYSIS

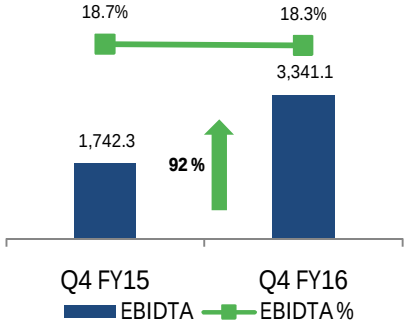
REVENUES*



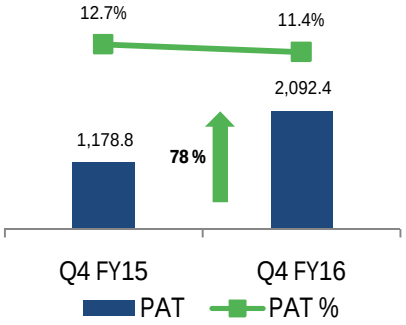
EBITDA AND EBITDA MARGIN



EBITDA (Incl. OI) AND EBITDA MARGIN

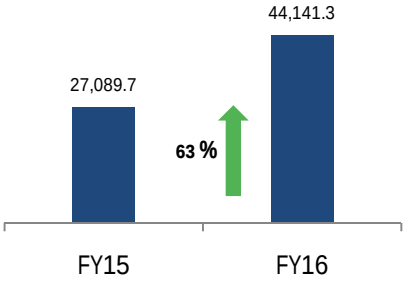


PAT AND PAT MARGIN

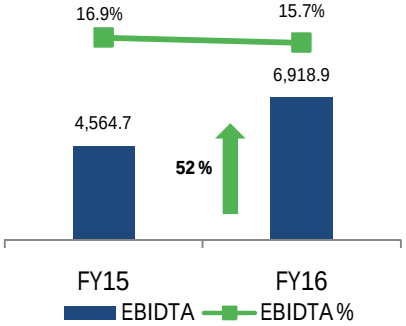


FY16 YoY ANALYSIS

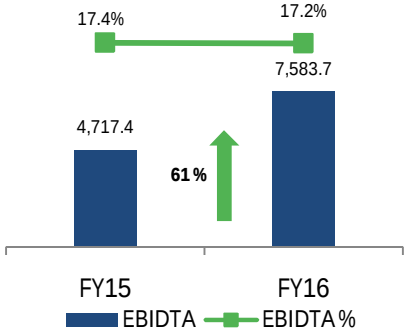
REVENUES*



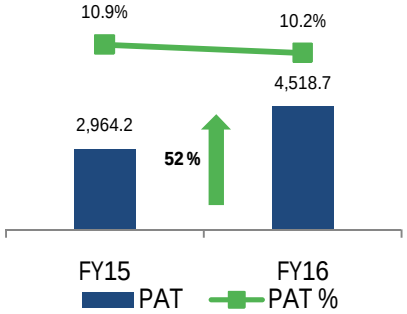
EBITDA AND EBITDA MARGIN



EBITDA (Incl. OI) AND EBITDA MARGIN



PAT AND PAT MARGIN

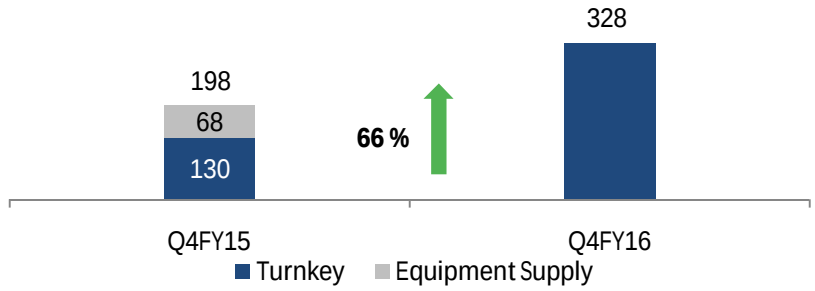


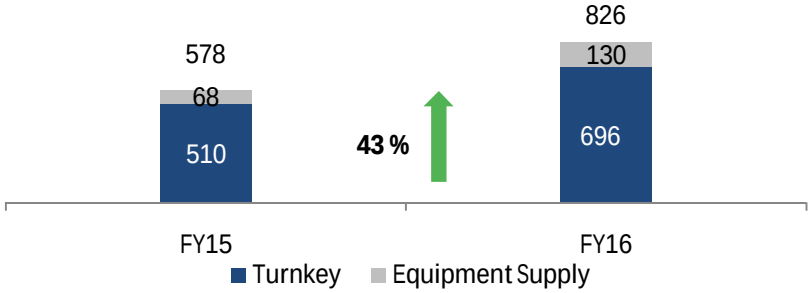
Note: * Revenue from Operations, ** OI = Other Income

In Rs. Mn

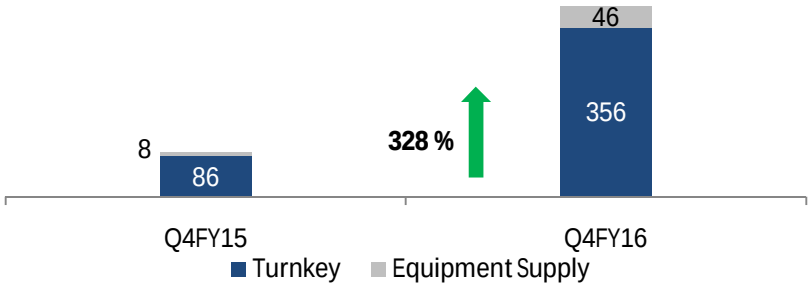
Q4 & FY16 – SALES & COMMISSIONING ANALYSIS

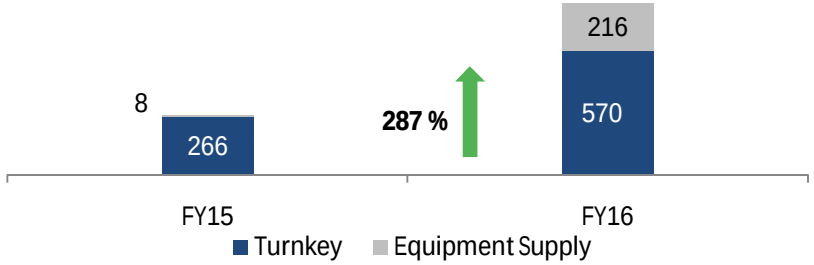
VOLUME BREAKUP - SALES (MW)





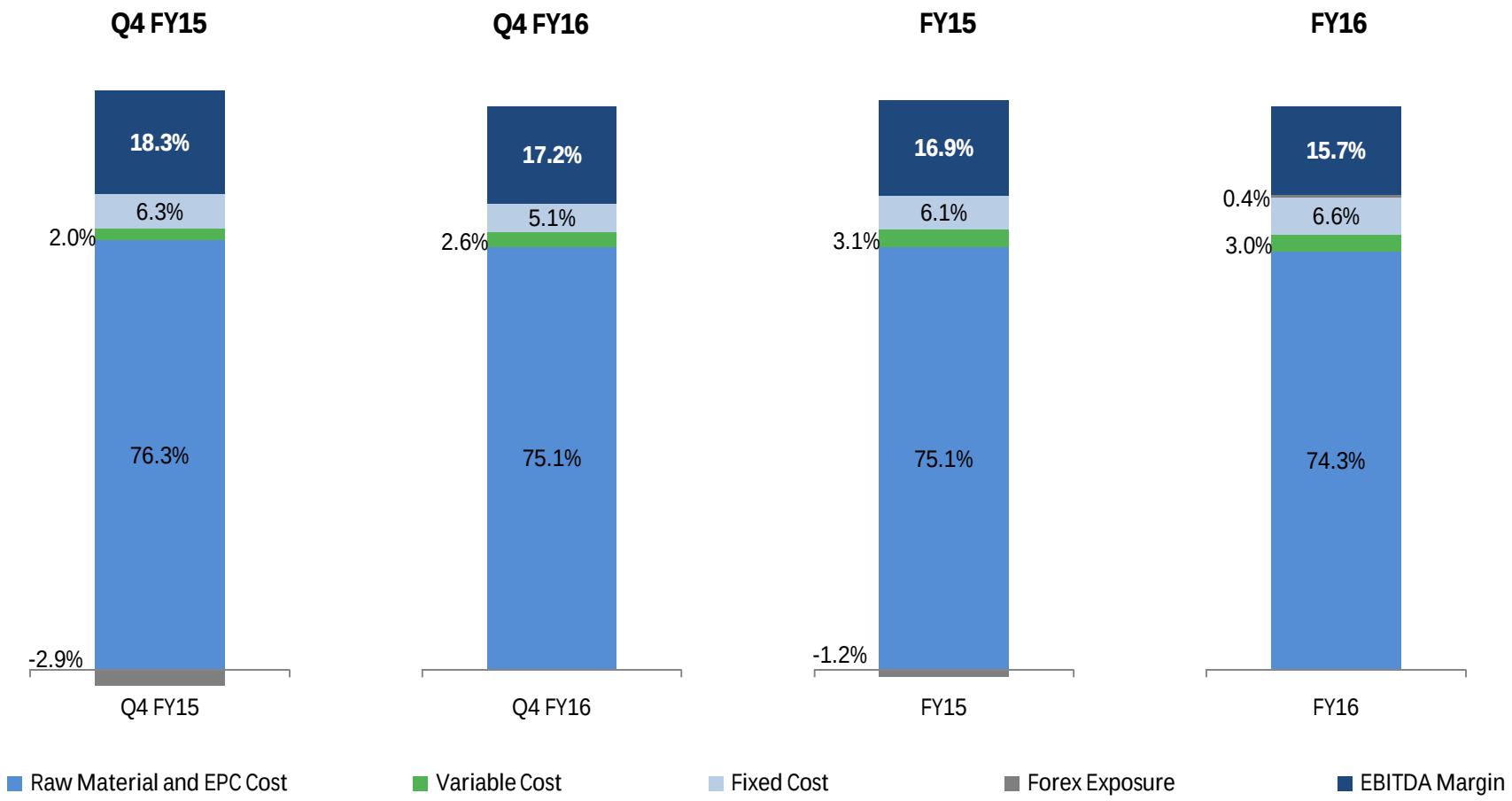
COMMISSIONING (MW)



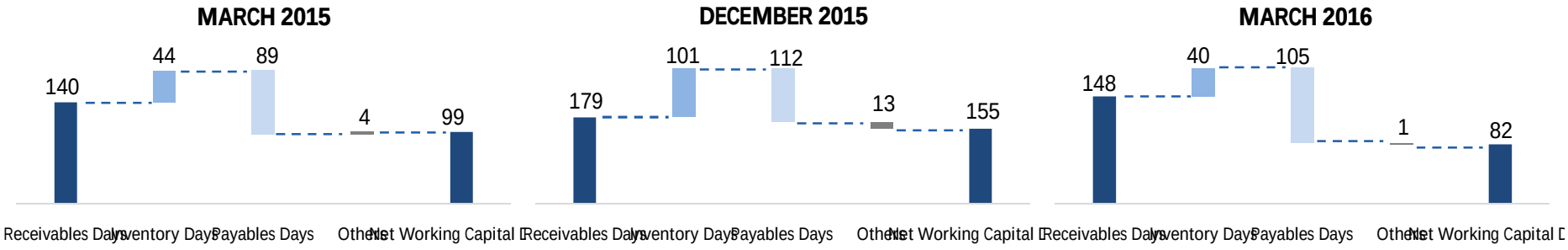


SIGNIFICANT PICK-UP IN COMMISSIONING

Q4 & FY16 – COST ANALYSIS



FY16 WORKING CAPITAL ANALYSIS



Particulars (Rs Mn)	March-15	December-15	March-16
Inventory	4,238.2	7,056.6	5,416.4
Receivables	14,321.8	18,995.2	24,143.2
Payables	7,207.8	9,508.0	11,777.7
Other Current Assets (Supplier Advances + Others)	902.5	1,063.3	1,027.4
Other Current Liabilities (Customer Advances + Others)	2,019.4	1,340.8	2,401.3
Net Working Capital	**10,235.4**	**16,266.4**	**16,407.9**

SIGNIFICANT IMPROVEMENT IN WORKING CAPITAL NORMS

Enhanced manufacturing capacity

Better synchronisation of component supply

Common infrastructure for power evacuation in place

Reduced lag between supply and commissioning

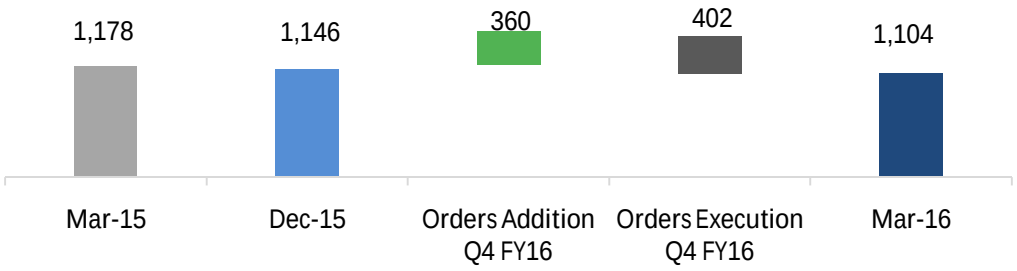
FURTHER IMPROVEMENT EXPECTED IN COMING QUARTERS

NOTE: Net Working Capital Days = (Net Working Capital / Fourth Quarter Sales) * 91

ORDER BOOK UPDATE

Order Book Update	31st March 2016
Total Order Book (MW)	1,104
Estimated Execution Period	12 - 15 Months
Order Addition – Q3 FY16 (MW)	360

MOVEMENT IN ORDER BOOK (MW)



Robust order inflow visibility- Incremental Orders Signed in April 2016

Key Highlights:

- Continue to strengthen position and increase market share across IPPs, PSUs, utilities, corporates and retail customers
- Bagged Adani's first order in Wind sector
- Maintaining momentum in tender market- Orders bagged from IOCL, PTC India & GIPCL

Diversified & Reputed Clientele

IPPs: Adani Enterprises, Sembcorp Green Infra, Continuum Wind, Mytrah Energy, Tata Power, Bhilwara Energy, CESC, Renew Wind Energy, Ostro Energy

PSUs: IOCL, NHPC, RITES, GACL, GMDC amongst others.

MANUFACTURING CAPACITY – 1600 MW

CURRENT CAPACITY (WTGs)				
Plant Location	Una, Himachal Pradesh	Rohika, Gujarat	Barwani, Madhya Pradesh	Total
Nacelles & Hubs	550	-	-	**550**
Blades	-	400	400	**800**
Towers	-	150	150	**300**

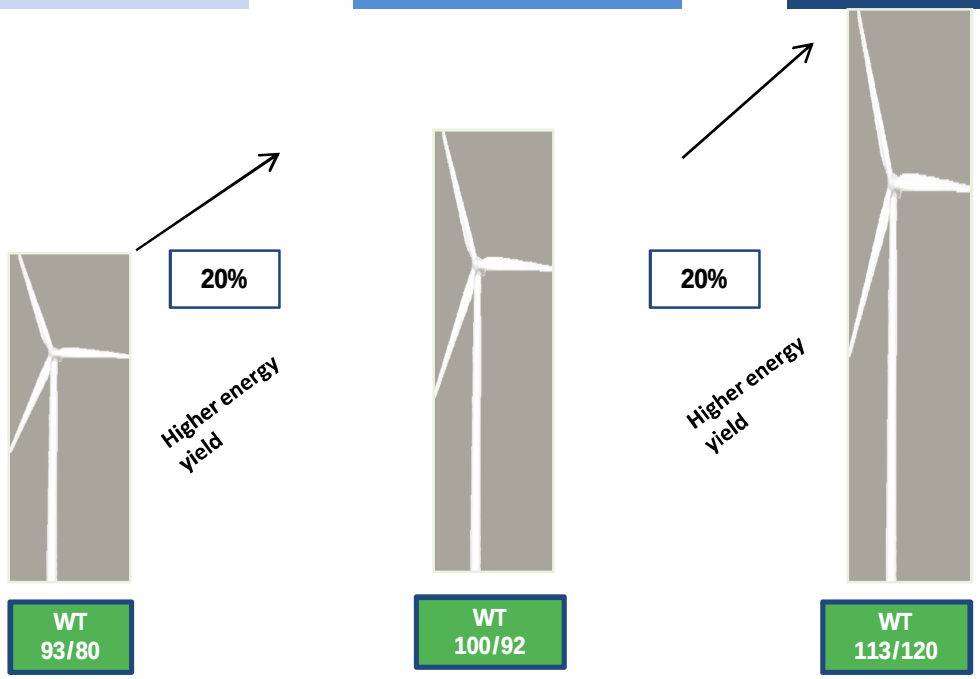
CAPACITY POST EXPANSION (WTGs)				
Plant Location	Una, Himachal Pradesh	Rohika, Gujarat	Barwani, Madhya Pradesh	Total
Nacelles & Hubs	550	-	400	**950**
Blades	-	400	400	**800**
Towers	-	300	300	**600**

- Blade plant at integrated Madhya Pradesh facility has commenced production
- Total 8 mould facility with 5 moulds operating at 100% capacity
- Facility to manufacture 100m rotor diameter and 113m rotor diameter variants
- One facility at tower plant has become operational
- One of the largest manufacturing facilities in Asia

LAUNCHED 113 m TURBINES

Launched 113 Meter Turbines with Hub Height of 120 m

Higher Energy Yield → **Lower Energy Cost** → **Higher Returns**



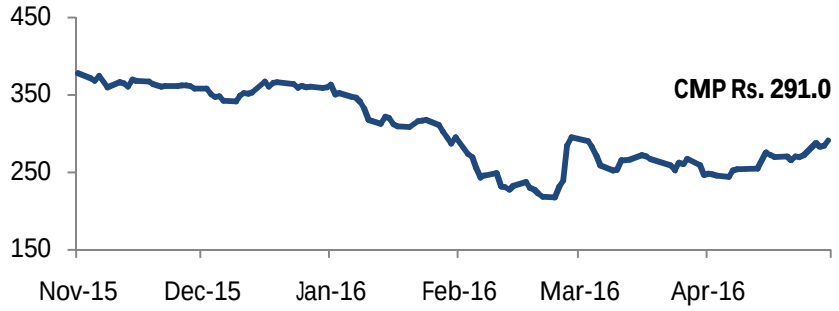
IWL's Technology Edge:

- More efficient power curves
- Higher uptime
- Lower O&M
- Increased margins
- Higher market share
- Higher IRR for investors
- Expands market – Ideal for low wind pockets

Set to Launch 120 m Hybrid Tower

SHAREHOLDING STRUCTURE

Share Price Performance

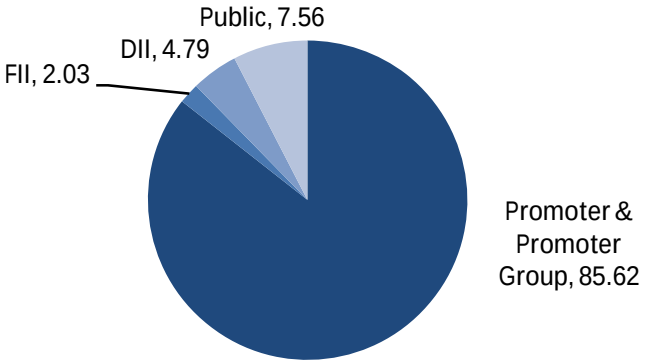


Source - BSE

Market Data	As on 05.05.16 (BSE)
Market capitalization (Rs. Mn)	64,589.3
Price (Rs.)	291.0
No. of shares outstanding (Mn)	222
Face Value (Rs.)	10.0
52 week High-Low (Rs.)	377.8 – 217.8

Source - BSE

% Shareholding – March 2016



Source - BSE

Key Institutional Investors at March 2016	% Holding
Reliance Capital	1.90%
Sundaram Asset Management	1.13%
Birla Sun Life Asset Management	0.86%
Kotak Mutual Fund	0.59%
Birla Sun Life Insurance	0.45%
IDFC Mutual Fund	0.42%

Source – Company

DETAILED FINANCIALS

CONSOLIDATED P&L STATEMENT

Particulars (Rs Mn)	Q4 FY16	Q4 FY15	YoY %	Q3 FY16	QoQ%	FY16	FY15	YoY %
Revenue from Operations	**18,286.4**	**9,300.5**	**96.6%**	**9,414.4**	**94.2%**	**44,141.3**	**27,089.7**	**62.9%**
Cost of Material Consumed	10,770.0	6,499.6	65.7%	5,495.7	96.0%	27,148.1	18,152.5	49.6%
Changes in Inventories of Finished Goods & Work-in-Progress	599.7	-1,343.8	-	-178.9	-	285.3	-1,441.3	-
EPC, O&M, Common Infrastructure Facility and Site Development Expenses	2,368.0	1,938.7	22.1%	1,464.2	61.7%	5,345.8	3,635.5	47.0%
Employee Expenses	279.0	158.0	76.6%	252.7	10.4%	919.7	549.1	67.5%
Foreign Exchange Fluctuation (Gain)/Loss (net)	7.4	-265.2	-	42.4	-	187.2	-315.6	-
Other Expenses	1,258.6	609.4	106.5%	793.0	58.7%	3,472.2	1,944.8	78.5%
Expenditure Capitalized	-135.9	-	-	-	-	-135.9	-	-
EBITDA	**3,139.8**	**1,703.8**	**84.3%**	**1,545.3**	**103.2%**	**6,918.9**	**4,564.7**	**51.6%**
EBITDA Margin %	***17.2%***	***18.3%***	**-115bps**	***16.4%***	**76bps**	***15.7%***	***16.9%***	**-118bps**
EBITDA Excluding Forex Impacts	***3,147.1***	***1,438.6***	**118.8%**	***1,587.7***	**98.2%**	***7,106.1***	***4,249.1***	**67.2%**
EBITDA Margin % Excluding Forex Impacts	***17.2%***	***15.5%***	**174bps**	***16.9%***	**35bps**	***16.1%***	***15.7%***	**41bps**
Depreciation	122.5	56.3	117.6%	86.0	42.42%	350.1	203.6	71.97%
Other Income	201.3	38.5	422.9%	149.9	34.3%	664.8	152.7	335.4%
Finance Cost	254.2	158.3	60.6%	200.7	26.7%	959.5	622.5	54.1%
PBT	**2,964.4**	**1,527.7**	**94.0%**	**1,408.5**	**110.5%**	**6,274.1**	**3,891.3**	**61.2%**
Tax Expense	872.1	348.9	149.9%	378.4	130.4%	1755.4	927.1	89.3%
PAT	**2,092.4**	**1,178.8**	**77.5%**	**1,030.0**	**103.1%**	**4,518.7**	**2,964.2**	**52.4%**
PAT Margin %	***11.4%***	***12.7%***	**-123bps**	***10.9%***	**50bps**	***10.2%***	***10.9%***	**-71bps**
Earnings Per Share (EPS)	**9.43**	**5.89**	**60.1%**	**4.64**	**103.2%**	**20.36**	**14.81**	**37.5%**

DETAILED FINANCIALS
CONSOLIDATED BALANCE SHEET

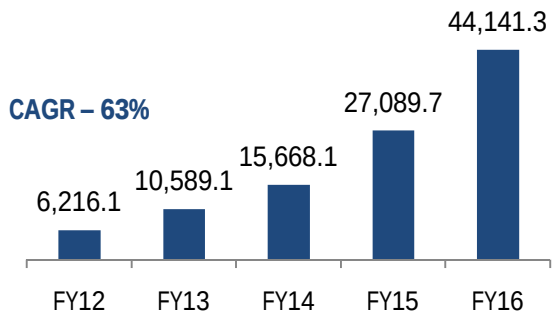
Particulars (Rs Mn)	FY16	FY15
Share Holders' Funds:		
Equity share capital	2,219.2	2,219.2
Reserves and Surplus	16,218.7	11,700.0
Total of Shareholder funds	**18,437.9**	**13,919.1**
Non-current liabilities:		
Long term Borrowings	508.8	788.6
Deferred tax liabilities (Net)	448.4	209.4
Other Long Term Liabilities	24.0	24.0
Long Term Provisions	49.5	24.8
Total of Non-current liabilities	**1,030.7**	**1,046.8**
Current liabilities:		
Short-term borrowings	13,988.4	7,670.6
Trade payables	11,777.7	7,112.3
Other current liabilities	1,968.3	1,900.0
Short-term provisions	439.5	523.4
Total of Current liabilities	**28,174.0**	**17,206.3**
Total Equity & Liabilities	**47,642.6**	**32,172.2**

Particulars (Rs Mn)	FY16	FY15
Non-current assets:		
Goodwill on Consolidation	174.0	16.5
Fixed Assets	5,942.1	2,502.6
Non-current investments	0.0	0.0
Deferred Tax Assets (Net)	347.4	223.9
Long-term loans and advances	1,641.2	1,081.0
Other non-current assets	136.2	46.5
Total non-current assets	**2,298.8**	**1,367.9**
Current assets:		
Current Investments	622.2	0.0
Inventories	5,416.4	4,238.2
Trade receivables	24,143.2	14,321.8
Cash and bank balances	4,787.7	7,096.1
Short-term loans and advances	3,893.1	2,355.3
Other Current Assets	539.2	290.3
Total Current Assets	**39,401.6**	**28,301.7**
Total Assets	**47,642.6**	**32,172.2**

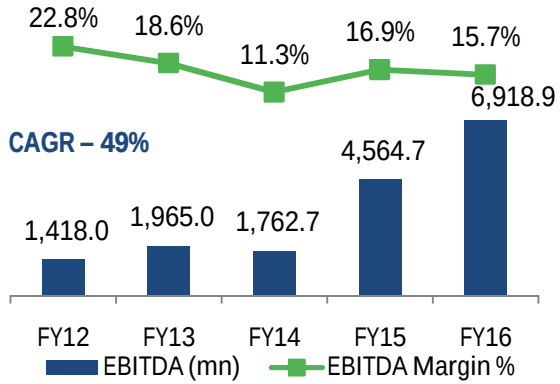
Key Ratios	FY15	FY16
Debt : Equity	0.85	0.80
Net Debt : Equity	0.43	0.35

FINANCIAL SUMMARY – LAST 5 YEAR PERFORMANCE

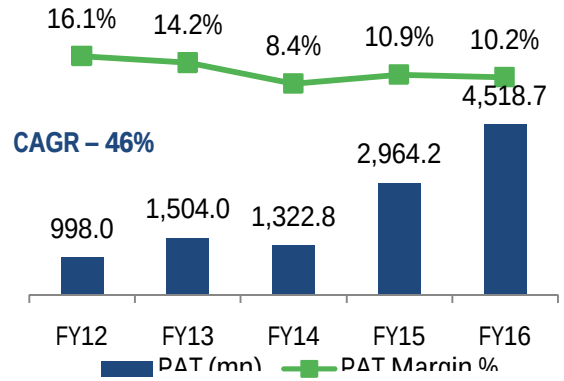
Revenue from Operations



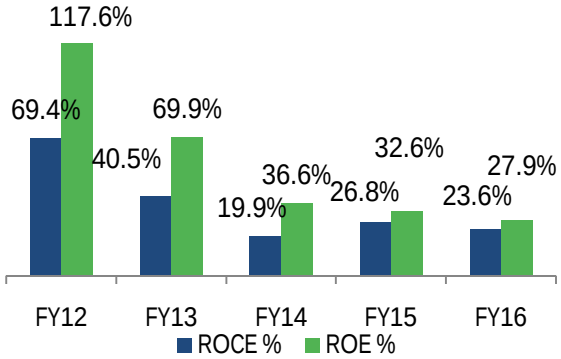
EBIDTA & EBIDTA Margin %



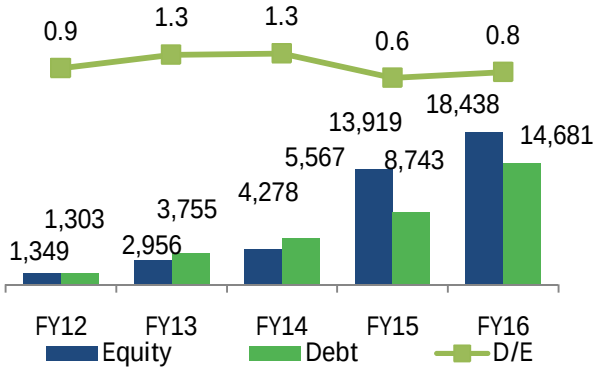
PAT & PAT Margin %



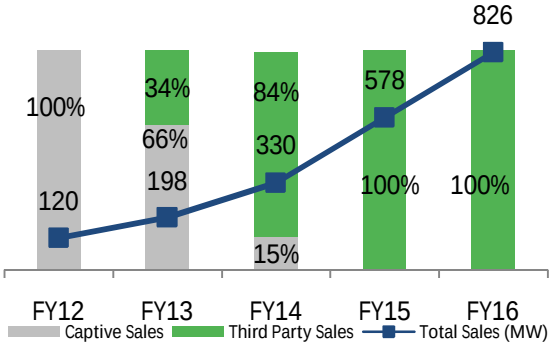
Return Ratios



Leverage Analysis



Sales – Captive vs Third Party



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

In Rs. Mn

SECTOR UPDATE:
POSITIVE SECTOR TAILWINDS - *BEYOND FY16*

STRONG GROWTH IN FY16

- **Highest ever annual installation of 3,472 MW**
  – 50% YoY Growth
- **Installed WTG base of ~27,000 MW**
  – 15% YoY Growth

COMPETITIVE WIND ENERGY TARIFFS

State	Tariff (Rs./Unit)	Control Period (Remaining Years)
Gujarat	4.15	3
Tamil Nadu	4.16	2
Telangana	4.77 *	5
Madhya Pradesh	4.78	3
Andhra Pradesh	4.84	1
Rajasthan	5.70	1

** Expected*

INDUSTRY TO CONSOLIDATE – FOCUS ON SUPERIOR TECHNOLOGY

- **Consolidated Supply Structure – top 3 suppliers have more than 80% market share, remaining 25 suppliers accounting for less than 20%**
- **Technology improvements to revolutionize the wind sector**
- **Rationalization of tariff structure to ensure only players with superior technology and execution capabilities across wind rich states**
- **Larger rotor blades and higher hub heights offer superior PLF, compensating for lower tariffs and still generating attractive IRRs**
- **Customers willing to incur higher capital cost to generate attractive returns**

SECTOR UPDATE:
FINANCERS PREFER WIND

AGGRESSIVE SOLAR BIDS – WORRY FOR FINANCIERS

- **Aggressive bids and unproven technology are raising concerns regarding viability of solar projects**
- **Leading solar players already looking to exit; very large number of secondary deals in the market**
- **Stiffer terms for solar lending to push tariffs higher, making wind energy even more competitive**
- **Proven technology and superior returns make wind energy the preferred sector for lenders**

	Wind	Solar	Observations
PLF	• ~30% with latest technology	• ~21% with current technology	• Wind energy offers superior returns and better utilisation of transmission infrastructure
Land & Water	• Land - 1 acre per MW • No water required	• Land – 5 acres per MW (contiguous land) • Sizable water requirement	• Wind requires less amount of land and water
Contribution to load curve	• 50% of generation in peak time • (Morning winter peak + • Evening summer peak)	• 25% of generation in morning and evening peak time • Massive ramping required to meet the evening peak after sunset	• India has a typical morning and evening peaking requirement
Variability	• Forecasting implemented in Rajasthan, • Gujarat, M.P, A.P. and Tamil Nadu	• Forecasting is also getting implemented in solar	• Improved accuracy of ~90%
Make in India	• 100% Finished goods • 70% Indigenization	• 90% Imported	• Solar will lead to a service based economy and massive foreign exchange outgo

SECTOR UPDATE:
REGULATORY IMPETUS DRIVING GROWTH

Accelerated Depreciation	Generation Based Incentive	Wind Power projects as CSR	Attractive Preferential Tariffs
• Brings back SME, on balance sheet and captive demand.	• Improved viability and funding of wind power projects.	• Strengthens demand from PSUs and corporate with CSR obligations.	• Significant boost to IPP demand • FIIs increasing their capital investments in India thru IPP model.

Green Corridor	Renewable Generator Obligation (RGO)	Amendments in Tariff Policy	Priority Sector Lending
• Fast Tracks Evacuation for green power enabling more renewables to be added to the grid • National Clean Energy cess doubles resulting into access to low cost funds	• RGO introduced in the New Tariff Policy • Mandates all coal-fired plants commissioned after a specific date to generate a certain percentage of their power from renewable energy sources	• Waiving off inter-state transmission charges to promote effective utilisation of renewable sources	• As per Reserve Bank of India's notification released on 23rd April 2015, bank loans up to Rs.150 mn per borrower (AD customer) for installation of wind mills will be classified under Priority Sector Lending.

The Government is aiming for 10 GW of Wind Energy addition every year

FOR FURTHER QUERIES :

THANK YOU

Mr. Dheeraj Sood
Head IR- Inox Group
Contact No: 0120 6149881
Email : dheeraj.sood@inoxwind.com

Nilesh Dalvi / Kapil Jagasia
IR Consultant
Contact No : +91 9819289131 / +91 9819033209
Email : nilesh.dalvi@dickensonir.com
kapil.jagasia@dickensonir.com