

IGESL: NOI: 2023

4<sup>th</sup> July, 2023

The Secretary BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai 400 001	The Secretary National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (E), Mumbai 400 051
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**Scrip code: 543667**

**Scrip code: INOXGREEN**

**Sub: Disclosure of Material Event/ Information under Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Investor Presentation**

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 Investor Presentation that we propose to make during the Analyst/ Investor Meetings with various analysts/ investors scheduled to be held from 5<sup>th</sup> July to 7<sup>th</sup> July, 2023. The said Investor Presentation is also being uploaded on the Company's website, [www.inoxgreen.com](http://www.inoxgreen.com).

We request you to take the above on record.

Thanking You

Yours faithfully,  
For **Inox Green Energy Services Limited**



**Manoj Shambhu Dixit**  
**Whole-time Director**

Encl: a/a



**INOX GREEN ENERGY SERVICES LIMITED**  
**INVESTOR PRESENTATION**  
**JULY 2023**

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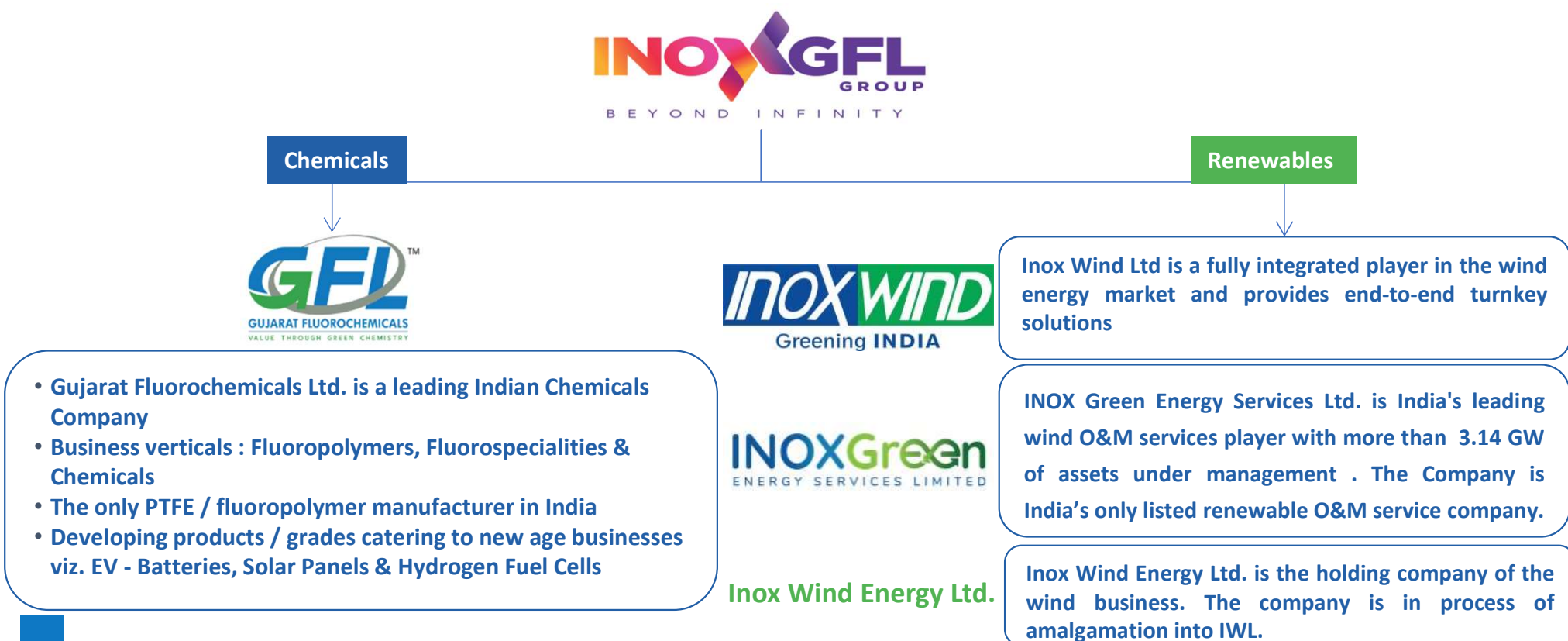


## GROUP & COMPANY OVERVIEW



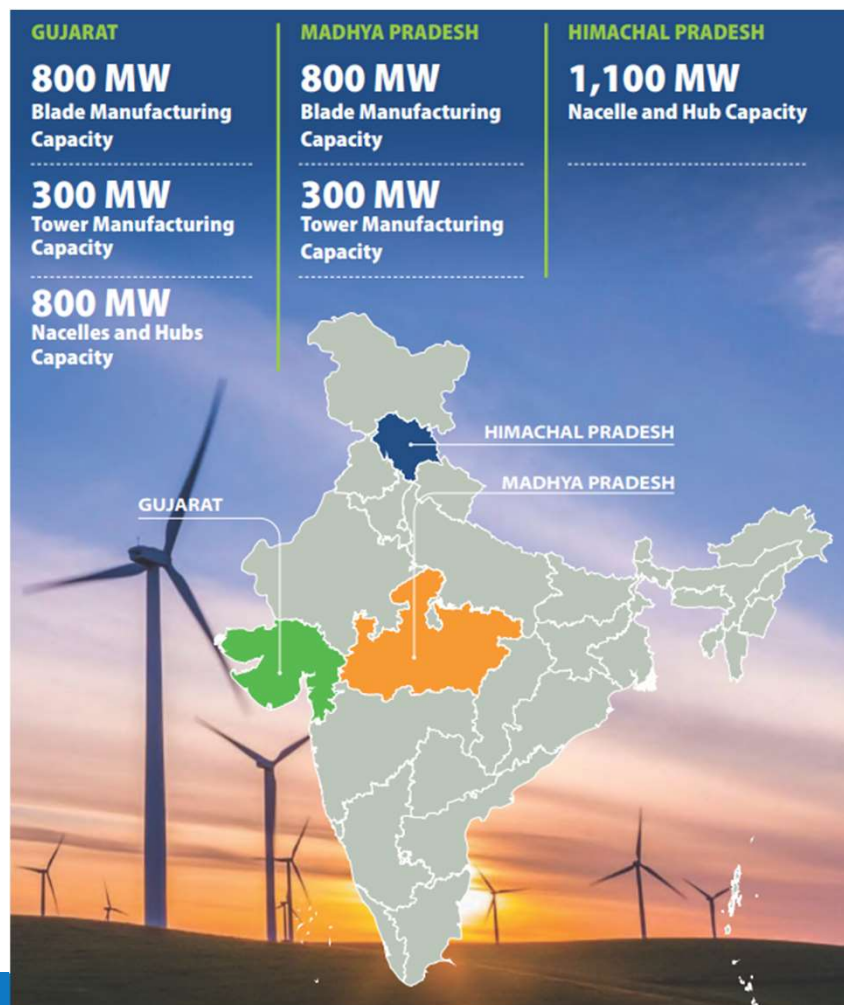
## PART OF THE STRONG INOXGFL GROUP

The INOXGFL Group with a legacy of more than 90 years is one of the largest business Groups in India. The Group is a forerunner in diversified business segments comprising specialty chemicals, fluoropolymers, gases, wind turbines and renewables. The Group currently with 3 listed entities has a market capitalization of ~ 5 bn USD.





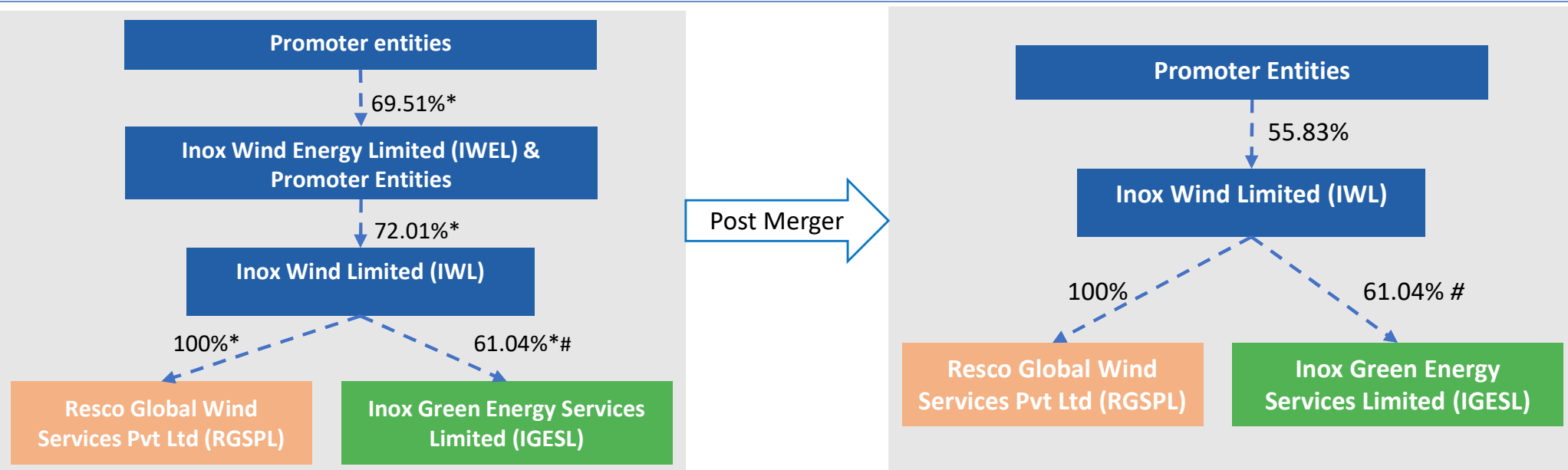
# INOX WIND – A FULLY INTEGRATED WIND SOLUTIONS PROVIDER



- ✕ Fully integrated wind energy player providing end-to-end turnkey solutions to customers – from conception to commissioning to O&M
- ✕ Capacity to manufacture 1,900MW of nacelle and hubs, 1,600MW of blades and 600MW of towers \*
- ✕ The prototype of newly launched 3.3 MW WTG is performing well and type certification is in final stages, post the same, serial supplies will commence given the supply chain is already in place.
- ✕ Operations in full swing and significant ramp up in execution from forthcoming quarter.
- ✕ WTG order book stands at ~1120 MW (FY23-end).
- ✕ Owns ~56% in IGESL, India's leading wind O&M services player, and a natural beneficiary of the WTG business
- ✕ Both long term (CRISIL BBB+/Positive) and short term (CRISIL A2) ratings upgraded by CRISIL – Rs 1,250 crores of total bank loan facilities rated
- ✕ Strong operational track record of >13 years
- ✕ Robust relationships with RE developers which includes PSUs, IPPs and private investors
- ✕ Strong support from the group and promoters

\* Capacity debottlenecking for nacelle and tower requires only minor capex. Tower capacity can also be outsourced depending on project location

# INOX WIND – MERGER TO SIMPLIFY BUSINESS STRUCTURE



## Manufacturing

- ✓ Among the largest WTG manufacturers in India
- ✓ Exclusive licenses and agreements in place to leverage AMSC technology
- ✓ 4 plants to manufacture nacelles & hubs, blades and towers
- ✓ Sufficient land bank to install ~5000 MW capacity

## Infrastructure (EPC)

- ✓ End-to-end services leading up to installation of turbines
- ✓ Constructing sub-stations for power evacuation, high grid availability and minimum power losses

## O&M

- ✓ Retains O&M contracts for almost all project sites
- ✓ Contracts with third-party suppliers for spares
- ✓ In-house manufactured inventory maintained at sites/ warehouses
- ✓ Skilled O&M team with regular trainings

\* as on date of announcement of the scheme of arrangement

# after conversion of preference shares into equity shares

## MACRO ENVIRONMENT TURNING FAVORABLE FOR THE WIND SECTOR





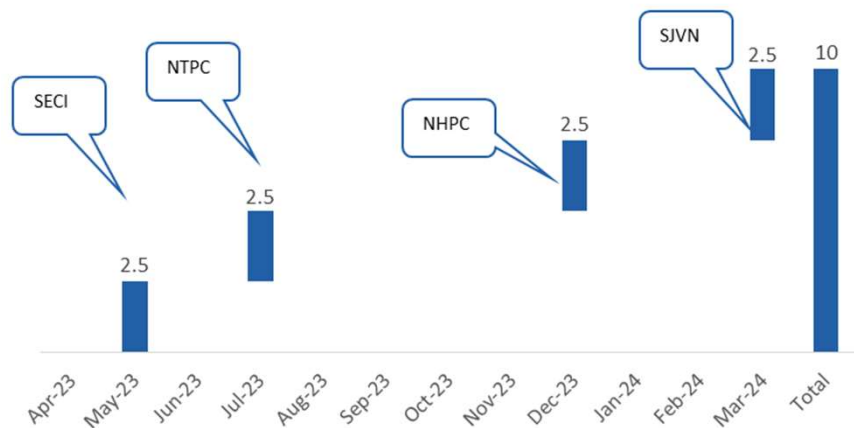
# FAVORABLE MACRO ENVIRONMENT EXPECTED TO SIGNIFICANTLY BOOST WIND SECTOR INVESTMENTS

- ✂ **Higher bidding targets:** Gol's 50GW annual RE bids issue for FY24-28 period includes at least 10GW of wind as part of the target to reach 500GW of non-fossil fuel capacity by 2030
- ✂ **Bidding trajectory for FY24** issued by the MNRE includes **10GW of exclusive wind bids** and 40GW of solar / hybrid / RTC bids
- ✂ **Discontinuation of e-reverse bidding** paves way for single-stage two-envelope closed bids to set up capacity across all 8 windy states
- ✂ Demand arising from **Green Hydrogen** ecosystem (which require 20-25GW of RE RTC capacity per million ton of GH production) and from the **C&I segment** (for greening their captive power requirements) are over and above the 500GW target.
- ✂ **Stimulating Green Financing**
  - ✂ RBI study estimates India's green financing requirement to be at least 2.5% of GDP annually till 2030
  - ✂ 37% increase in IREDA, SECI FY24 budgeted investments at Rs 37,828 crores
  - ✂ RBI's framework for banks to accept green deposits (interest-bearing deposits earmarked for use by banks in green finance projects) to come into effect from Jun'23. It is aimed at developing a green finance ecosystem in India
- ✂ Declaration of trajectory for **Wind RPO** up to 2030 by the Gol
- ✂ 25.4GW of **wind repowering** potential identified by the NIWE
- ✂ **Push towards hybrid, hybrid + storage for RE RTC power**, vs plain vanilla solar auctions conducted earlier
- ✂ Renewable Generation Obligation made mandatory for coal-fired power plants (minimum of 40% of the total power generated at the power plants to be through renewable sources)
- ✂ Development of **UMREPPs** to provide land and transmission to RE developers on plug and play basis, expediting commissioning
- ✂ Green Energy open access rules 2022 reduced limit of Open Access Transaction has been reduced from 1 MW to 100 kW for green energy and obligates discoms to procure and supply green energy to eligible customers
- ✂ **India's first offshore wind tender** expected to be floated soon; may include viability gap funding (VGF) by the central government. Estimated offshore wind potential off the coast of Tamil Nadu and Gujarat is ~70GW.

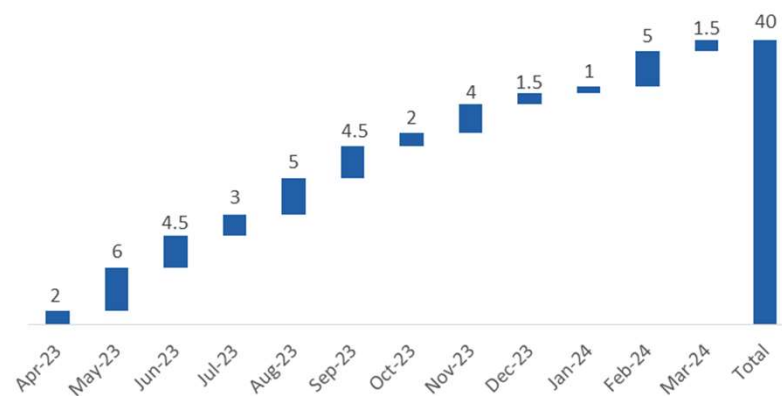
# OPPORTUNITIES FOR THE INDIAN WIND SECTOR ARE IMMENSE

## RENEWABLE ENERGY IMPLEMENTATION AGENCY-WISE BIDDING CALENDAR FOR FY24

Bids for Wind (GW)



Bids for Solar, Hybrid, RTC etc. (GW)



## RENEWABLE PURCHASE OBLIGATION TRAJECTORY NOTIFIED BY THE MoP

Year	Wind RPO	HPO	Other RPO	Total RPO	Storage (on energy basis)
FY23	0.81%	0.35%	23.44%	24.61%	-
FY24	1.60%	0.66%	24.81%	27.08%	1.00%
FY25	2.46%	1.08%	26.37%	29.91%	1.50%
FY26	3.36%	1.48%	28.17%	33.01%	2.00%
FY27	4.29%	1.80%	29.86%	35.95%	2.50%
FY28	5.23%	2.15%	31.43%	38.81%	3.00%
FY29	6.16%	2.51%	32.69%	41.36%	3.50%
FY30	6.94%	2.82%	33.57%	43.33%	4.00%

## OTHER LARGE-SCALE OPPORTUNITIES

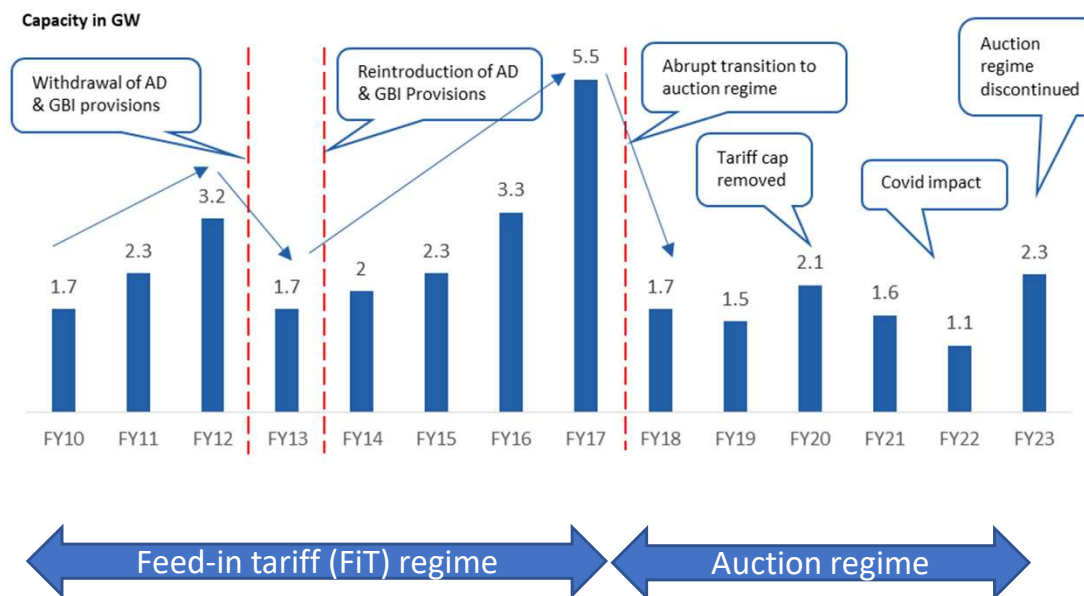
C&I power demand moving towards renewables

>100GW of RE capacity estimated to be set up for India's 2030 Green Hydrogen target

Merchant RE market and RE RTC market are expected to bring in additional demand for wind

# WIND SECTOR IN INDIA IS GAINING STRENGTH AFTER A PERIOD OF MODEST ACTIVITIES

## Wind Power - Installations



- ✓ Impact of the abrupt transition to Auction Regime from FIT Regime seen in wind installations in FY18 to FY 22.
- ✓ Impact of COVID can also be seen in FY 21 & 22.
- ✓ Going forward, 10GW of wind auctions will take place every year, which will result in much higher installations

## Wind Power – Auctions/Bid Invites

Auction	Period	Volume (MW)	Yearly Volumes (MW)
SECI1– SECI3	Feb' 17 – Mar' 18	4050MW	
State Auctions	Feb' 17 – Mar' 18	1500MW	<b>FY18: 5550 MW</b>
SECI4	Apr-18	2000MW	
NTPC	Aug-18	1200MW	
SECI5	Sep-18	1200MW	
Hybrid 1	Dec-18	840MW	
SECI6	Feb-19	1200MW	<b>FY19: 6440 MW</b>
Gujarat	May-19	745MW	
Hybrid 2	May-19	720MW	
SECI7	Jun-19	480MW	
SECI8	Aug-19	440MW	
Hybrid 3	Mar-20	1200MW	<b>FY20: 3585 MW</b>
RTC 1	May-20	400MW	
SECI9	Aug-20	970MW	
SECI10	Mar-21	1200MW	<b>FY21: 2570 MW</b>
RTC 2	Oct-21	2500MW@	
Hybrid 4	Aug-21	1200MW	
SECI11	Sep-21	1200MW	<b>YTD FY22: 4900 MW</b>
SECI12	Jul-22	1200MW	
SECI13	Dec.-22	1200MW	<b>YTD FY23: 2400 MW</b>
SECI14	Auction Pending	1200 MW	<b>YTD FY 24: 1200 MW</b>
<b>Total</b>		<b>26,645 MW</b>	

- ✓ The ~26 GW of auctions conducted in the past 36 months should reflect in capacity additions over FY23 to FY26.
- ✓ In SECI-XIII auctions, the tariff discovered in the range of Rs. 2.90 ~ 3.14 KWh.
- ✓ Government has also announced wind auctions of 10GW p.a. till 2028, which provides a huge potential runway for the sector.
- ✓ The RPO target has been increased to 21% for FY22 for state discoms, up from 17% in FY19.



## IWL - BENEFITTING FROM THE TAILWINDS



## WTG ORDER BOOK – FY23-END

Particulars	Order capacity (MW)
SECI	350
NTPC	350
LOI for 3.3 MW WTG from Adani	501.6
Retail and others	23.1
<b>Total as of FY23-end</b>	<b>1,224.7</b>
Less: supplied	104.0
<b>Net orderbook as at FY23-end</b>	<b>1,120.7</b>

### Orders secured in Q1FY24:

- ✓ NTPC REL: 150MW
- ✓ AB Energia Renewables: 100MW

Execution of NTPC's 150 MW project is progressing well. Execution of NTPC's 200 MW project has also commenced

\* Does not include orders won in Q1FY24

## 3.3MW WTG ATTRACTING SIGNIFICANT INTEREST FROM CUSTOMERS

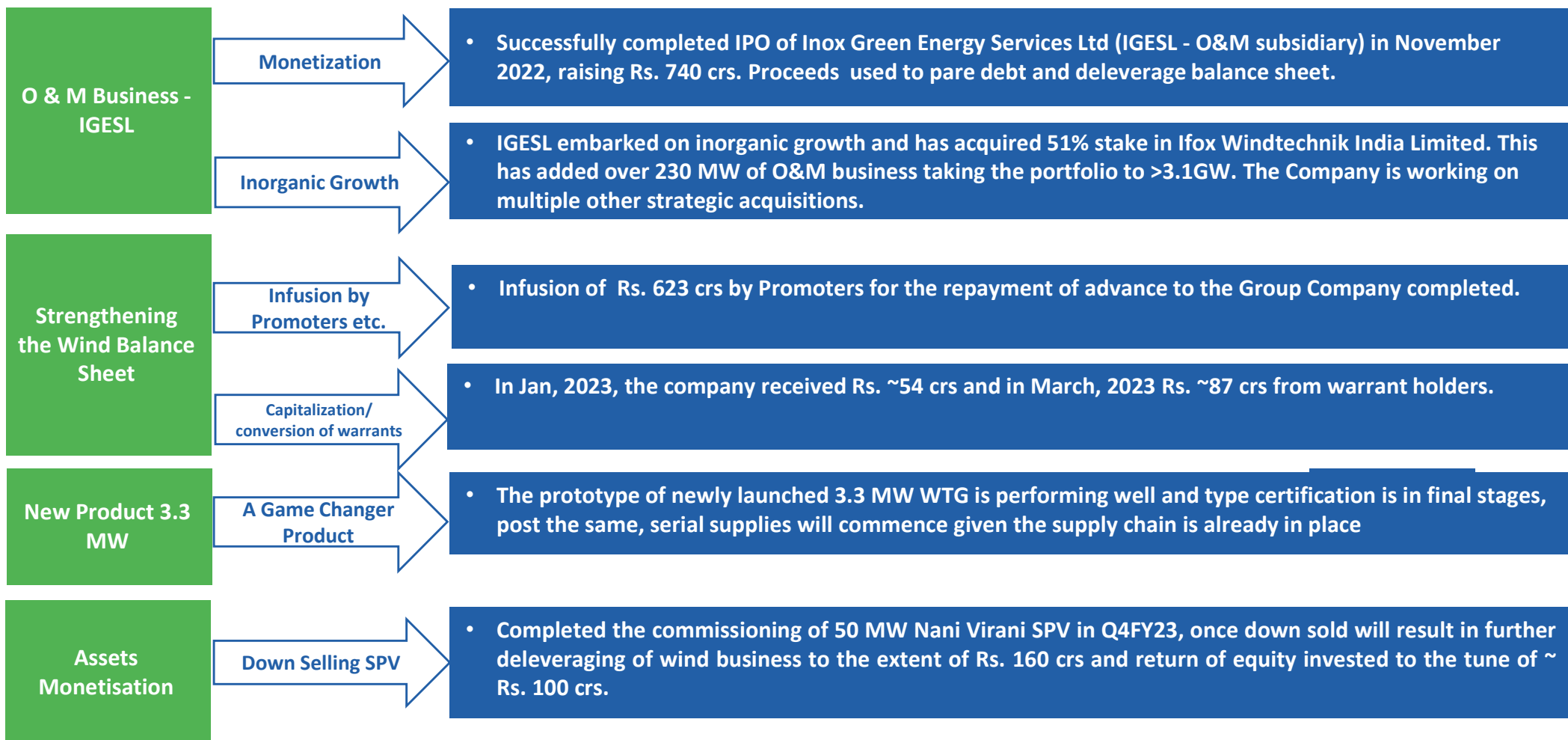
- ✕ The prototype of newly launched 3.3 MW WTG is performing well
- ✕ Type certification is in final stages and expected soon
- ✕ Commercial production and supplies will commence from H2FY24
- ✕ IWL has built its supply chain capabilities in order to ensure smooth manufacturing of 3.3 MW WTGs at Bhuj (Gujarat), Rohika (Gujrat) and Barwani (Madhya Pradesh) plants
- ✕ We are in discussions with multiple PSUs, IPPs and C&I customers for supply of our 3.3 MW WTGs
- ✕ We have already secured order from AB Energia for our 3.3MW WTGs
- ✕ We are aiming to mitigate EPC related risks through the strategy of preferring equipment supply contracts over turn-key contracts



Actual image  
of 3.3 MW  
WTG erected  
at our Gujarat  
site



# STRATEGIC INTERVENTIONS





## IGESL – WIND O&M BUSINESS – STABILITY WITH GROWTH



## IGESL – A STABLE ANNUITY BUSINESS PROPOSITION

**Comprehensive O&M Solutions Provider for WTG and common infrastructure O&M contracts**

**Established track record in the wind energy O&M industry of >10 years**

**Technology driven company with focus on predictive maintenance over reactive maintenance**

**Strong support from sponsor, InoXGFL Group, a ~ US\$ 5 bn m-cap corporate with interest across chemicals and renewables**



**Reliable & Stable Cash Flows through long-term O&M services for wind farm projects**

**Enjoys synergistic benefits being a subsidiary of InoX Wind Ltd**

**Significant Organic and Inorganic Growth Opportunities**

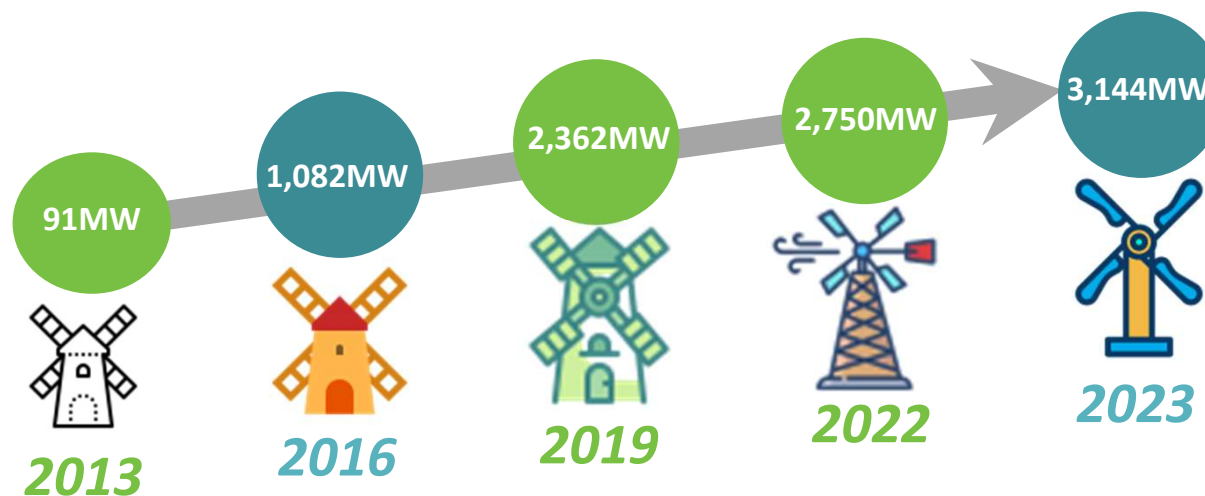
**ESG compliant – ESG report for FY23 is public ([link](#)); independently assured by Ernst & Young**

# Source: Industry Report. Inactive players include turbines supplied by players which do not offer equipment or services as of fiscal 2021

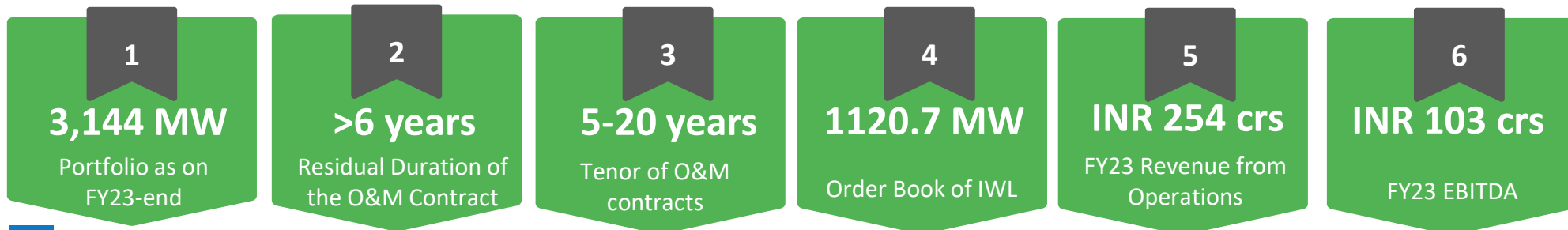
\* As per Crisil report 2,760 MW and InoX updated as on March '23.

# IGESL – PORTFOLIO OF 3,144MW

## O&M Portfolio Growth Trajectory

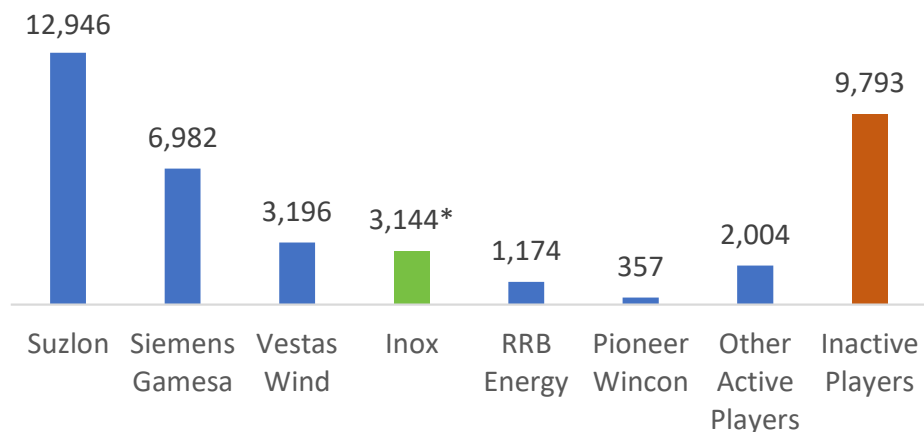


## Key Metrics



# IGESL – O&M BUSINESS POISED FOR GROWTH

## Inorganic growth prospects#



- ✂ O&M business of inactive/stressed players maintaining ~10GW of capacity provides a significant opportunity for IGESL's inorganic growth. Majority of this fleet is across retail customers.
- ✂ Leveraging both company's own and group's existing customer base & relationships
- ✂ The Company plans to add ~1,000MW annually over FY24-26, totaling 3000MWs, through a mix of organic and inorganic growth

## Organic growth prospects

- ✂ Growing portfolio through the entry of new long-term O&M contracts with customers who purchase IWL's WTGs
- ✂ Revision/Reset of Shared Services O&M contracts
- ✂ Value added services

# Source: Industry Report. Inactive players include turbines supplied by players which do not offer equipment or services as of fiscal 2021  
\* As per Crisil report 2,760 MW and Inox updated as on March '23.

# IGESL – GROWTH STRATEGY GOING FORWARD

- ✓ **A. Organic Growth:**
- ✓ The execution of orders by Inox Wind shall lead to a firm addition to the existing O&M fleet of ~ 3GW.
  - ❖ **Pricing Reset:** Pricing of O & M contracts be it shared services or comprehensive are reset at the time of renewal of O & M contracts to increase profitability further.
- ✓ **B. Inorganic Growth:** Inorganic growth driven by:
  - ❖ Acquisition of the O & M business of the turbines supplied by other OEMs:
    - There is as much as ~10 GW of wind generation capacity which is now being maintained by players like distressed OEMs, non OEM aggregators/technocrats who are primarily unorganized and financially weak and majority of this fleet is across retail customers.
    - Customers across the board are looking for a switchover to a strong, credible, renowned and **Indian O & M service provider** and we are sweetly placed to capture this opportunity going forward.

Such acquisition will be done by way of a combination of the following:

- A natural shift over of customers on their own;
- Offering customers free O & M services for a certain period;
- Outright acquiring the business from aggregators





## IGESL – KEY FINANCIALS



# KEY FINANCIALS - AUDITED CONSOLIDATED INCOME STATEMENT

## Inox Green Energy Services Limited

### Statement of Consolidated Audited Financial Results For Quarter and Year Ended 31 March 2023

Rs. Lakhs

Particulars	Quarter Ended			Year Ended	
	31-03-2023	31-12-2022	31-03-2022	31-03-2023	31.03.2022
<b>Income</b>					
a) Revenue from operation (net of taxes)	5,882	7,172	4,507	25,423	17,217
b) Other Income	1,451	2,009	1,544	3,994	1,807
<b>Total Income from operations (net)</b>	<b>7,332</b>	<b>9,180</b>	<b>6,051</b>	<b>29,416</b>	<b>19,024</b>
<b>Expenses</b>					
a) EPC, O&M, Common infrastructure facility expenses	2,552	2,989	1,243	10,161	4,830
b) Purchases of stock-in-trade	755	1,786	2,220	5,256	2,220
c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	(776)	-	(776)
d) Employee benefits expense	748	655	710	2,624	2,166
e) Finance costs	1,251	2,081	1,546	7,098	5,480
f) Depreciation and amortization expense	1,664	1,612	1,076	6,531	5,016
g) Other expenses	1,318	126	131	1,984	558
<b>Total Expenses</b>	<b>8,289</b>	<b>9,249</b>	<b>6,150</b>	<b>33,654</b>	<b>19,494</b>
Less: Expenditure capitalised	351	-	-	351	-
<b>Net Expenditure</b>	<b>7,938</b>	<b>9,249</b>	<b>6,150</b>	<b>33,303</b>	<b>19,494</b>
Share of loss of associates	-	-	-	-	-
<b>Net Expenditure</b>	<b>7,938</b>	<b>9,249</b>	<b>6,150</b>	<b>33,303</b>	<b>19,494</b>
<b>Profit from ordinary activities before tax</b>	<b>(605)</b>	<b>(69)</b>	<b>(99)</b>	<b>(3,887)</b>	<b>(470)</b>
Provision for Taxation	(985)	(538)	97	(1,851)	24
<b>Profit after tax from continuing operations</b>	<b>380</b>	<b>470</b>	<b>(196)</b>	<b>(2,036)</b>	<b>(494)</b>
a) Profit/(Loss) for the period from discontinued operations	-	-	-	-	(10,942)
b) Tax credit from discontinued operations	-	-	-	-	(2,122)
<b>Profit after tax from discontinued operations</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(8,820)</b>
<b>Profit for the period</b>	<b>380</b>	<b>470</b>	<b>(196)</b>	<b>(2,036)</b>	<b>(9,314)</b>
Other Comprehensive Income	32	30	(5)	39	25
Total Comprehensive Income for the period comprising Net Profit/(Loss) for the period & Other Comprehensive Income	<b>411</b>	<b>500</b>	<b>(201)</b>	<b>(1,997)</b>	<b>(9,290)</b>
<b>Earning Before Interest, Tax, Depreciation &amp; Amortization (EBITDA)</b>	<b>2,309</b>	<b>3,625</b>	<b>2,523</b>	<b>9,742</b>	<b>10,027</b>
Paid-up Equity Share Capital (Face value of ₹ 10 each)	29,194	29,194	23,502	29,194	23,502
Reserves excluding revaluation reserves				83,542	57,161
<b>Basic &amp; Diluted Earnings per share for continuing operations (Rs)</b>	<b>0.16</b>	<b>0.19</b>	<b>(0.10)</b>	<b>(0.83)</b>	<b>(0.25)</b>
<b>(Face value of Re 10 each) - Not annualized</b>					
<b>Basic &amp; Diluted Earnings per share for discontinuing operations (Rs)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(4.47)</b>
<b>(Face value of Re 10 each) - Not annualized</b>					

## FINANCIAL HIGHLIGHTS – CONSOLIDATED AUDITED BALANCE SHEET

Particulars	As at	As at	Particulars	As at	As at
	31-Mar-23	31-Mar-22		31-Mar-23	31-Mar
	(Audited)	(Audited)		(Audited)	(Audited)
<b>Assets</b>			<b>EQUITY AND LIABILITIES</b>		
<b>(1) Non-current assets</b>			<b>(1) Equity</b>		
(a) Property, Plant and Equipment	1,08,495	95,297	(a) Equity Share capital	29,194	23,502
(b) Capital work-in-progress	738	13,283	(b) Other Equity	83,542	57,161
(c) Goodwill	1,011	0	(c) Non-Controlling Interest	509	-
(d) Other intangible assets	17	1	<b>Total equity (1)</b>	<b>1,13,246</b>	<b>80,662</b>
(e) Financial Assets					
(i) Investments	-	3,251	<b>Liabilities</b>		
(ii) Other financial assets	47,976	50,958	<b>(2) Non-current liabilities</b>		
(f) Deferred tax assets (Net)	14,288	12,461	(a) Financial Liabilities		
(g) Income tax assets (Net)	1,152	1,641	(i) Borrowings	26,426	31,945
(h) Other non-current assets	796	860	(ii) Other financial liabilities	-	0
			(b) Provisions	196	219
<b>Total Non - Current Assets</b>	<b>1,74,473</b>	<b>1,77,752</b>	(c) Other non-current liabilities	24,182	23,856
			<b>Total Non - Current Liabilities</b>	<b>50,804</b>	<b>56,020</b>
<b>(2) Current assets</b>			<b>(3) Current liabilities</b>		
(a) Inventories	3,099	2,138	(a) Financial Liabilities		
(b) Financial Assets			(i) Borrowings #	33,075	58,472
(i) Investments	-	-	(ii) Trade payables	10,986	8,026
(ii) Trade receivables	9,271	6,805	(iii) Other financial liabilities	2,460	1,828
(iii) Cash and cash equivalents	378	4,472	(b) Other current liabilities	4,986	7,046
(iv) Bank Balances other than (iii) above	4,414	6,565	(c) Provisions	9	9.07
(v) Loans	2,606	3,115	<b>Total Current Liabilities</b>	<b>51,516</b>	<b>75,381</b>
(vi) Other financial assets	7,091	2,222	<b>Total Equity and Liabilities (1+2+3)</b>	<b>2,15,566</b>	<b>2,12,064</b>
(c) Other current assets	14,233	8,996	# Includes Preference Share Capital Rs. 200 crs		
<b>Total Current Assets</b>	<b>41,093</b>	<b>34,312</b>			
<b>Total Assets (1+2)</b>	<b>2,15,566</b>	<b>2,12,064</b>			

## THANK YOU

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