

## Retail Equity Research

### Inox Wind Ltd

### Electric Equipment

**CMP Rs. ₹ 156**
**Rating: Overweight**
**NSE CODE: INOXWIND    BSE CODE: 539083**

The company demonstrated consistent financial strength across FY24, closing December with ₹911.27 crore in sales—up 24% QoQ and 81% YoY. Operating profit rose 20% sequentially to ₹207.10 crore, indicating sustained margin expansion despite rising expenses. Net profit surged to ₹116.65 crore, up 20% QoQ and sharply higher from ₹1.07 crore in Dec-23, driven by higher operating leverage, significantly increased other income (₹68.24 crore), and reduced interest burden. Notably, EBITDA margin improved due to disciplined cost management and scaling efficiencies. The declining interest cost from ₹62.72 crore to ₹36.55 crore signals improved debt management or refinancing. However, tax outgo rose substantially to ₹80.58 crore, implying normalization after past adjustments. Overall, strong top-line growth, operating leverage, and reduced financing costs point to robust business execution and improving return metrics.

#### Company Data

Market Cap (cr)		Rs.	20,917.78
Enterprise Value (cr)		Rs.	20,196.09
Outstanding Shares (cr)			130.42
52 week high		Rs.	262.00
52 week low		Rs.	124.00
1m average volume (lacs)			99.59
Face value		Rs.	10.00
	<b>FY22</b>	<b>FY23</b>	<b>FY24</b>
Sales	624.62	733.01	1743.23
Growth(%)	-12%	17%	138%
EBITDA	-281.67	-258.74	308.91
EBITDA Margin(%)	-45.1%	-35.3%	17.7%
PAT	-480.20	-708.60	-40.42
Growth(%)	-57%	-48%	94%
EPS	-5.4	-5.4	-0.3
P/E	-5.1	-4.3	-420.6
P/B	2.7	1.8	10.0
EV/EBITDA	-17.3	-20.1	65.4
ROE(%)	-53%	-41.4%	-2%
ROCE(%)	-10%	-8.6%	4.0%
ROIC(%)	-8%	-9.0%	4.3%
D/E	2.90	1.41	1.91

#### Robust Financial Growth and Margin Expansion

Inox Wind delivered exceptional Q3 FY25 results with a 96% Y-o-Y revenue surge to ₹994 crores and a record EBITDA of ₹290 crores. PAT rose sharply to ₹112 crores from ₹2 crores last year, reflecting operational efficiency. Credit ratings were upgraded, reflecting strong financial credibility.

#### Operational Momentum and Future Readiness

Despite execution challenges, 189 MW was commissioned in Q3, keeping the company on track for its 800 MW FY25 target. With a robust 3.3 GW order book and guidance for 1,200 MW in FY26, Inox Wind is well-positioned for growth, supported by new manufacturing capacities and hybrid energy ventures.

#### Strategic Expansion into Hybrid and Solar Solutions

The company is expanding into solar manufacturing via Inox Solar and targeting hybrid contracts to diversify revenue streams. Strategic positioning in both wind and solar, alongside competitive tariffs and strong customer relationships, underlines a long-term focus on sustainable, profitable growth.

## Key Highlights

### 1. Comprehensive Wind Energy Solutions Provider

Inox Wind Limited, a part of the Inox Group, is a fully integrated wind energy company in India. It specializes in manufacturing Wind Turbine Generators (WTGs) and provides end-to-end turnkey solutions for Independent Power Producers (IPPs), Utilities, PSUs, Corporates, and Retail Investors. The company's offerings span from wind resource assessment, site acquisition, and infrastructure development to post-commissioning operations and maintenance (O&M) services. This vertically integrated approach allows it to deliver efficient, cost-effective solutions across the wind energy value chain.

### 2. Diverse Product Portfolio and Technological Advancements

The company manufactures a range of wind turbine components such as nacelles, hubs, rotor blade sets, and tubular towers. Its turbine models include the Inox DF 93, DF 100, and DF 113. Currently, it produces 2MW and 3MW WTGs, while a 4MW platform has been licensed and is slated for commercial launch. Inox Wind is one of the few wind Original Equipment Manufacturers (OEMs) in India offering plug-and-play solutions and end-to-end services, making it a preferred partner for turnkey wind energy projects.

### 3. Strategic Manufacturing Footprint and Capacity Expansion

Inox Wind operates four manufacturing plants located in Gujarat, Madhya Pradesh, and Himachal Pradesh, with a total capacity to produce 1,900 MW of nacelles and hubs, 1,600 MW of blades, and 600 MW of towers annually. In FY23, it commissioned a 50 MW SPV project at Nani Virani, which, upon sale, is expected to reduce debt by ₹160 crore and return equity of around ₹100 crore. The manufacturing capacity is further set to expand with the commissioning of the 3.3MW turbine platform in FY24.

### 4. Strong Promoter Backing and Financial Support

Inox Wind benefits from significant support from the broader Inox Group through Inox Wind Energy Limited (IWEL) and Gujarat Fluorochemicals Ltd (GFCL). These entities provide funding support via non-convertible debentures, term loans, and working capital facilities. IWEL holds a 53% equity stake in the company, while the promoter family owns 18.02%, ensuring tight promoter control and financial flexibility. In April 2024, the company received approval for the merger of IWEL with Inox Wind, further consolidating its business operations.

### 5. Robust O&M and Expanding Client Base

The company's O&M arm, Inox Green Energy Services Ltd (IGESL), has an operational portfolio of approximately 10 GW across eight Indian states. Inox Wind plans to add around 1,000 MW annually over FY24–FY26 through a mix of organic and inorganic growth. It has a strong and reputed clientele, including Tata Power, Adani, NTPC, NHPC, PTC India, Oil India Ltd, Continuum, and Malpani Group. The company owns a 61% stake in Inox Green, which is a leading player in India's wind O&M segment with over 3.2 GW under management.

### 6. Healthy Order Book and Future Outlook

In FY24, Inox Wind successfully executed 376 MW of projects, including 129 MW in Q4FY24 alone. Notably, it secured India's largest-ever wind order from CESC for 1,500 MW in February 2024, and a repeat order of 210 MW from Hero Future Energies in April 2024. The total unexecuted order book stands at a strong 2,656 MW. Additionally, the company has entered into a landmark technology agreement for launching 4.X MW turbines, indicating a forward-looking strategy aimed at capturing future growth opportunities. In April 2024, the company also proposed a bonus share issue in the ratio of 3:1, signaling confidence in its financial health and growth prospects.

## Quarterly Financial Consolidated

### Profit and loss account

(Rs Cr)

	Dec-23	Mar-24	Jun-24	Sep-24	Dec-24
Sales	503.45	527.73	638.81	732.24	911.27
Growth(%)	36%	5%	21%	15%	24%
Expenses	410.68	425.53	502.73	559.31	704.17
Operating Profit	92.77	102.20	136.08	172.93	207.10
Growth(%)	92%	10%	33%	27%	20%
Other Income	1.32	20.69	14.92	9.48	68.24
Depreciation	28.05	29.79	41.60	44.35	46.57
Interest	62.72	57.18	58.18	44.27	36.55
Profit before tax	3.32	35.92	51.22	93.79	192.22
Tax	1.51	-0.79	0.84	3.59	80.58
Net profit	1.07	46.54	51.82	92.89	116.65
Growth(%)	2354%	98%	10%	44%	20%

## Financial Consolidated

### Profit & Loss

(Rs Cr)

	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales	760.19	710.73	624.62	733.01	1,743.23
Growth(%)	-47%	-7%	-12%	17%	138%
Expenses	876.57	901.96	925.09	926.50	1,474.58
Operating Profit	-116.38	-191.23	-300.47	-193.49	268.65
Growth(%)	-178%	-64%	-57%	36%	239%
Other Income	10.64	75.65	18.80	-65.25	40.26
Depreciation	80.30	88.03	88.67	98.41	109.95
Interest	243.77	255.48	282.69	326.96	248.27
Profit before tax	-429.81	-459.09	-653.03	-684.11	-49.31
Tax	-150.41	-151.97	-170.41	28.32	3.60
Net profit	-279.71	-305.56	-480.20	-708.60	-40.42
Growth(%)	-607%	-9%	-57%	-48%	94%

Balance Sheet

(Rs Cr)

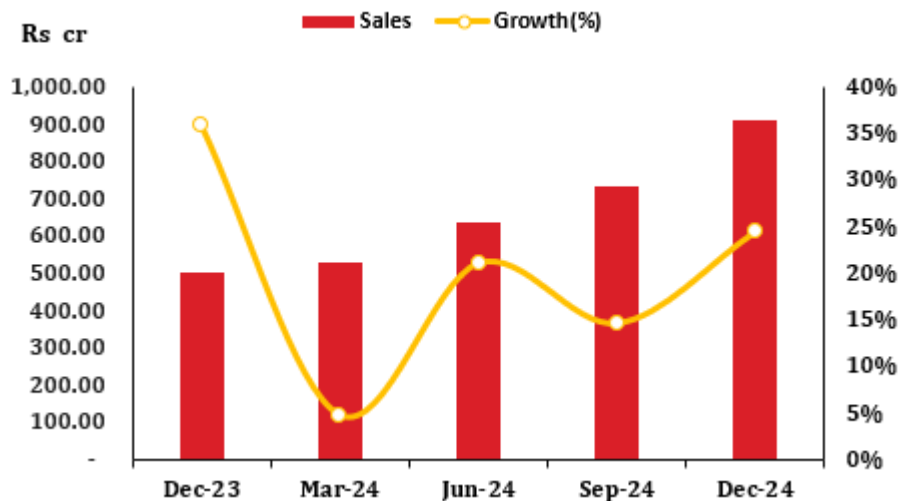
Report Date	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Equity Share Capital	221.92	221.92	221.92	325.95	325.95
Reserves	1,463.72	1,094.03	688.23	1,387.11	1,371.41
Borrowings	1,120.71	1,566.38	2,637.49	2,416.12	3,248.47
Other Liabilities	2,485.23	2,582.08	2,416.95	1,911.51	1,848.97
<b>Total</b>	<b>5,291.58</b>	<b>5,464.41</b>	<b>5,964.59</b>	<b>6,040.69</b>	<b>6,794.80</b>
Net Block	1,227.77	1,191.44	1,343.36	1,618.56	1,812.52
Capital Work in Progress	33.36	230.29	148.35	123.22	266.22
Investments	93.99	32.51	32.51	0.80	-
Other Assets	3,936.46	4,010.17	4,440.37	4,298.11	4,716.06
<b>Total</b>	<b>5,291.58</b>	<b>5,464.41</b>	<b>5,964.59</b>	<b>6,040.69</b>	<b>6,794.80</b>

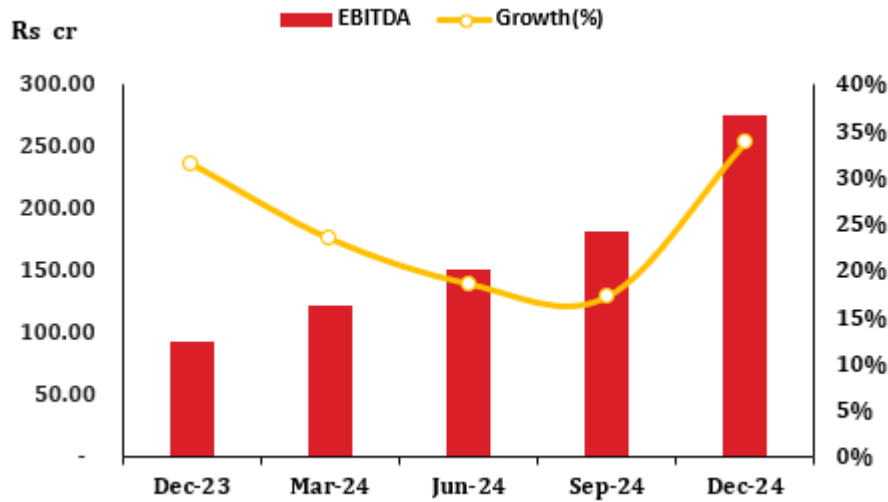
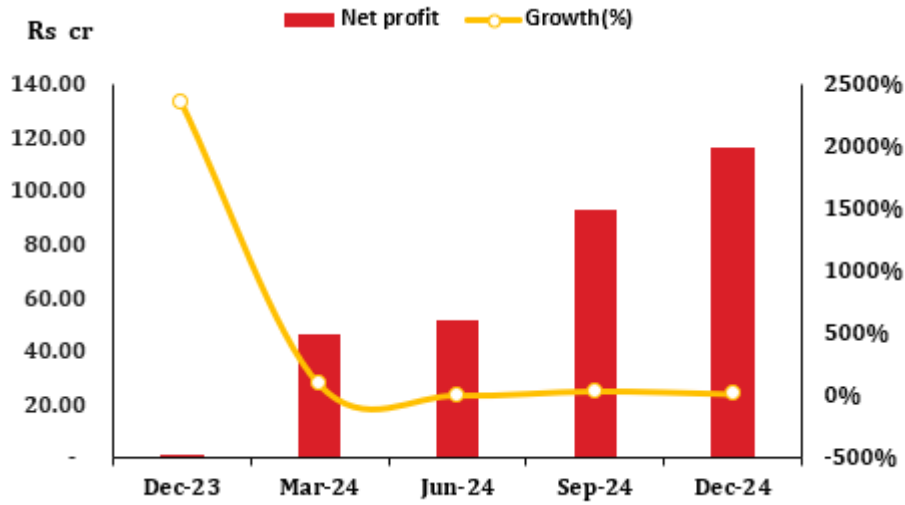
Cash Flow

(Rs Cr)

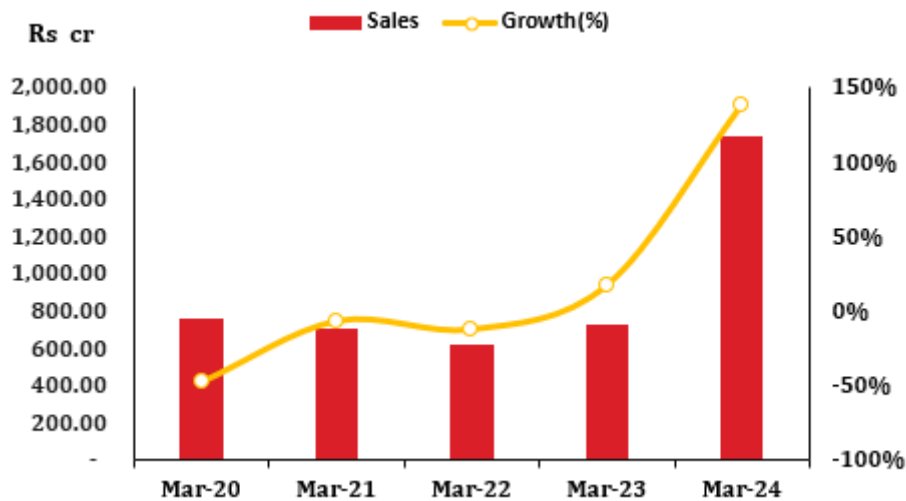
	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Cash from Operating Activity	732.94	-111.56	-474.76	-1100.01	-359.77
Cash from Investing Activity	-345.74	-48.67	-73.67	230.6	-527.66
Cash from Financing Activity	-385.15	282.13	486.05	824.03	877.98
Net Cash Flow	2.05	121.89	-62.38	-45.38	-9.45

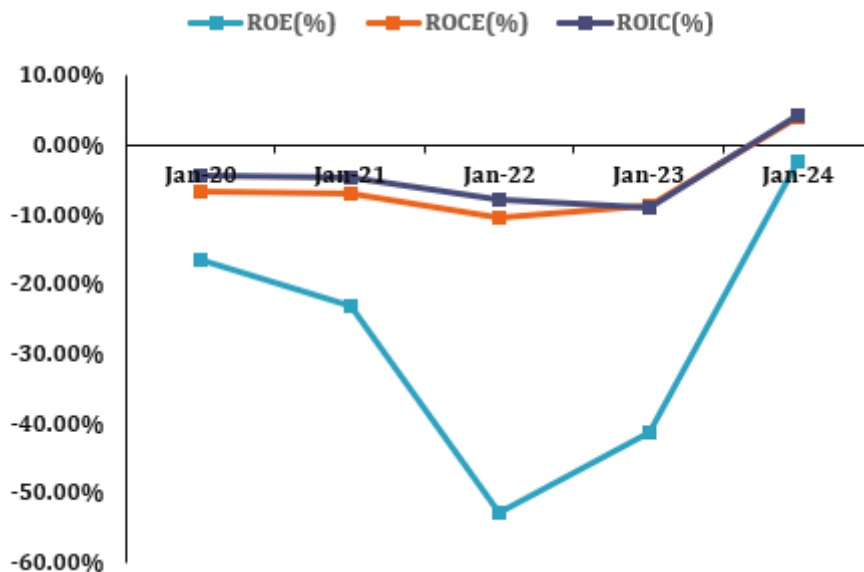
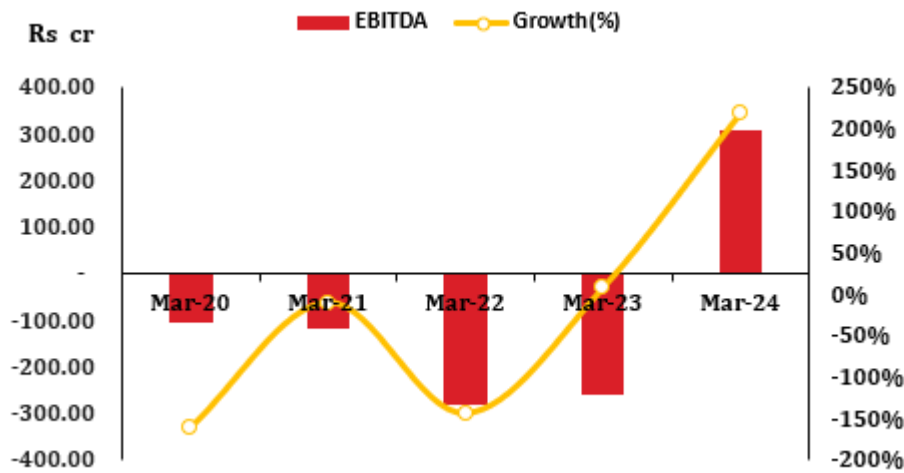
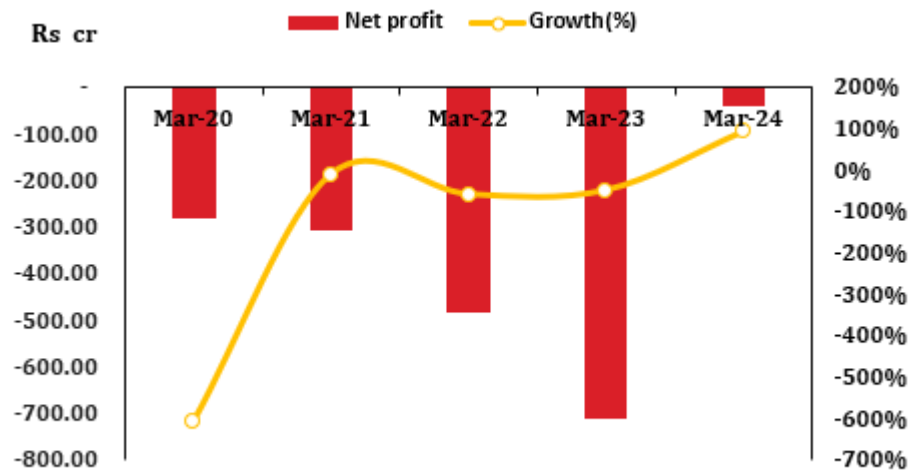
Key Metrics: Quarterly





### Key Metrics: Yearly





**Key Ratio:**

Leverage Ratios	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
D/E	0.66	1.19	2.90	1.41	1.91
Debt/Assets	0.21	0.29	0.44	0.40	0.48
Debt/Ebitda	-10.60	-13.55	-9.36	-9.34	10.52
Debt/Capital Ratio	40%	54%	74%	59%	66%
Cash flow/Debt	0.65	-0.07	-0.18	-0.46	-0.11
Interest coverage ratio	-0.76	-0.80	-1.31	-1.09	0.80
Sales Change	-47%	-7%	-12%	17%	138%
Ebit Change	-275%	-9%	-82%	4%	156%
Operating Leverage	3.78	9.89	4.71	2.05	1.73
Financial Leverage	3.14	4.15	6.55	3.53	4.00

Efficiency ratios					
Receivable days	635	538	627	412	238
Receivable turnover	0.57	0.68	0.58	0.89	1.53
Inventory days	0.00	0.00	0.00	0.00	0.00
Inventory turnover	1	1	1	1	1
Net Fixed assets turnover	0.62	0.60	0.46	0.45	0.96
Sales/capital employed	0.27	0.25	0.18	0.18	0.35
Total Asset Turnover	0.14	0.13	0.10	0.12	0.26

Profitability ratios					
Ebitda	-105.74	-115.58	-281.67	-258.74	308.91
Ebitda margin	-14%	-16%	-45%	-35%	18%
Gross Profit	212.26	106.74	99.11	72.62	499.97
Gross Profit Margin	28%	15%	16%	10%	29%
EBIT	-186.04	-203.61	-370.34	-357.15	198.96
EBIT Margin	-24%	-29%	-59%	-49%	11%
ROE	-17%	-23%	-53%	-41%	-2%
Net profit margin	-37%	-43%	-77%	-97%	-2%
EPS	-3.15	-3.44	-5.41	-5.43	-0.31
DU Pont ROE	-17%	-23%	-53%	-41%	-2%
Net Profit Margin	-37%	-43%	-77%	-97%	-2%
Sales/Total assets	0.14	0.13	0.10	0.12	0.26
Financial Leverage	3.14	4.15	6.55	3.53	4.00
DU PONT ROA	-5%	-6%	-8%	-12%	-1%
Net Profit Margin	-37%	-43%	-77%	-97%	-2%
Sales/Total assets	0.14	0.13	0.10	0.12	0.26

Capital Allocation Ratios	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
ROCE	-2%	-5%	-6%	-8%	3%
EBIT Margin	-24%	-29%	-59%	-49%	11%
Sales/cap employed	0.27	0.25	0.18	0.18	0.35
NOPAT	-120.94	-136.21	-273.70	-371.93	213.49
Capital employed	2806.35	2882.33	3547.64	4129.18	4945.83
ROIC	-4%	-5%	-8%	-9%	4%

Valuation Ratios					
Price/Earnings	-1.46	-5.07	-5.12	-4.29	-420.62
Price/Book	0.24	1.18	2.70	1.78	10.02
Marketcap	408.34	1,549.04	2,458.93	3,043.07	17,001.55
Enterprise Value	1,367.95	2,873.06	4,873.61	5,189.01	20,196.09
EV/EBITDA	-12.94	-24.86	-17.30	-20.05	65.38



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