INOX WIND

COMPANY UPDATE

KEY DATA

Rating	**BUY**
Sector relative	Outperformer
Price (INR)	145
12 month price target (INR)	190
52 Week High/Low	258/128
Market cap (INR bn/USD bn)	243/2.8
Free float (%)	44.0
Avg. daily value traded (INR mn)	1,423.9

SHAREHOLDING PATTERN

	Jun-25	Mar-25	Dec-24
Promoter	44.18%	48.27%	48.27%
FII	13.78%	15.68%	15.68%
DII	9.12%	9.44%	9.44%
Pledge	0.82%	1.73%	1.73%

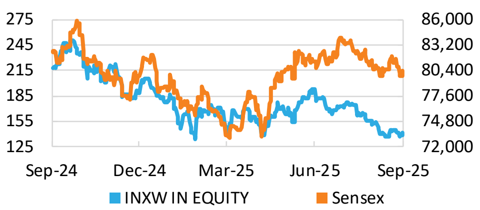
FINANCIALS (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Revenue	17,463	35,572	57,408	94,208
EBITDA	2,619	7,572	10,565	17,384
Adjusted profit	(187)	4,617	7,931	11,169
Diluted EPS (INR)	(0.5)	2.8	4.6	6.5
EPS growth (%)	(90.7)	nm	61.4	40.8
RoAE (%)	(1.4)	11.4	13.1	14.6
P/E (x)	nm	48.2	29.9	21.2
EV/EBITDA (x)	75.9	25.2	14.7	8.6
Dividend yield (%)	0	0	0	0

CHANGE IN ESTIMATES

	Revised estimates		% Revision	
Year to March	FY26E	FY27E	FY26E	FY27E
Revenue	57,408	94,208	0%	0%
EBITDA	10,565	17,384	0%	0%
Adjusted profit	7.931	11,169	0%	0%
Diluted EPS (INR)	4.6	6.5	0%	0%

PRICE PERFORMANCE



Wind powerhouse

The INOXGFL Group has undergone meaningful restructuring with: i) merger of IWEL into IWL-WTG business; ii) a rights issue aimed at balance sheet deleveraging; and iii) a calibrated capacity expansion in wind. Concurrently, INOX Green (O&M) has forayed into solar O&M while IRSL reinforces its manufacturing/EPC capabilities—collectively positioning the group as a leaner and integrated RE platform.

In the note, we outline all recent strategic developments and KTAs from the group's recent conference call (post-lifting of restrictions tied to the rights issue and related corporate actions). We foresee revenue visibility till FY27 backed by its 3.1GW OB and retain 'BUY' with a TP of INR190 (unchanged) at 30x FY27E WTG EPS + DCF of O&M (IGEL).

Key highlights and growth outlook

INOX Wind (IWL) — Wind WTG, equipment supply

IWL benefits from MNRE's ALMM notification w.e.f. July 31, 2025, which is likely to boost orders for domestic WTG supplier players and reduce import reliance while strengthening the competitive positioning of domestic players by levelling the playing field. The company has eliminated non-convertible redeemable preference shares (NCRPS) and promoter debt (see details in our SotP valuation). *Execution guidance remains strong at 1.2GW/2GW for FY26E/27E*, with ~30–35% likely in H1FY26 (we are conservatively baking in 1.1GW/1.8GW in FY26E/27E). *Margin guidance has been raised to 18–19%* from 17–18% previously. IWL's 3.1GW order book provides about two years of execution visibility, well diversified across customers with a balanced mix of turnkey and equipment-supply contracts. Working capital is likely to improve to ~120 days while *GST cut from 18% to 5% could be an added tailwind—lowering wind costs/tariffs and indirectly benefit wind OEMs.* Moreover, IWL plans to incur ~INR1–1.5bn capex for its blade facility in South India.

INOX Green Energy Services (IGESL)—O&M business

INOX Green has expanded into solar O&M, taking its portfolio to 5.3GW across wind and solar, with management targeting 17GW by FY27 (with 50%-plus wind). It has also invested in a 2GW special-situation asset, with net margin accruing as other income (NCLT approval for consolidation expected in 2–3 quarters). Meanwhile, its substation business (Size: gross block of INR10bn) is being demerged into IRSL (NCLT approval pending), transforming IGESL into an asset-light O&M player—driving higher RoE/RoCE.

INOX Renewable Solutions (IRSL)—EPC, substation and transformers

IRSL has begun manufacturing transformers for captive use, launched crane services at project sites and plans to integrate IGESL's substation business (NCLT approval pending). The company recently raised INR1.75bn at an INR74bn valuation and is aiming for a public listing within two–three quarters post-approval. These steps expand IRSL's manufacturing and service capabilities, strengthening its role in the renewable energy ecosystem.

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Financial Statements

Income Statement (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Total operating income	17,463	35,572	57,408	94,208
Energy Cost	12,109	22,454	36,741	60,764
Employee costs	1,094	1,698	2,208	2,870
Other expenses	1,641	3,848	7,894	13,189
EBITDA	2,619	7,572	10,565	17,384
Depreciation	1,127	1,823	2,349	2,392
Less: Interest expense	2,399	1,690	1,138	1,703
Add: Other income	617	1,444	1,588	1,747
Profit before tax	(311)	5,528	8,666	15,036
Prov for tax	0	1,018	542	3,619
Less: Other adj	(137)	(135)	0	0
Reported profit	(323)	4,482	7,931	11,169
Less: Excp.item (net)	137	135	0	0
Adjusted profit	(187)	4,617	7,931	11,169
Diluted shares o/s	391	1,624	1,728	1,728
Adjusted diluted EPS	(0.5)	2.8	4.6	6.5
DPS (INR)	0	0	0	0
Tax rate (%)	0	18.4	6.3	24.1

Balance Sheet (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Share capital	3,910	16,241	17,282	17,282
Reserves	24,174	34,226	53,616	64,785
Shareholders funds	28,084	50,468	70,898	82,068
Minority interest	4,943	5,592	5,786	6,034
Borrowings	20,668	14,664	14,664	14,664
Trade payables	6,055	10,654	12,079	19,977
Other liabs & prov	6,820	5,420	5,421	5,421
Total liabilities	67,574	87,951	1,10,001	1,29,316
Net block	15,246	19,804	17,955	16,063
Intangible assets	2,719	2,441	2,441	2,441
Capital WIP	3,041	2,961	2,961	2,961
Total fixed assets	21,006	25,206	23,357	21,465
Non current inv	0	2,648	2,648	2,648
Cash/cash equivalent	541	2,129	38,113	43,753
Sundry debtors	11,373	26,878	14,155	21,939
Loans & advances	6,935	4,719	4,719	4,719
Other assets	25,848	24,278	24,916	32,699
Total assets	67,574	87,951	1,10,001	1,29,316

Important Ratios (%)

Year to March	FY24A	FY25A	FY26E	FY27E
COGS (% of rev)	69.3	63.1	64.0	64.5
Employee cost (% of rev)	6.3	4.8	3.8	3.0
Other exp (% of rev)	9.4	10.8	13.8	14.0
EBITDA margin (%)	15.0	21.3	18.4	18.5
Net profit margin (%)	(1.1)	13.0	13.8	11.9
Revenue growth (% YoY)	137.0	103.7	61.4	64.1
EBITDA growth (% YoY)	nm	189.1	39.5	64.5
Adj. profit growth (%)	(97.2)	nm	71.8	40.8

Free Cash Flow (INR mn)

Year to March	FY24A	FY25A	FY26E	FY27E
Reported profit	(482)	4,376	8,666	15,036
Add: Depreciation	1,127	1,823	2,349	2,392
Interest (net of tax)	91	1,479	(450)	(44)
Others	2,368	1,994	0	0
Less: Changes in WC	(6,172)	(8,228)	13,511	(7,669)
Operating cash flow	(3,664)	1,380	23,534	6,097
Less: Capex	5,147	6,205	500	500
Free cash flow	(8,812)	(4,825)	23,034	5,597

Assumptions (%)

Year to March	FY24A	FY25A	FY26E	FY27E
GDP (YoY %)	5.5	6.3	6.3	6.3
Repo rate (%)	6.0	5.3	5.3	5.3
USD/INR (average)	84.0	82.0	82.0	82.0
Execution (MW)	372.0	705.0	1,100.0	1,800.0
Rev growth (% YoY)	137.0	103.7	61.4	64.1
Gross margin (% YoY)	30.7	36.9	36.0	35.5
EBITDA margin (% YoY)	15.0	21.3	18.4	18.5
Tax rate (%)	25.0	25.0	25.0	25.0
Capex (INR mn)	5,147.3	6,204.7	500.0	500.0

Key Ratios

Year to March	FY24A	FY25A	FY26E	FY27E
RoE (%)	(1.4)	11.4	13.1	14.6
RoCE (%)	4.2	11.6	12.1	17.2
Inventory days	358	211	137	108
Receivable days	205	196	130	70
Payable days	184	136	113	96
Working cap (% sales)	155.0	102.0	39.7	32.3
Gross debt/equity (x)	0.6	0.3	0.2	0.2
Net debt/equity (x)	0.6	0.2	(0.3)	(0.3)
Interest coverage (x)	0.6	3.4	7.2	8.8

Valuation Metrics

Year to March	FY24A	FY25A	FY26E	FY27E
Diluted P/E (x)	nm	48.2	29.9	21.2
Price/BV (x)	1.9	4.4	3.3	2.9
EV/EBITDA (x)	75.9	25.2	14.7	8.6
Dividend yield (%)	0	0	0	0

Source: Company and Nuvama estimates

Valuation Drivers

Year to March	FY24A	FY25A	FY26E	FY27E
EPS growth (%)	(90.7)	nm	61.4	40.8
RoE (%)	(1.4)	11.4	13.1	14.6
EBITDA growth (%)	nm	189.1	39.5	64.5
Payout ratio (%)	nm	0	0	0

Amalgamation of IWEL and IWL

The merger of INOX Wind Energy Limited (IWEL) into INOX Wind Limited (IWL) was a strategic step aimed at simplifying the group's complex holding structure, removing the overhang of promoter funding (through NCRPS) and aligning shareholder interests by bringing all equity ownership directly under the listed operating company.

- **Swap ratio adjustment**: The original approved swap ratio was 10 IWEL shares: 158 IWL shares. After IWL announced a 3:1 bonus issue in Apr-24, the effective swap ratio recalibrated to 10: 632, ensuring IWEL shareholders received proportionately higher IWL shares (see table below for detailed calculation)

Exhibit 1: Share count calculation for amalgamation of IWEL and IWL

Sr no.	Particulars	No of shares in mn	Holding (%)
1	IWEL shares	12	
2	Swap Ratio (x)	632	
3	**IWL shares to be issued as per swap ratio**	**761.4**	
3a	- Promoters	529.2	70%
3b	- Public	232.2	30%
4	**Current no. of shares of IWL**	**1303.8**	
4a	- IWEL	441.1	34%
4b	- Other promoter entities	188.3	14%
4c	- public	674.4	52%
5	**Post merger no. of shares of IWL (4+3-4a)**	**1624.1**	
5a	- IWEL	0	
5b	- Other promoter entities (3a+4b)	717.5	44%
5c	- public (3b+4c)	906.6	56%

Source: Company, Nuvama Research

- **Share issuance to IWEL holders**: On this basis, IWL issued 761mn new shares to IWEL shareholders, of which ~529mn shares went to promoters and ~232mn shares to public shareholders, integrating IWEL ownership fully into IWL.

- **Shift in shareholding pattern**: Post-merger, IWL's total outstanding shares expanded from 1,304mn to 1,624mn. The promoter stake consolidated at 44% (versus a split earlier between IWEL and promoter entities) while the public stake increased to 56%, improving liquidity and free float.

- **EPS versus debt trade-off**: *The increase in share count led to ~25% EPS dilution on forward estimates*. However, this was *counter-balanced by the removal of ~INR20bn of non-convertible preference shares* (NCRPS, carrying 0.01% coupon) that IWEL had earlier infused. The extinguishment of this liability meaningfully reduced promoter debt overhang.

- **SotP improvement:** The promoter funding had been a major drag on valuations (valued at –INR22/share in Q3FY25). **Post-merger, this burden has been reduced, cushioning much of the dilution impact on fair value,** which has now been completely eliminated in our SotP (*see SotP below exhibits 2, 3 and 4 for the change*)

- **Strategic rationale:** The amalgamation eliminated the holding company discount attached to IWEL, collapsed a two-tier structure into a single listed entity and reduced leverage. We believe the cleaner structure also positions IWL better for future capital raising and broader investor participation.

  Takeaway: *While the merger led to near-term EPS dilution, it has significantly strengthened IWL's balance sheet as the NCPRS and promoter funds have been eliminated from the books.*

Exhibit 2: SotP post-Q3FY25 – promoter funds reduced SotP by INR22/share

Particular	Value (INR mn)	Multiple (x)	Stake	Value per share (INR)
FY27E PAT- WTG	9,942	30	100%	229
Less: Promoter funds	29,300			-22
Total				**206**
O&M (IGEL) - DCF			**56%**	**16**
Total				**223**
CMP				168
Upside /(Downside)				**32%**

Source: Nuvama Research

Exhibit 3: SotP post- merger – promoter funds reduced SotP by ~INR5/share

Particular	Value (INR mn)	Multiple (x)	Stake	Value per share (INR)
FY27E PAT- WTG	11,900	30	100%	220
Less: Promoter funds	5,200			5
Total				**215**
O&M (IGEL) - DCF			**56%**	**22**
Total				**236**
CMP				195
Upside /(Downside)				**21%**

Source: Nuvama Research

Exhibit 4: SotP snapshot post-Q1FY26 – Promoter funds reduced to 0

Particular	Value (INR mn)	Multiple (x)	Stake	Value per share (INR)
FY27E PAT- WTG	9,864	30	100%	171
Less: Promoter funds	0		Reduced to 0	0
Total				**171**
O&M (IGEL) - DCF			**56%**	**19**
Total				**190**
CMP				138
Upside /(Downside)				**38%**

Source: Nuvama Research

Changes post-rights issue

Rights issue overview

- **Size and pricing**: Issued 1,041 million equity shares at INR120 each, raising ~ INR124.9bn.
- The pricing implied ~27% discount to the prevailing market price at the time the issue opened on August 21, 2025 (trading at INR165–170/share before the announcement).

Entitlement terms and timeline

- **Entitlement ratio**: Five new shares for every 78 held as of July 29, 2025.
- **Timeline**: Opened on August 6 and closed on August 20 with the allotment on August 21 and crediting of shares on August 22 while trading began on August 25, 2025.

Completion and subscription

- The issue was fully subscribed with 2.2x subscription as of closure on August 20, 2025 and successfully allotted — This strong demand reflected investor confidence.

Equity base expansion

- Paid-up equity capital increased from ~16,240 million shares to 17,280 million shares.
- This is an addition of ~1,040 million shares, raising total outstanding base by ~6.5%.

Use of proceeds (~INR124,933mn)

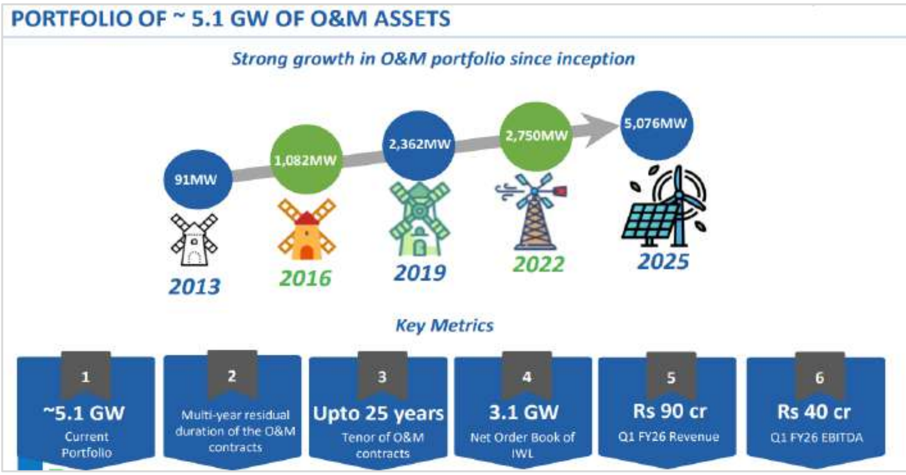
- Repayment of promoter NCRPS: ~INR5,600mn
- Prepayment of company borrowings: ~INR1,590mn
- Support to IRSL (EPC arm): ~INR2,500mn
- General corporate purposes: ~INR2,740mn

Changes in IGESL and IRSL

INOX Green Energy Services (IGESL)

- **Expansion into Solar O&M** – The company has broadened its scope beyond wind, entering solar O&M with 1.8GWp under management, taking its total O&M portfolio to 5.3GW. This diversification reduces dependency on wind and positions INOX Green as a more comprehensive renewable services provider.
- **Ambitious growth pipeline** – Management has set a target to scale up O&M capacity to 17GW by FY27 with wind continuing to dominate while solar is likely to steadily contribute, giving better revenue visibility and growth momentum.
- **Special situation investment** – INOX Green has strategically invested in an asset controlling 2GW of portfolio capacity. Once NCLT approval is received, the income stream will begin reflecting in the P&L (expected within two–three quarters). Currently, net margin of those assets is factored in other income along with other value added services.
- **Structural shift via demerger** – The proposed demerger of the substation business from INOX Green, followed by its merger into IRSL, received stock exchange clearance. Post-NCLT approval (in two–three quarters), INOX Green will become asset-light, leading to structurally higher RoE and RoCE.
- **Business model evolution** – Over the last few quarters, INOX Green has shifted from being a wind-centric, asset-heavy O&M company to an asset-light, diversified service platform spanning wind and solar while securing incremental earnings visibility through investments.

Exhibit 5: INOX Green – Optimistic future growth story for company



Source: Company Q1FY26 PPT

Exhibit 6: IGESL – Scaling up portfolio over next two years

IGESL targets a portfolio of 10 GW in the next 2 years through a mix of organic and inorganic growth

Inorganic growth opportunities

- **Portfolio acquisitions:** O&M business of inactive/stressed players maintaining ~10 GW of capacity provides a significant opportunity for IGESL's inorganic growth. Majority of this fleet is across retail customers. #
- **Customer acquisitions:** Customers across the board are looking for a switchover to a strong, credible, renowned and Indian O&M service provider. At IGESL, we are well placed to capture this opportunity going forward.

Organic growth opportunities

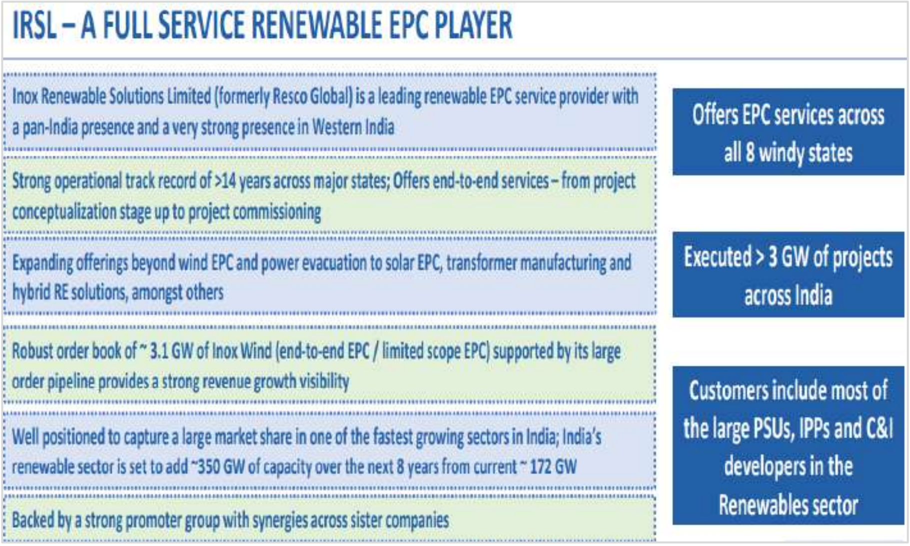
- Growing the portfolio through new long-term O&M contracts with customers purchasing IWL's WTGs – IWL's order book of ~ 3.1 GW provides a very strong visibility.
- Group's foray into solar to add large scale solar project O&M to IGESL's portfolio.
- O&M contracts from group IPP platform, which targets > 3 GW of installed capacity, to add to the growing portfolio.
- Revision/Reset of shared services / comprehensive O&M contracts.

Source: Company Q1FY26 PPT

INOX Renewable Solutions (IRSL)

- **Transformer manufacturing commencement** – IRSL has operationalised a transformer-manufacturing unit in Q1FY26, primarily for captive use in-group projects. This backward integration strengthens supply security, reduces costs and enhances execution timelines.
- **Entry into crane services** – The company has diversified into crane services**,** a critical input for wind EPC. With the first few cranes already deployed at project sites in Q1FY26, this improves project efficiency and reduces dependence on third-party rentals.
- **Substation business integration** – With regulatory 'no-objection' received, the substation business of INOX Green will be merged into IRSL post-NCLT approval (in 2–3 quarters). This will consolidate EPC and infra services under one roof, creating operational synergies and sharper business focus.
- **Capital raising and valuation** – IRSL successfully raised INR1.75bn at an enterprise valuation of INR74bn**,** underscoring investor confidence in its EPC-led growth model. This capital will support scaling of manufacturing and services.
- **Planned Listing in 2–3 quarters** – Following NCLT approval, IRSL is likely to list independently (post-demerger). This will unlock shareholder value and provide direct exposure to a pure-play renewable EPC + services platform, strengthening the group's capital market presence.

Exhibit 7: IRSL poised to benefit from INOX Wind's strong order book pipeline



Source: Company Q1FY26 PPT

Our view

Given the restructuring is complete and most businesses consolidated under the INOX GFL umbrella, the Group has repositioned itself as a **vertically integrated clean energy platform**. INOX Wind leads turbine manufacturing, INOX Green anchors O&M services and INOX Renewable Solutions manages EPC and transmission infra while the solar arm expands into modules and cells. The group's move into storage further enables it to participate across the spectrum from plain vanilla wind projects to complex FDRE and RTC solutions, creating strong synergies and positioning **INOX as a one-stop solution provider across the renewable value chain** complemented by INOXGFL's chemical supplies for EV and BESS applications as well.

Furthermore, with the 4MW series prototype in place and commercial launch slated for Q4FY26 with supplies beginning in H1FY27, the company is well positioned for its next leg of growth.

Looking ahead, the IPP platform, solar manufacturing, and IRSL (Resco) businesses are anticipated to add synergistic value to the group. Combined with the integrated structure, this enhances visibility, strengthens the balance sheet, and provides multiple rerating levers as India transitions into its multi-GW clean energy growth cycle. ***We foresee INOX GFL Group RE business evolving from a conventional turbine OEM to a strategic clean energy platform play, well aligned to harness India's next phase of renewable growth.***

Changes in industry dynamics

MNRE's ALMM for wind – an explainer

- **MNRE has mandated domestic sourcing of key wind turbine components** w.e.f July 31, 2025 (blades, towers, gearbox, generator, bearings), which strengthens the case for integrated OEMs such as INOX Wind by ensuring a steady demand base and reducing reliance on imports.
- **OEMs to be required to set up R&D centres, data centres and servers within India**, reinforcing cybersecurity and local technology development. INOX's domestic presence positions it well compared with global peers dependent on overseas facilities.
- **The amendment will not apply to projects already bid or to be commissioned within 18 months** (until Jul-25), providing continuity to existing pipelines while ensuring future demand flows to domestic players.
- **MNRE has exempted new turbine models from ALMM compliance for up to 800MW** or two years, whichever is earlier. This support gives Inox Wind the headroom to launch its 4.5MW series in due course. Furthermore, the exemption provides flexibility for developers to use imported turbines (not yet on ALMM) up to this limit, thereby easing domestic supply bottlenecks while promoting innovation.
- **The policy aligns with the government's 'Atmanirbhar Bharat' and 'Make in India' agenda**, effectively tilting the competitive landscape towards domestic manufacturers in upcoming auctions.
- Restriction on low-cost imports is likely to narrow pricing differentials, which **should support margin recovery for INOX Wind** and improve overall sector economics as highlighted by management.
- Taken together, ALMM-II provides greater visibility on order inflows, pricing stability and long-term growth tailwinds for Indian OEMs — **INOX Wind is poised to gain as a key beneficiary of this.**

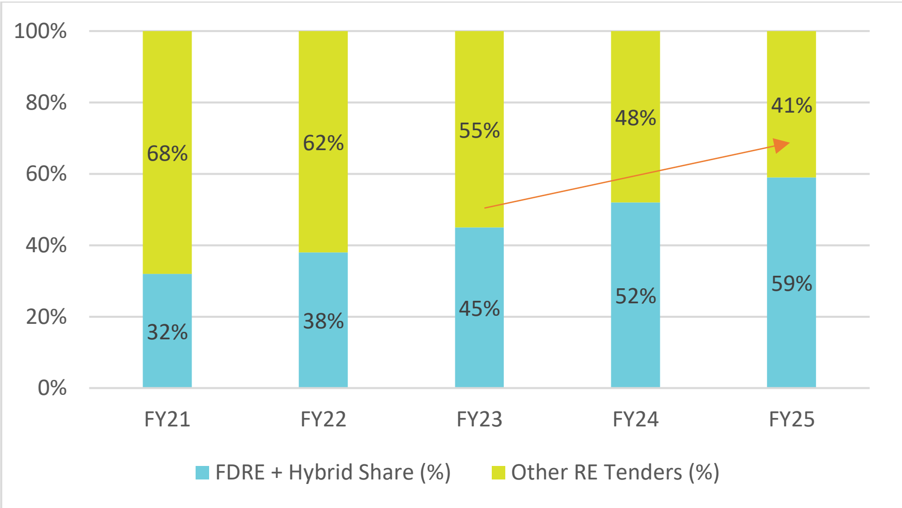
Shift in trend from plain vanilla wind to FDRE

- FDRE is increasingly improving grid utilisation and stability by enabling round-the-clock (RTC) renewable supply, gradually displacing conventional base load in select regions.
- Auction tariffs at ~INR4.5/unit for FDRE are higher than plain vanilla wind (~INR3.6–4), yet developers are opting for FDRE given the higher PLFs and lower curtailment risk entailed and no problem of intermittency as seen in pure vanilla wind. Discoms too prefer FDRE solutions as supply can be targeted during peak hours (four hour discharge cycle being prominently tendered) or RTC (older load curve matching tenders)
- The shift is reshaping demand — as seen in FY25, hybrids and FDRE made up ~60% of tendered capacity (~25GW out of ~42GW RE tendered), versus negligible levels three years ago.
- C&I consumers are favouring FDRE (RTC) as it offers price certainty and carbon footprint reduction without relying on costly storage alone and provides price arbitrage w.r.t. grid based / merchant power.
- For OEMs such as INOX Wind, FDRE structures create a larger turbine requirement per MW awarded, translating into deeper equipment demand.

Tendering pipeline and outlook

- India's NEP projects ~80 GW wind capacity addition in seven–eight years, implying a market opportunity of INR6tn for OEMs and EPC players with ~250 GW of RE projects to be awarded over FY24–28.
- FY25 saw ~42GW RE auctioned, but plain wind was just ~4.5GW; ~25GW (~59%) out of this was dominated by hybrid and RTC structure, underlining where policy is headed right now (see exhibit below for the trend trajectory).
- Q1FY26 already awarded ~4GW of RE, including 1.2GW wind/FDRE, reaffirming a steady pipeline of large-scale hybrid allocations in the sector.
- Tender design is explicitly shifting — SECI and state DISCOMs prefer hybrid bids with storage add-ons, which aligns with INOX's diversification into solar and O&M.
- The outlook suggests India moving from ~1–2GW annual wind addition today to ~8–9GW by FY27, a structural step-up creating sustained visibility for domestic OEMs.

Exhibit 8: Clear shift in trend for tenders — from plain vanilla RE to FDRE



Source: MNRE, Nuvama Research

Transmission and land issues/bottlenecks

- Transmission corridors remain a bottleneck, with delays in GNA approvals and evacuation infra pushing out project commissioning timelines.
- Land aggregation in windy states is slowing execution; in Gujarat and Tamil Nadu, land conversion and local approvals are the most cited risks.
- Policymakers are promoting hybrid utilisation of transmission corridors so wind + solar can share evacuation, reducing incremental grid capex.
- Developers increasingly value OEMs with plug-and-play common infra — INOX has built pooling substations and access infra at multiple sites, reducing lead-time by six–nine months.
- These bottlenecks mean the sector's growth is not just about auction volumes, but execution readiness, an area where INOX's integrated model gives it an edge.

OB and OI trajectory

- INOX's current order book of ~3.1GW provides more than two years of revenue visibility, diversified across PSUs, IPPs and C&I customers.
- Annual order intake likely to normalise at ~1.5–2GW (Nuvama estimates), with execution moving toward >2GW per year by FY27 (we have factored in a conservative 1.8GW in FY27 – see exhibit 10 for our estimates)
- Portfolio transition to 3MW+ turbines and licensing of a 4.5MW platform aligns with global trends toward larger machines, supporting higher output per project.
- O&M arm IGESL's 5.3GW portfolio ensures a recurring annuity base that complements the more cyclical equipment order intake.

Hybridisation of transmission lines (Click on link)

- CERC's GNA amendments and new rules mandating hybridisation of solar and wind projects above 50MW are structurally positive, as they drive higher utilisation of existing ISTS corridors and reduce the need for greenfield evacuation infra.
- These measures are likely to accelerate hybrid project adoption, bringing in more RTC/FDRE opportunities and directly increasing turbine demand per awarded MW.
- For DISCOMs, hybridisation offers better grid balancing and lower variability, making renewables more acceptable as base-load substitutes.
- The recent amalgamation (IWEL into IWL) and rights issue (~INR124.9bn raised) have strengthened INOX's balance sheet, ensuring it has the capital and clean structure to scale up execution in these larger, hybridised projects.

Concluding thoughts

INOX Wind's group structure — with IRSL for EPC and transmission, IGESL for O&M, and INOX Solar for modules and cells — makes it one of the few OEMs capable of offering end-to-end renewable solutions. This integration allows the company to participate across the spectrum, from plain vanilla wind projects to more complex technologies such as hybrid, FDRE, RTC and storage-backed models, giving developers a true one-stop partner.

Moreover, the privately held IPP, solar manufacturing, and EPC arms enhance group synergies and provide additional growth levers. We see this as a key catalyst for INOX Wind — evolving from a turbine supplier into a strategic clean energy platform well-positioned to capture India's upcoming multi-GW renewable growth cycle.

Exhibit 9: Operational and financial snapshot (INR mn)

Particulars	FY24A	FY25A	FY26E	FY27E
Order book (MW)	2,446	3,203	3,603	3,303
% growth		31%	12%	-8%
Order inflow (MW)	2,199	1,462	1,500	1,500
% growth		-34%	3%	0%
Execution (MW)	372	705	1,100	1,800
% growth		90%	56%	64%
Revenue (INR mn)	17,463	35,572	57,408	94,208
% growth		104%	61%	64%
Gross profit	5,354	13,118	20,667	33,444
% growth (INR mn)		145%	58%	62%
EBITDA	2,619	7,572	10,565	17,384
% growth (INR mn)		189%	40%	65%
PAT (INR mn)	-357	4,482	7,931	11,169
% growth		n.m.	77%	41%

Source: Company, Nuvama Research

Exhibit 10: Comparison across industrials coverage

Equities	FY27E PE	EPS CAGR (FY25-27E)	Median ROE (FY26-27E)
TRIL	28.6	58.4%	26.6%
Hitachi Energy	60.3	91.6%	21.3%
CG Power	61.8	35.1%	31.5%
ABB India#	54.4	4.9%	22.7%
Siemens	44.4	7.5%	11.9%
GE T&D	60.4	39.3%	39.5%
Thermax	39.4	21.2%	15.0%
Suzlon	26.4	21.2%	29.5%
Inox Wind	21.5	64.9%	13.9%

Source: Nuvama Research

**FY25–27E PBT CAGR considered for Suzlon due to deferred tax asset benefit for Suzlon in FY25*

#FY24-FY26 considered

Exhibit 11: SotP valuation snapshot

Particular	Value (INR mn)	Multiple (x)	Stake	Value per share (INR)
FY27E PAT- WTG	9,864	30	100%	171
Less: Promoter funds	0		Reduced to 0	0
Total				**171**
O&M (IGEL) - DCF			**56%**	**19**
Total				**190**
CMP				145
Upside /(Downside)				**31%**

Source: Nuvama Research

Company Description

INOX Wind Ltd (INXW) is part of the INOXGFL Group, which has a legacy of over 90 years in India. The group encompasses diversified business segments comprising specialty chemicals, fluoropolymers, gases, wind turbines, and renewables. Incorporated in 2009, INXW has been engaged in manufacturing and selling wind turbine generators (WTGs) and engineering, procurement and commissioning (EPC) services. INXW provides services in operations and maintenance (O&M), common infrastructure facilities for WTGs, EPC, and wind farm development through its subsidiaries INOXGREEN and Resco Global Wind Services Limited (Resco). The company has four manufacturing facilities, two in Gujarat, and one each in Madhya Pradesh, and Himachal Pradesh, with a total capacity of 1.6GW for 2MW WTGs. The addition of 3MW WTGs takes INXW's total capacity to above 2.5GW across 4 facilities with license secured for 4MW WTG's as well. INOX Wind Energy Ltd (IWEL: *not rated*) is the holding company of the group's wind business. With an aim to simplify the corporate structure, IWEL has undergone an amalgamation with IWL. The merger was approved in Q1FY24 and the company intends to unlock synergies and operational efficiency with a simplified renewables business structure.

Investment Theme

INOX Wind has ~20% market share and is amongst the only two wind EPC and WTG suppliers in India along with Suzlon Energy. Its growth visibility is backed by: i) industry tailwind of ~10-12GW TAM annually; ii) technological edge (3MW-plus turbines) + 4.5GW-plus nacelle capacity; iii) high-margin (~35%) O&M services; and iv) repaired and robust balance sheet.

We argue INOX Wind is capable of sustaining its position in WTG/turnkey EPC execution and the company is well placed to capture demand with an optionality of repowering along with C&I demand, over and above 7–8GW of auctions.

Key Risks

- Delay in execution ramp-up
- Paucity of high PLF wind sites
- Renewables curtailment and lack of transmission evacuation
- Delay in auction of renewables
- Increase in competitive intensity from foreign players
- Increasing market share of IPPs
- Discontinuation of ISTS waiver

Additional Data

Management

Chief Executive Officer	Kailash Lal Tarachandani
Chief Financial Officer	Rahul Roongta
Whole-time Director	Manoj Shambhu Dixit
Whole-time Director	Devansh Jain
Auditor	Dewan PN Chopra & Co

Holdings – Top 10*

	% Holding		% Holding
Motilal Oswal A	2.01	Invesco Asset M	0.39
Nippon Life Ind	1.84	HDFC Asset Mana	0.13
ICICI Prudentia	1.31	SBI Funds Manag	0.05
Blackrock Inc	0.97	Axis Asset Mana	0.03
IDFC Mutual Fun	0.74	Kotak Mahindra	0.03

**Latest public data*

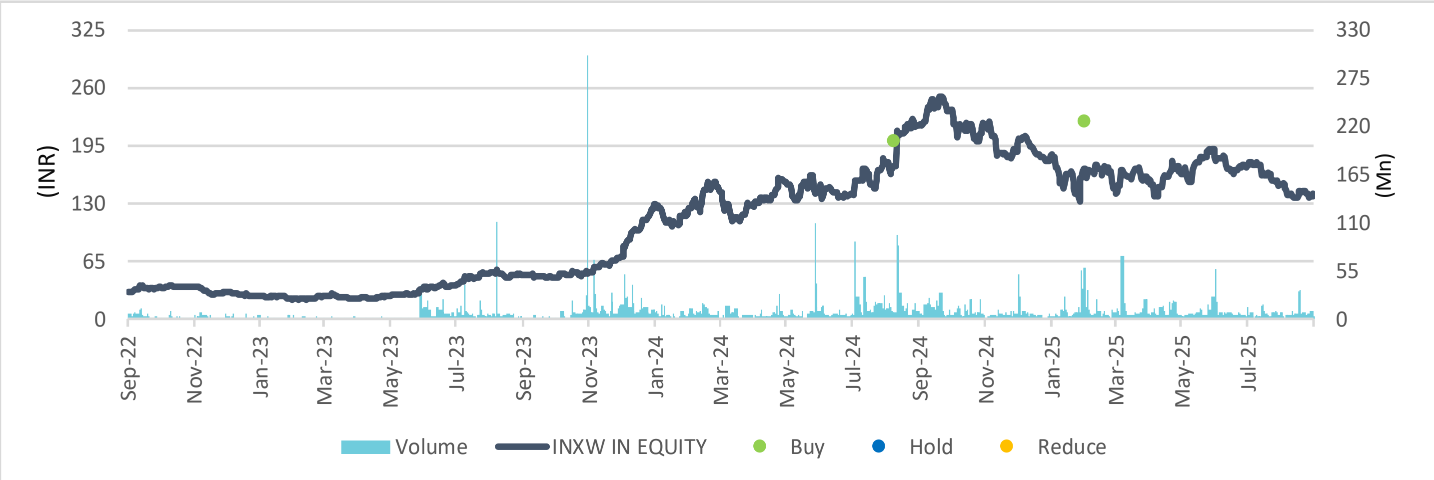
Recent Company Research

Date	Title	Price	Reco
14-Aug-25	Muted execution; EPC still lags; *Result Update*	138	Buy
31-May-25	Margin cushions execution guidance miss; *Result Update*	193	Buy
31-Jan-25	Margin beat exudes optimism; *Result Update*	164	Buy

Recent Sector Research

Date	Name of Co./Sector	Title
12-Aug-25	SUEL	Robust execution; OI growth remains key; *Result Update*
06-Aug-25	Power	Demand rebounds but remains sluggish ; *Sector Update*
01-Aug-25	Tata Power	Better mix drives beat; RE addition drag; *Result Update*

Rating and Daily Volume Interpretation



Source: Bloomberg, Nuvama research

Rating Rationale & Distribution: Nuvama Research

Rating	Expected absolute returns over 12 months	Rating Distribution
Buy	15%	198
Hold	<15% and >-5%	70
Reduce	<-5%	36

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