Management Discussion

Preksha Duggal - Analyst, Motilal Oswal Financial Services Limited
Thank you, uh, and good evening everyone. On behalf of Motilal Oswal, I welcome you all to the 2Q FY27 earnings conference call of Inox Wind and Inox Green Energy Services. We have with us today the senior management team of the company, and we shall begin with management's opening remarks followed by a Q&A session. With that, I now hand over the call to, uh, Shweta Sultania. Over to you, Shweta.

Shweta Sultania - Head of Investor Relations, Inox Wind Limited
Thanks, Eksha. Hi, good evening everyone. Uh, at the outset, our sincere apologies for the delay in starting the call today. Uh, we were actually- there was difficulty in uploading the financials because of the Microsoft Outlook outage, as you are aware. But now the results have been uploaded and therefore we can now start the conference. Thanks a lot for your patience. I would like to hand over to Mr. Kailash Tarachandani for his opening remarks. Hi,

Kailash Tarachandani - Director, Inox Wind Limited
Thanks everyone. Good evening everyone. As communicated earlier, we have undertaken an important strategic realignment of INOXWIND over the last couple of quarters. We have sharpened our focus on equipment supply with the objective of increasing its share in our order book to approximately 75%. The shift is driven by our objective of achieving sustainable and profitable growth while strengthening the balance sheet and improving cash flows. The transition has involved certain near-term trade-offs, including foregoing some business opportunities and recalibrating our short-term growth trajectory.

However, we believe prioritizing quality of business over the quantum of growth was the right decision for the long-term interest of the company and its shareholders. We are pleased that the initial benefits are beginning to emerge. We are seeing improving revenue momentum, stable receivables, and better quality order inflows. Importantly, a significant portion of our tanki order book comprises projects from reputed customers including but not limited to PSUs and INOX Clean Energy, where payment terms are aligned with our credit policy.

This should help address our receivable challenge over the coming quarters. We believe the most challenging phase of the transition is now largely behind us. Going forward, we expect sustained improvement in operate- operating performance and balance sheet quality. Moving to INOX Green, we are pleased to announce that the NCLT-approved acquisition of Wind World India's approximately 4.5 gigawatt O&M portfolio has progressed to completion of the payment and transfer process during the quarter. This is landmark transaction for INOX Green undertaken at what we believe is an attractive valuation.

It significantly strengthens our operating portfolio and provides substantial opportunities to unlock value through cost optimization, operational efficiencies, and value-added services. We believe this acquisition will be an important catalyst in INOX Green's journey towards one of the leading renewable energy O&M platform globally. Mathu will elaborate on this later during the call. I would like to share an important update with regard to a change in management. Mr. Sai Baba Vuthukuri has joined as Managing Director, Wind Business.

We believe Sai's overall 3 decades of experience, primarily in the renewable sector, will help bolster the operation and management of the wind business. Also, Mr. Sanjeev Agarwal CEO, INOXWIND,

has tendered his resignation due to personal reasons. However, he'll continue as an advisor till the end of December during the transition phase. We thank him for his services and wish him well for his future endeavors. With this, I would like to hand over to Sai Baba for his opening comment on INOXWIND.

Sai Baba Vuthukuri - Managing Director - Wind Business, Inox Wind Limited
Thank you, Kailash. And good evening everyone. I will cover Inox Wind's financial and operational performance, order book, manufacturing initiatives, and industry outlook. On a consolidated basis, Inox Wind reported the following performance for Q2 FY27: revenue of Rs 1,378 crores, up by 58% quarter on quarter. Adjusted EBITDA of Rs 238 crores, which is flat quarter on quarter. PBT of Rs 103 crores, up by 8%, again quarter on quarter. PAT of Rs 69 crores, up by 8% quarter on quarter. Cash profit of Rs 165 crores, up by 8% quarter on quarter.

We have seen a sequential improvement in operating performance over Q1. It may be noted that we have seen an impact on margins this quarter largely due to commodity and raw material price inflation on account of the West Asia war creating temporary cost headwinds across the supply chain. We are confident that this will reverse going forward as incremental contracts and fresh bids are being priced dynamically to reflect the current commodity and cost environment, which should help normalize our margin profile as these newer orders move into execution.

Also, the EBITDA margins during the quarter are suppressed as they do not capture income from our wind world, as they have been actualized and will be routed through the balance sheet prior to the consolidation data date. Had they been recognized in the P&L, the consolidated EBITDA margins would have been upwards of 20%. The margin profile would substantially improve going forward as we start consolidating going-on portfolio of Inworld in INOX Green's books starting Q3 FY27. Balance sheet and working capital.

An important development is that our debt levels have remained broadly stable compared with March 2026 despite revenue growth during H1, meaning that collections have been at par with sales. Further, our working capital days appear elevated on a half-year basis due to 2 reasons. First, our business is seasonally weighted towards H2, which typically contributes approximately 70% of annual revenue. Hence, on a full-year basis, working capital days would be much lower with similar receivables as incremental sales as well as the previous receivables are being collected and the full-year revenue is much higher than H1 revenue.

Consequently, H1 working capital does not fully reflect the annualized position. Second, inventory increased during Q2 as we prepared for higher deliveries in H2. We expect inventory levels to moderate by March 2027 as these deliveries are executed. Overall, we remain focused on accelerating collections, improving working capital efficiency, and maintaining discipline on the quality of business undertaken. Order inflows and order book. INOXWIND received approximately 350 MW of orders during Q2, taking H1F FY27 order inflows to approximately 1.85 gigawatt.

During the quarter, we received repeat orders from NLC India Limited, TerraClean Energy, a wholly owned subsidiary of Indian Oil Corporation, and an IPP. Our order book stood at approximately 3.8 gigawatt as of October 2026. Providing execution visibility of over 24 months. The reduction in the order book is attributable to the discontinuation of certain orders as part of our strategic alignment-realignment. We believe the quality and executability of order book are more important than its absolute size.

Our customer relationships remain strong across PSUs, IPPs, P&I, captive, retail, and INOX Clean

Energy. The pipeline remains robust with approximately 5 gigawatts of potential tenders from NTPC, Indian Oil Corporation, and SECI for the next 4 to 5 months, apart from ongoing negotiations. We also expect recurring opportunities for- from INOX Clean Energy over the coming years. As of October 26th, the share of equipment supply in our third-party order books stood at approximately 61%, with the balance 39% being turnkey.

Our medium-term objective remains to increase equipment supply share to approximately 75% of the third-party order book, thereby improving earnings quality, reducing working capital intensity, and strengthening cash Generation product development and manufacturing expansion progress on our next generation 4X wind turbine platform is going well. The prototype has been installed, commissioning is expected shortly, and commercial launch is targeted by the end of financial year 27. Our Rohika facility in Gujarat is fully geared to produce blades catering to the 4X platform.

Our expansion plans at Inox Renewable Solutions Limited are also progressing well. We have enhanced operational transformer manufacturing capacity to cater to the 4X series and plan to expand into medium-sized transformers in the 8 to 20 MVA range and larger transformers. Beyond transformers, we are also progressing with plans to manufacture high-value-added products such as inverters, unit substations, and electronic control systems. These initiatives will allow us to participate in a wider part of renewable energy value chain, improve value addition, and create incremental revenue and margin opportunities.

These investments are being undertaken in a calibrated manner with focus on relatively short payback periods and attractive returns. Separately, pursuant to the demerger of the power evacuation infrastructure business from INOX Green into IRSL, the latter is progressing towards its independent listing. The information memorandum has been filed with stock exchanges, with listing subject to regulatory approvals. With respect to Inox Green, the company has successfully raised Rs 300 crore through a QIP in October.

The proceeds were primarily utilized to complete the payment towards transfer of Inox- transfer of windmills OEM business to Inox Green. More details on this would be shared by Madhu. Industry outlook and macroeconomic environment. The macroeconomic environment for the Indian renewable energy sector remains extremely encouraging. With wind energy playing an increasingly important role in the- in India's energy transition, 1.8 gigawatt of wind capacity was commissioned in India in Q2 financial FY27.

This takes the total wind capacity installed in H1 FY27 to 3.2 gigawatt compared to 6.05 gigawatt installed in entire FY26. As mentioned earlier, the wind industry is history heavy. As per the MNRE, approximately 7.5 to 8 gigawatt of wind capacity addition is expected to take place in India in FY27. We believe India is entering a structurally stronger growth phase for wind energy, with annual additions potentially reaching 8 to 10 gigawatt for the near to medium term. The nature of renewable energy procurement is evolving favorably for wind, with increasing emphasis on round-the-clock renewable energy, firm and dispatchable renewable energy, and hybrid projects.

Wind is becoming an increasingly important component of the overall energy mix. The broader renewable energy sector is also witnessing strong growth. India added approximately 24.6 gigawatts of renewable energy capacity during H1 FY27, including 20.8 GW of solar and 3.2 GW of wind. Cumulative renewable energy capacity, including large hydro, reached approximately 299 GW. On the tendering front, 5.8 GW of total renewable capacity was awarded through tenders in Q2. Out of this, 36%, that is 2.1 GW, comprised of standalone wind tenders.

FDRE RTC tenders formed another 1 gigawatt. FDRE RTE projects comprise of solar, wind, which

forms about 20 to 30%, and battery energy storage. Power demand has remained extremely strong during the quarter, registering a 15% rise year on year. It is worth noting that power demand in H1 FY27 so far has been the highest by far in at least 4 years. The combination of rising power demand, increasing renewable penetration, and the growing requirement of firm renewable power provides a strong foundation for sustained growth in the wind sector.

INOXWIND is well positioned to capitalize on these opportunities through its manufacturing capabilities, customer relationships, expanding product portfolio, and broader Inox JFL Group ecosystem. Business outlook and guidance: we would refrain from providing specific revenue guidance for FY27 at this stage. However, Q2 has been a sequential improvement over Q1, and we expect this momentum to continue through H2 and into FY28. For FY28, we are targeting a revenue of approximately Rs 7,500 crores. We will review and reaffirm this outlook towards the end of Q4.

Our long-term EBITDA margin objective remains approximately 20%. As highlighted previously, margins should be evaluated on an annual rather than quarterly basis given the varying revenue mix of equipment supply blades, towers, nacelles, turnkey EPC projects, and OEM. We remain confident of delivering sustainable margins over the medium term, supported by a higher share of equipment supply, operating leverage, and greater manufacturing valuation. With this, I would like to hand over to Madhu Paridharamotsana, INOXWIND.

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
Thanks, Sai. Good evening, everyone. I will cover Inox Green financial and operational performance, portfolio expansion, and the value creation opportunities arising from our recent acquisitions. During Q2 FY27, Inox Green reported total income ofRs 113 crores, up by 12% quarter on quarter. EBITDA of Rs 62.5 crores, up 10% quarter on quarter. Profit before tax of Rs 58 crores, up by 6% quarter on quarter. Profit after tax of Rs 44 crores, up by 8% quarter on quarter. Cash pat of Rs 58 crores, up by 6%. Quarter on quarter.

Machine availability for our wind portfolio averaged at approximately 96.2%. The above numbers do not include any income from WindWorld portfolio. It is important to note that we have paid for the WindWorld O&M portfolio and we will be consolidating it line by line in Inox Green's financials starting Q3 FY27. The other investment is also expected to be consolidated post the receipt of regulatory approvals. By Q4 FY27. Therefore, Q2 EBITDA would have been higher had WindWorld's income been recognized in the P&L.

WindWorld did an annual revenue of Rs 580 crores in FY26 and is expected to increase further on account of annual contracted escalation, one-time upward price revisions in certain contracts providing overhauling/major maintenance services, etc. Post-integration, we expect WindWorld O-Indus EBITDA to substantially increase and margins to be upwards of 45%. The principal improvement levers are salary, employee cost rationalization, value-added services and overall charges, and operational efficiencies.

The other investments- we expect the consolidated Inox Green EBITDA to increase further on account of the consolidation of this asset too. We believe there is enough headroom for the EBITDA of this portfolio to improve substantially, the levers being conversion of semi-comprehensive contracts into comprehensive ones, upward repricing of new comprehensive contracts, and operational efficiencies. As of September 2026, our wind portfolio stood at approximately 12.5 gigawatts, comprising 10.4 gigawatts of wind and 2.1 gigawatt of solar assets.

This includes the 4.5 gigawatt wind World India O&M portfolio and additionally approximately 2

gigawatt wind O&M portfolio investment expected to be completed by March 2027. We continue to focus on profitable portfolio expansion, choosing not to renew certain solar O&M contracts that did not meet our margin criteria. Operational performance remains encouraging, supported by investments in infrastructure, technology, and engineering trainings. We are also seeing good traction in value-added services, particularly wind turbine overhauling and life extension solutions.

These services improve turbine availability and output while extending asset life. We see substantial potential to extend these offerings across the existing windmill fleet as well. In October, Inox Green successfully raised Rs 300 crore through QIP, primarily to part-fund the acquisition of WindWorld India's approximately 4.5 gigawatt wind farm portfolio and broaden our institutional investor base. Following the QIP, Inox Green, through its subsidiary Vaibhav Energy Private Limited, completed the payment for the transfer of WindWorld O&M business through the NCLT-approved process.

Line-by-line consolidation will take place from Q3 FY27. This is a transformational milestone for Inox Green, and we believe a highly value-accretive transaction. We believe there is significant scope to bring operational efficiencies not just in WindWorld Oindam portfolio but also in the standalone portfolio of Inox Green, as well as the other investment which is expected to be completed by March '27. Subject to NCLT and other regulatory approvals. We believe post the consolidation of 2 acquisitions and Inox Green standalone performance improvement on account of additional services and substantial portfolio growth through Inox Wind and Inox Clean should lead to a major jump in both the top line as well as the margins.

It may be noted that the EBITDA in Inox Green is nearly equivalent to PBT and due to the business being light asset light, hardly any depreciation and financial cost. While there would be deferred tax, cash tax is not expected to be there for another couple of years due to deferred tax assets on the balance sheet. Hence, significant operating cash flows can be expected from next year. We believe the combination of portfolio expansions, operational efficiencies, and value-added services will fundamentally transform Inox Green profitability, and cash generation capabilities, positioning it among the leading renewable energy wind farm platforms globally.

With this, I would like to hand over to Devansh ji for his closing remarks. Thank you.

Devansh Jain - Executive Director, Inox GFL Group
Thanks, Mathu, and good evening everybody. I would like to thank all our shareholders for their continued trust and support in Inox GFL Group. As my colleagues have highlighted, both Inox Wind and Inox Green are at important stages in their respective growth journeys. At Inox Wind, the strategic realignment undertaken over the last couple of quarters has involved some near-term challenges. However, we firmly believe that prioritizing quality of business, cash flows, and balance sheet strength was the right decision for the long-term interest of the company.

We believe that the worst is now behind us. We are already seeing encouraging signs of progress through improving revenue momentum, better order quality book, and greater working capital discipline. Going forward, our focus will remain on sustainable growth, profitability and balance sheet improvement. With our changed focus towards equipment supply and strategic turnkey projects, we are on a downward trajectory in terms of debtor days. We expect the debtor days to fall below 150 days by the end of FY28.

At INOXWIND, we are particularly encouraged by the performance of the standalone business and the significant opportunity to unlock value from the WindWorld acquisition. We believe these developments will establish INOXWIND as a scaled, asset-light, and cash-generative renewable

energy O&M platform. Our focus will continue to be on profitable growth, disciplined capital allocation, operational excellence, and sustainable value creation for all stakeholders. I take away a lot of positives from these results.

The revenue growth is encouraging in spite of the monsoon period. Inox Green is looking very promising, especially post the consolidation of Wind World. Also, the miss during the quarter in margins is temporary and should correct to our normalized guidance going forward. I believe the worst is behind us. With this, we would open the floor for Q&A.

Questions & Answers

Operator
Thank you, sir. We will now begin with the question and answer session. Anyone who wishes to ask a question may press star and 1 on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and 2. Participants are requested to please use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. We have the first question from the line of Sanchita Sood from Robocapital. Please go ahead.

Sanchita Sood - Analyst, Robocapital
Hi, uh, thanks for the opportunity. Uh, my questions relate mainly, uh, to INOXWIND. So, uh, you mentioned that we have an order pipeline of about 5 gigawatts over the next, uh, 4-5 months. So do we have any specific target in mind for what the order inflow number could look like in FY28?

Kailash Tarachandani - Director, Inox Wind Limited
Yeah, can you repeat your last part of the question please?

Sanchita Sood - Analyst, Robocapital
Uh, I was asking if we have any target in mind for what the order inflow number could look like in FY28 next year.

Devansh Jain - Executive Director, Inox GFL Group
No, look, I think, uh, thank you for your question. I think we've got a very healthy order book which is literally close to almost 4 gigawatts. Uh, I think we have visibility for the next 2.5 to 3 years on the current order book itself. So frankly speaking, you're not going to have an order book which is 4, 5, 6 years away. I think what we are focused on is balance sheet strength, quality of order book, and ensuring that we have significant free cash flows as we move forward. So I don't think we have any specific target in mind that we want to achieve XYZ order book.

I think we're extremely happy and comfortable with the order book size that we have. We are focused on more and more free cash flow in INOXWIND. And I think with INOXGREEN's massive acquisitions, which have now finally come on board after a long period of time, I think we are looking forward to having a significant amount of free cash flow on the balance sheet. That's what our focus would be rather than size of order book.

Bibhu Prasad Sahoo - Group Chief Financial Officer, Inox GFL Group
And also, if I would just add, if you look at in the number terms, right, this order book translates to almost Rs 20,000+ kind of revenue for the next 2 years. So I'm covered for most- more than 2.5, 3 years. So this 20,000+ kind of order book.

Kailash Tarachandani - Director, Inox Wind Limited
And just to add on that, just because of you, to give you a comfort on the order side, the pipeline which we are seeing right now from PSUs and different customers as well as our own internal growth plans, I, I think we are very, very in comfortable position. And we see that, you know, a lot of these pipelines are getting matured over next 1 to 2 quarters as So possibly no worries on order side.

Sanchita Sood - Analyst, Robocapital
Okay, understood. Uh, and my second question is that I, uh, understand that you've refrained from giving any guidance for FY27, uh, but I believe in the last call you had mentioned that we'd be looking at, uh, 75% growth in revenue with, uh, 20 to 22% EBITDA margins this year. So would it be fair to assume that we might not be able to achieve these numbers this year?

Bibhu Prasad Sahoo - Group Chief Financial Officer, Inox GFL Group
Yeah, fair enough. I think we will not reach those numbers what we had guided for, and, and that is to the change in strategy that we guided for in the previous quarter as well. So it is the recalibration of growth and the long-term growth and the quality which we are giving up some of the order book. That is also reflected in the order book. We have given up some of the orders in the, in the current quarter. Also, we'll have to let go of some of the revenues in this year to ensure that the long-term growth and the quality of balance sheet is pretty robust and strong.

Devansh Jain - Executive Director, Inox GFL Group
Having said that, I think we've given a conservative guidance for FY28, number one. And number two, I think what's extremely important is in this entire strategy of pivoting to equipment supply, and we've, you know, as I said, we've achieved enough green shoots, we're seeing a healthy, uh, healthy momentum on that. Some of the success is already visible for this quarter, but I think As a consciously, as a company, we've taken that call. It's more important to have a much stronger balance sheet, better quality customers, and cash on the balance sheet rather than just chasing growth for the sake of chasing it and having massive working capital block.

Sanchita Sood - Analyst, Robocapital
Okay, got it. That's all from my end. Thank you.

Operator
Thank you. We have the next question from the line of Preet Nagal Sheet from Wells Fin Services. Please go ahead.

Preet Nagal Sheet - Analyst, Wells Fin Services
Yes, my questions are regarding INOXWIND. So I think it was mentioned that no revenue from WindWorld has been included in the Rs 113 crore of top line reported in Q2. So if that is correct, then should we expect in Q3, say on a run rate of Rs 600 crore for the full year for WindWorld, an additional Rs 150 crore of top line over the Rs 113 crore in Q2. Is that a fair assumption on my part?

Devraj - Analyst, Individual Investor
That is broadly in line, but you know, the NCLT approval and the BT which we have signed has been somewhere in the middle of October. So it is not- would be Rs 150 crore, but somewhere around Rs 120 crore should be there in terms of that. So

Preet Nagal Sheet - Analyst, Wells Fin Services
Basically, on a Rs 113 crore top line in Q2 This will easily double for Q3. Yeah, that's right. Okay, my second question is regarding the organic wind AUM. Um, so I'm excluding both acquisitions. Uh, that number on the presentation continues to remain at 3.94 gigawatts over the last many presentations. Now my understanding was that INOX Wind, whatever megawattage executes, will then get added to INOX Green's, uh, AUM. So why- or has that been added, or that addition is not being happening right now?

Could you please explain why that- again, I think that has

Devansh Jain - Executive Director, Inox GFL Group
Already been added, but I think what's happening is you're seeing some of the solar megawattage going Because what is more important and relevant for us is profitability and margin. You know, you may have seen we had picked up prior to the acquisition of WindWorld and the other investment which we had acquired, we had picked up certain solar assets. Now as you know, solar really makes Rs 20,000-30,000 a megawatt as opposed to the profitability of wind which may be north of Rs 5 lakh-6 lakh a megawatt, right?

And effectively as a company having that kind of manpower on on the ground just to keep managing Solar One did not make any commercial sense for us. So in our entire, you know, I think in our scheme of things and our, you know, the financials, I mean the margins which we want to achieve, what we're really doing on the solar side is focused on only hybrid solar and solar which INOX Clean awards to INOX Green. Other than that, we're not really interested. There is more than 30-40 gigawatts of solar available out there, but there is no point having a top line of 100 crores and making 5 crore margin.

That's a waste of time and money for us as an organization, more so given the fact that we now have WindWorld, which is a massive opportunity, plus the other investment which should come on to our balance sheet over the next few months. I mean, those are cash cows for us.

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
Just adding to that, other than organic growth We are also getting into multi-brand. You know that we have acquired IFOX and we have, have a lot of multi-brand opportunities. So we are getting into one of the largest OEM which is there, and we have started getting an order from INOXCLEAN itself, so which will be reflecting in Q3, Q4. We will be announcing some news shortly. So those things will give leverage to enter into a large-scale growth addition from the wind standpoint. Other than solar.

Preet Nagal Sheet - Analyst, Wells Fin Services
See, the reason I- it is actually really exciting for us at

Sai Baba Vuthukuri - Managing Director - Wind Business, Inox Wind Limited
Inox Green because, uh, the opportunities are phenomenally increasing because of multi-brand and also life extension services what we are offering currently. We just introduced, and also some very, very good policy initiatives which are happening on the repowering front. There is a phenomenal growth what we expect in the coming years to happen for Inox

Preet Nagal Sheet - Analyst, Wells Fin Services
Great. So sorry, sorry, just to come back to this question because I am talking specifically of wind. I am excluding the solar piece when I spoke of this. I am just saying if you look at your own

presentations over the last 3-4 quarters, you will see the 10.5-10.4 gigawatt wind portfolio remain consistent. So my question was, considering that solar is not part of this discussion, and why are executions over the last 2, 3, 4 quarters not getting reflected in that AUM?

Shweta Sultania - Head of Investor Relations, Inox Wind Limited
This is Asweta here. So in response to your question, so in the- on the O&M side for standalone wind, so we have added capacity to our O&M standalone wind portfolio this quarter also. Uh, it is getting in the approximation part, but this quarter also we have added As you are aware, there is a lag between supply of turbines and commissioning of the projects. The projects come to INOX screen post-commissioning for O&M. So there's always a lag. So the answer to your question is there has been addition to the standalone wind portfolio for O&M and dispatch.

Preet Nagal Sheet - Analyst, Wells Fin Services
Okay, great. Thank you.

Preksha Duggal - Analyst, Motilal Oswal Financial Services Limited
Thank

Operator
You. Thank you. We have the next question from the line of Abhishek Nigam from Motilal Oswal. Please go ahead.

Darshil Zaveri - Analyst, Crown Capital
Yeah, hi, thank you so much for the opportunity. Uh, couple of questions.

Preet Nagal Sheet - Analyst, Wells Fin Services
Uh, one on the margin, miss, is it possible to, you know, break this up into, say for example, you know, raw material and FX and anything else? So that just makes it very easy for everybody to complement, comprehend. So that's my first question.

Devansh Jain - Executive Director, Inox GFL Group
No, I don't think we're going to get into the exact specifics of how much is forex, how much is margin. I think we are very confident, uh, the margin guidance which we've given out, if you look at it on an annualized basis, I think we are well on track to do it. Had we included the NRCon, uh, the windward revenues in this quarter, frankly, we would have achieved 20% plus itself. So what the company is guiding for is about 20%, and I think, uh, on an annualized basis, we are well on track to achieve it irrespective of the geopolitical tensions and the impact forex and certain commodity, uh, commodities may have had in this quarter.

Preet Nagal Sheet - Analyst, Wells Fin Services
Okay, okay, that's, that's, that's very clear. Uh, thank you. And, and, you know, also on the other income side, that has come through, you know, lower this quarter. So, uh, if you can tell us why is that, and is that the run rate we should assume for the next few quarters? Oh, you know, as, as we have explained, that WindWorld, uh, which WindWorld income, which we, you know, which, which which is strategic- through strategization, which is coming in through other income, has not been considered in this particular quarter.

That's the reason why the other income is lower. You know, the other income should remain in same- in broadly in line which we have recorded in this quarter. And our income will be consolidated

on a line-on-line basis in our turnover and profitability.

Bibhu Prasad Sahoo - Group Chief Financial Officer, Inox GFL Group
And that's exactly the reason when said that our margins are lower largely on account of not recognizing the Windward revenues in this quarter. Had we recognized Windward's income this quarter, my EBITDA margins and EBITDA would have been substantially higher even for this quarter. So if I were to adjust my EBITDAs, reported EBITDAs, for the Windward income, we are in line with what we've been guiding for.

Preet Nagal Sheet - Analyst, Wells Fin Services
Okay, uh, got it. Just one last question, uh, Any kind of pricing pressure which you are seeing domestically? Uh, you know, we've also seen reports around some other competitors are also sort of expanding,

Abhishek Nigam - Analyst, Motilal Oswal
Trying to get into the, you know, the, the- like for example, Adani Wind is trying to get into the non-Adani market now, third-party market. So any pricing pressure which you are seeing in the market right now?

Kailash Tarachandani - Director, Inox Wind Limited
No, not that much, because we still see that in wind we are very limited player and the demand is huge. From that perspective, as I explained earlier, with respect to our order book and as well as the kind of potential we see. I think we all have everyone its own niche and everyone we have a kind of relationship with our customers or PSUs, but we don't see so much on the pricing. Obviously, you know, a lot of these contracts are going through with pass-through and many of those things, negotiations are normal.

But currently, just to speak to, you know, from that point of view, just by adding one or two players, what you you know, mentioned, I don't see so much of pressure on the pricing as such.

Sai Baba Vuthukuri - Managing Director - Wind Business, Inox Wind Limited
Also, just to add, there is substantial changes happening in the market trend, especially the solar is not so attractive in terms of tariffs, you know, out in the market without battery energy storage system and all that. In that kind of a situation, wind is playing a substantially, you know, very, very attractive role, especially during peak and, you know, early morning peak hours. So there's a huge growth as what we see in the coming years, especially on the wind side. So the pricing pressure, at least pricing pressure for now, we have not seen anything.

We would only see a positive trend to happen. We expect positive trend to happen happen in the market going forward for next few years.

Abhishek Nigam - Analyst, Motilal Oswal
Okay, sir, that's very clear. Thank you so much. I'll come back in the queue.

Operator
Thank you. We have the next question from the line of Rishabh Bhutra from Systematics Group Institutional Equities. Please go ahead.

Preet Nagal Sheet - Analyst, Wells Fin Services
Good evening, sir. Uh, pardon me if I have missed it. I wanted to check on the timeline of the listing.

So, as you know, we have explained in our initial comment, DIM has been submitted, that is the final leg of, you know, approval from listing approvals which is required from the stock exchanges. It is taking some time but it is a kind of an administrative process. In upcoming, uh, 1-2 quarters? Yes, yes. And with respect to INOXCLEAN, uh, what kind of capacity we are trying to build and how are we going to fund it?

Uh, also, uh, is there a listing plan for the same?

Devansh Jain - Executive Director, Inox GFL Group
You know, I think if you could refrain from asking specific questions on INOXCLEAN given that We filed for a DRHP and this is an investor call pertaining to Inox Wind. I think we would restrict ourselves to commenting on Inox Wind.

Preet Nagal Sheet - Analyst, Wells Fin Services
Okay, okay. But will this impact our balance sheet anyway? Sorry, but will this impact our balance sheet? I mean, will we also funding the project for Inox Clean?

Sai Baba Vuthukuri - Managing Director - Wind Business, Inox Wind Limited
Why will Inox Wind fund the project for Inox Clean? One

Bibhu Prasad Sahoo - Group Chief Financial Officer, Inox GFL Group
Of the customer for us, like many others. Customers. It is the most positive strategic step for the entire group. It aids the operations of both wind and green. I'll, I'll just stop here.

Preet Nagal Sheet - Analyst, Wells Fin Services
Got it. Thank you, sir.

Operator
Thank you. We have the next question from the line of Darshil Zaveri from Crown Capital. Please go ahead.

Darshil Zaveri - Analyst, Crown Capital
Hi, uh, good evening, sir. Thank you so much for taking my question, sir. So I'm kind of a bit perplexed. I think last call we were asked 3 to 4 times if we can do our 75% revenue growth guidance, and the management had positively indicated that it's possible as 70% of our business comes in H2. And now we are shifting all of that revenue growth to FY28. So can you help me reconcile what can be FY27 revenue

Bibhu Prasad Sahoo - Group Chief Financial Officer, Inox GFL Group
As I said, we'll refrain from any guidance in FY27. You should, uh, you should look at the strategy shift that we have taken, right? It's a big, large strategy

Darshil Zaveri - Analyst, Crown Capital
Shift. Was already indicated. Can I respond,

Bibhu Prasad Sahoo - Group Chief Financial Officer, Inox GFL Group
Please?

Darshil Zaveri - Analyst, Crown Capital
Yeah,

Bibhu Prasad Sahoo - Group Chief Financial Officer, Inox GFL Group
Yeah. So if you look at that, strategy was adopted in Q1, but it takes time to shift to that strategy, which means letting go of some orders shift in some execution. Why did we do it, right? I could have executed- I could have done many more projects, but that would have bloated my balance sheet. So it takes some time to clean up, and that is exactly the reason why I'm saying I will not be able to give any specific guidance for this year. While there is a huge certainty on certain numbers for next year, and as we guided earlier, there is an upward bias- I will achieve better than what I've guided for FY28- FY 47, it is- we are just recalibrating our growth, and the reason being changing strategy for the improvement of the balance sheet and keeping intact the long-term growth and the interest of the company in place.

Darshil Zaveri - Analyst, Crown Capital
Yeah, I understand that, sir, but I think Q4, Q1 both were a bit low on revenue growth because we were shifting our strategies. Like, I think again, like Q2, we have reiterated that, and that's something that I'm having a hard time Maybe people, other people are also having a bit hard time. So I understand you don't want to give a guidance per se, but at least the mix of, you know, 70% revenue in H2, that holds, or is there some change in that too? Let's

Devansh Jain - Executive Director, Inox GFL Group
Put it like this. Qualitatively, I think we'll be seeing significant growth, but we are not going to stick to a number at this point in time. Just like in terms of WindWorld, we thought we had acquired- we would have acquired it by Q1. It should have been on the balance sheet in Q1. It's actually going to come on the balance sheet and the P&L in Q3. So while the company has continued to make money and that cash has been earned in that company, retained in that company, it's not reflected in this quarter because it's gone into the balance sheet.

So the company's done phenomenally well, WindWorld. The money is in the company, it's not reflected in our P&L. Hypothetically, you're looking at a 17% margin today, which actually is more than 20% if it was not on the balance sheet and reflected in the P&L. Similarly, what is important for us as a company is balance sheet strength, cash flows, and right order quality. There's no point of supplying turnkey orders in the market when people's sites are delayed or people do not end up paying up on the right time.

It's a hard bullet we have to bite, but that is the right bullet because there's no point having sales done and receivables standing which don't get collected for months altogether. Nobody enjoys it. The company's capabilities to do far more But there is no point us funding people's projects. And unlike some of our competitors, we have no interest of either going belly up, as has happened with 35 players in the past, or having massive debt. If you look at our balance sheet as of March, we are virtually net debt-free.

Currently we have minuscule debt, which is probably 0.1 or 0.2, and we are very, very clear our objective is sustainable growth With qualitative cash flows and a very strong balance sheet. The fact that Inox Clean has come into the group as well and picking up a lot of turbines- I would rather supply to group companies who will not delay payments and effectively pay us than supply to third parties who either their sites are delayed or who end up holding 20-30% payment for months altogether.

Bibhu Prasad Sahoo - Group Chief Financial Officer, Inox GFL Group
And also, just to add, if you see Q2 revenues, it's been a substantial jump over Q1. Right, and we

believe this momentum will continue. We are avoiding any specific numbers for this year, and that's, that's where we are. But

Devansh Jain - Executive Director, Inox GFL Group
That does not mean we don't see significant- yeah, there is, we are seeing very significant growth going forward. Yeah, even in Q3 and Q4.

Bibhu Prasad Sahoo - Group Chief Financial Officer, Inox GFL Group
That's true.

Darshil Zaveri - Analyst, Crown Capital
Okay, yeah, fair enough. That's it from my side.

Operator
Thank you. Ladies and gentlemen, before we take the next question, a reminder to all. To ask a question, please press star and one. Next question is from Rahul Kumar from Vaikaria Fund, please go ahead.

Preet Nagal Sheet - Analyst, Wells Fin Services
Hi, my question is to Mathur. Is on wind, how much margin, EBITDA margin would be want to bring via your initiatives, uh, how much quarter, how many quarters, or like how long will it take for you to achieve that aspiration? So in terms of the wind world, the margins which we expect currently is in the range of broadly 25 to 30-odd percent. With the value additions which we'll do, that margins can go up to a 40-odd percent. So this is broadly the margin guidance.

Devansh Jain - Executive Director, Inox GFL Group
But through, I think we'll be able to share more details, but there are various initiatives which have already been ironed out, such as rationalization of salaries, which was absurdly high, and various other, uh, you know, charges which were loaded onto the company. As you can understand, it was a company under NCLT. Thus, while management and so on and so forth was, uh, you know, I don't think that the best practices are being followed. So, Mathu, you want to add to it?

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
See, uh, in the wind world, uh, say Right now we are in the process of integration and we have seen a lot of value additions like what, uh, Devansh ji is saying. So we have identified a lot of cost-cutting, cost optimization drives by reducing the people cost, materials, services, and so many areas we have identified which increases drastically the EBITDA margin. Other than that, historically WindWorld operates a sheer simple O&M contract basis But unlike Inox strategy, we have offering lot of value-added services beyond the contractual prices options.

So right now we are implementing in WindWorld also. And historically, you know, WindWorld is one of the oldest fleet operating and with a lot of opportunities for repowering, life extensions, overhaulings, lot of value additions are there. So that drastically increases the margin and well beyond our expected target. Targets that we will achieve soon. Because right now we are in the transition phase, we are taking a lot of actions that is in progress,

Preet Nagal Sheet - Analyst, Wells Fin Services
Right? So is it fair to think, let's say 12 months down the line, uh, we should at least capture up to about 40% margin? Before that? Yes. Yeah, I think

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
Well before that. Well

Preet Nagal Sheet - Analyst, Wells Fin Services
Before

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
That. Yeah, 3 to 4 quarters. Okay,

Preet Nagal Sheet - Analyst, Wells Fin Services
Great. Yeah, that's very helpful. The second question I have is that this Rs 24 crore other income which you reported in the INOX Green, how much of it is related to value-added services or other investment which will- and how much is, let's say, in treasury or other related? So broadly, it is a mix of all, you know, value addition services, treasury, and something that the treasury amount would be somewhere around 10 odd crores, and the balance is towards the value addition services. Okay, okay, and last question, I have this, when you acquire Jinward Wood, you and I know Green as a company will own 75 percent of it and 100 percent of it because it owns 75 percent

Sai Baba Vuthukuri - Managing Director - Wind Business, Inox Wind Limited
Of the

Preet Nagal Sheet - Analyst, Wells Fin Services
Same 75 percent hello yes

Sai Baba Vuthukuri - Managing Director - Wind Business, Inox Wind Limited
It own 75 percent of the same

Preet Nagal Sheet - Analyst, Wells Fin Services
So we will have a minority interest wh Okay, great. Thank you and wish you very best. Thank you. Okay,

Operator
Thank you. We have the next question from the line of Devraj, an individual investor. Please go ahead.

Devraj - Analyst, Individual Investor
Hi, namaste, sir. Uh, so my question is related to the stickiness, right? Whatever inorganic assets we are acquiring, so how the stickiness will come, right, in this thing?

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
You are asking for INOX Green?

Devraj - Analyst, Individual Investor
Yes, yes, this question is for INOX Green. Sorry.

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
So, so, uh, the acquisition, the 2 major acquisitions comes with the substations also. The substation brings the first stickiness point of it. The entire operating portfolio is, uh, with, uh, the substation owned by the company. So when the substation and the contract and the performance, so the stickiness is automatically there.

Devraj - Analyst, Individual Investor
Okay, so basically means after 3 to 4 years also this customers will remain with us only. There is high probability.

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
You can, you can, you can safely assume even in NCLT process all those customers were there because of the substation stickiness thing.

Devraj - Analyst, Individual Investor
Okay, okay. And, uh, sir, regarding this repowering, right, again, so there will be- it will get repowered with another OEM, right? They have got that right.

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
May not be, because the way we are offering to the customers, or we are in doing the engineering study and all regulatory study, that when- because it is like a big Ravi project, right? The older, old turbines with that 11 kV line or 33 kV line, you can, you can visualize that. So while removing that and putting a new turbine at Class 3, Class 1 sites, right, that INOX wind turbines or INOX solar modules will be only- will be used because we are not a land developer. We will give a comprehensive solution.

Devraj - Analyst, Individual Investor
Exactly. Okay, so the answer is 96%. So basically 4% will remain, uh, machines are remaining idle, right, for 1 month or more than 1 month?

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
Sorry,

Devraj - Analyst, Individual Investor
Uh, sir, we have got this 96% machine availability. So that is the timeline.

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
So you have, say, uh, 24/7, like for 365 days. It's 8,760 hours in a year. In that, 4% is conscripting, roughly around 350 to 360 hours is what the machine is, uh, down either for a preventive maintenance or a corrective maintenance. So put together, it is a 96% availability, just 10 to 15 days.

Devraj - Analyst, Individual Investor
Okay, answer just, just one last question. If we are doing more and more equipment sale, so we will have less and less O&M for Inox Green? Is this correct? That's not true,

Kailash Tarachandani - Director, Inox Wind Limited
Absolutely, because most of this new- even there is a stickiness and the first preference for all IPPs to do with OEMs only. So most of this contract, wherever we are taking equipment supply, we are signing easily 10 to 12 years kind of O&M, at least in the starting beginning. So O&M will not get, you know, reduced because of this equipment supply deals only.

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
See, first of all, the technology know-how is with the OEM. Yeah, the detailed software updates for even any regulatory changes in the grid codes- without OEM support, no other competitor can take over the assets. So currently we own the substation. Even the turbine, if it is taken by the third-party

customers, the turbine O&M have to be done by the OEM, number one. Number two, during the previous, uh, dark era of wind industry where where OEM were unable to survive. They

Kailash Tarachandani - Director, Inox Wind Limited
Went bankrupt or something. They went

S.K. Mathur Sudhan - Chief Executive Officer, Inox Green Energy Services Limited
Through bankruptcy mode when ISPs have emerged. Today none of the ISPs is performing, only OEMs are performing. So the, the days are gone. Now IPPs are equally happy to continue with OEM forever.

Devraj - Analyst, Individual Investor
Okay, thank you for the detailed answer. I will join back in the queue.

Operator
Thank you. Ladies and gentlemen, that was the last question, and with that we conclude the question and answer session. I now hand the conference back to the management for the closing comment.

Preet Nagal Sheet - Analyst, Wells Fin Services
Thank you.

Shweta Sultania - Head of Investor Relations, Inox Wind Limited
Thanks a lot for joining in. Have a good

Operator
Weekend. Bye. Thank you members of And you may now disconnect your lines.