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Inox Wind Plans IPO as Modi Policies Spur India Market

By Natalie Obiko Pearson - Aug 13, 2014

The wind-turbine making unit of India's Inox Group plans to raise about 10 billion rupees (\$163 million) selling shares as Prime Minister [Narendra Modi](#)'s government spurs a revival of Asia's second-biggest wind market.

Inox Wind Ltd. is planning an initial public offering for about 7 billion rupees and a secondary issue for an additional 3 billion rupees, Director Devansh Jain said by phone. The capital markets regulator approved the plan last month, giving Inox Wind a one-year window to complete the sales.

"We looked at doing a listing last year but given the industry's downturn, it was not the right time," Jain said. "Clearly with the new government in place, which is very pro-clean energy, the macro scenario is very, very strong."

Modi's government last month restored a wind-farm tax benefit, which could propel wind installations to a three-year high of 2,600 megawatts in 2014, according to Bloomberg New Energy Finance. Since taking office in May, the government has also pushed ahead with an \$8 billion project to upgrade the grid to handle more clean power and cleared about 80 percent of a backlog in subsidies owed to wind farms, Jain said.

Inox Wind Ltd. has appointed Bank of America Merrill Lynch, [Edelweiss Financial Services Ltd. \(EDEL\)](#), [Yes Bank Ltd. \(YES\)](#) and [Axis Bank Ltd. \(AXSB\)](#), he said.

Funds from the listing will be used to double Inox Wind's turbine blade-making capacity to 1,200 megawatts and boost nacelle capacity to 1,500 megawatts from 800 megawatts, Jain said. Inox Wind expects to emerge among the top three suppliers of turbines in India this financial year, he said.

"The aim is to consolidate our position in the Indian market," he said.

Inox Wind was the No. 6 supplier in the year ended March 31 after installing 150 megawatts, according to data from the Indian Wind Turbine Manufacturers' Association. [Suzlon Energy Ltd. \(SUEL\)](#) was first with 403 megawatts followed by Spain's [Gamesa Corp Tecnologica SA \(GAM\)](#) and Wind World (India) Ltd.

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