

# JSW ENERGY

## Low generation mars performance

India Equity Research | Power

JSW Energy (JSW) saw the trend of poor power demand continuing in Q4FY17, which in turn impacted merchant off-take and realisations thereon. This was visible from the low PLF's at the Vijaynagar and Ratnagiri power plants. Consequently, consolidated revenues declined by ~30%. To reduce fuel costs, JSW plans 50% blending of domestic coal having received MOEF's approval to that extent. Even though fuel cost is stabilising and currency is turning favourable, JSW's medium term outlook appears challenging as it still has 1,160MW open-ended capacities which could continue to mar its performance in the absence of medium to long term PPAs and is a key monitorable. Maintain 'HOLD'.

### Lower generation and realisation impact profitability

In Q4FY17, Vijayanagar and Ratnagiri plants registered weak PLFs at 77% (99% YoY) and 41% (87% YoY), respectively, owing to weak demand. This, coupled with lower merchant realisations, impacted the company's profitability. Total generation for the quarter at 4bn units versus 5.8bn units YoY was down 31%. A favourable debt: equity ratio of 1.29x for FY17 helped the company report profits as finance cost fell ~11% YoY and other income nearly doubled.

### Measures initiated to rein in cost, though yet to ascertain benefits

To reduce fuel costs, JSW is contemplating to blend up to 50% domestic coal. The company has received MOEF's in-principle approval for the same. On receipt of the approval letter, it will start blending, provided it makes economic sense. We have not factored in the benefits (if any) of blending of domestic coal in the absence of clarity on the sourcing of coal, which is important to ascertain the freight cost.

### Outlook and valuations: Near term challenging; maintain 'HOLD'

Assuming a bear-case scenario of zero value to the Vijaynagar plant (mostly untied), the stock could potentially see ~10-15% downside from current levels. On the positive side, JSW's ability to ink long-term PPAs could boost valuations by ~15-20%, implying that at current levels the risk-reward is evenly priced in. We maintain 'HOLD/Sector Performer' with a revised target price of INR66 (earlier INR68) as we trim our estimates by ~20% for FY18 building in lower growth in generation. We roll forward to FY19E earnings.

#### Financials

(INR mn)

Year to March	Q4FY17	Q4FY16	% Change	Q3FY17	% Change	FY17	FY18E	FY19E
Net rev.	18,621	26,307	(29.2)	19,043	(2.2)	82,634	89,347	95,452
EBITDA	5,869	10,770	(45.5)	6,575	(10.7)	33,244	31,914	33,914
Adj. net profit	237	3,081	(92.3)	214	10.9	6,291	6,270	8,715
Dil. EPS (INR)	0.1	1.9	(92.3)	0.1	10.9	3.8	3.8	5.3
EV/EBITDA (x)						6.7	6.3	5.9
Price/BV (x)						1.0	0.9	0.9
ROAE (%)						6.6	6.0	7.8

#### EDELWEISS 4D RATINGS

Absolute Rating	HOLD
Rating Relative to Sector	Performer
Risk Rating Relative to Sector	Medium
Sector Relative to Market	Underweight

#### MARKET DATA (R: JSWE.BO, B: JSW IN)

CMP	: INR 62
Target Price	: INR 66
52-week range (INR)	: 87 / 53
Share in issue (mn)	: 1,640.1
M cap (INR bn/USD mn)	: 102 / 1,711
Avg. Daily Vol.BSE/NSE('000)	: 4,448.7

#### SHARE HOLDING PATTERN (%)

	Current	Q3FY17	Q2FY17
Promoters *	75.0	75.0	75.0
MF's, FI's & BK's	10.7	11.7	11.2
FII's	8.0	8.3	9.4
Others	6.3	5.0	4.5
* Promoters pledged shares (% of share in issue)	:		NIL

#### PRICE PERFORMANCE (%)

	Stock	Nifty	EW Power Index
1 month	8.8	2.2	3.5
3 months	7.2	7.7	6.2
12 months	(0.4)	18.6	27.4

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Table 1: SOTP valuation

Unit	Capacity / Length (MW)	Method	Value (INR mn)	INR/ share
<b>Generation</b>				
JSWEL SBU1	260	NPV @ Ke 12%	5,094	3.1
JSWEL SBU2	600	NPV @ Ke 12%	18,176	11.1
RWPL-I	1,080	NPV @ Ke 12%	21,428	13.1
Ratnagiri	1,200	NPV @ Ke 12%	8,909	5.4
Hydro assets	1,391	NPV @ Ke 12%	23,337	14.2
<b>Generation- total</b>	<b>4,531</b>		<b>76,945</b>	<b>47</b>
JPTL	169 Km	NPV @ Ke 12%	1,366	0.8
Power Trading		10x FY16 PAT	1,247	0.8
O&M Services		10x FY16 PAT	10,233	6.2
BLMCL	JV with RSMML	FY16E BV(Debt+Equity)	3,969	2.4
JSPL 1000MW			(9,395)	(5.7)
Cash + Investments		FY17E BV	23,631	14.4
<b>Total</b>			<b>107,996</b>	<b>66</b>

Source: Edelweiss research

### Q4FY17 concall highlights

The quarter saw continued trend of poor power demand which impacted merchant off-take and realisations thereof.

Fuel cost has stabilised and currency movement is favourable.

Deemed PLF stood at ~52% versus 59% in Q3FY17.

BASPA's tariff order in Himachal Pradesh came into effect in March.

On power minister, Piyush Goyal's comments on INR3 as the benchmark for merchant prices: Management indicated his comments are more on prevailing prices and are unsure whether the current prices are sustainable. It will be difficult for power developers to supply at just above the cost of the developers (at INR3/unit). It alters the medium term business outlook for JSW as realisations could come under pressure. Uttar Pradesh has already taken up initiative of "power for all". That apart, the company has started reaping the benefits of "UDAY" which has increased the ability of discoms to pay. As more and more states go for 24x7 power supply, management expects more states to go for medium term PPA's and later long term PPA's. Management reiterated that power is not only an economic issue, but a socio-economic topic.

Cost reduction: MOEF has given its nod to blend coal with 50% domestic coal through e auctioning. JSW has still not started using domestic coal at its Vijay Nagar and Ratnagiri power plants. The moment it receives MOEF's letter, it will start blending provided it makes economic benefit.

The flow of power to Punjab or to some other customers would be taken by PTC.

Fuel cost: Current fuel cost at SA level is an all-time high at ~INR3.2/unit as JSW is currently sourcing high CV coal from South Africa and blending low CV coal from Indonesia. The company is exploring new markets like Canada and Mozambique for high CV coal.

JSW had to purchase power from MSEDCL during the quarter as the Ratnagiri project was shut for few days. To honour the PPA, the company had to purchase the power.

Bulk of financing is via loan and full benefits of reduction in MCLR are expected in FY17-18. Borrowing cost is expected to reduce by 9.5% by FY18 end from the current 10.15%. The last NCD was done in December'16 at ~8.65%.

On reduction in receivables, management indicated the company is witnessing better payment ability by various states due to "UDAY".

About 67% of JSW's capacities are tied (Vijaynagar is almost completely open) with the balance untied.

JSW doesn't expect any major impact in the near term on merchant prices due to the addition of the transmission line connecting South-Central. Also, the Sagara dam will not be available to Karnataka in Q2FY18 since it will be down for maintenance which can keep merchant prices higher.

Coal consumption in Q4FY17: The high and low GCV mix was 60:40. Total consumption was 1.06mn tonnes. Imported coal prices have eased in past few months and JSW expects prices to further decline though not significantly.

## Financial snapshot

(INR mn)

Year to March	Q4FY17	Q4FY16	% change	Q3FY17	% change	FY17	FY18E	FY19E
Net revenues	18,621	26,307	(29.2)	19,043	(2.2)	82,634	89,347	95,452
Cost of operations	10,574	12,992	(18.6)	10,260	3.1	40,603	48,232	51,646
Staff costs	538	478	12.5	512	5.1	2,118	2,386	2,668
Other operating expenses	1,640	2,067	(20.7)	1,696	(3.3)	6,670	6,816	7,225
Total expenditure	12,752	15,537	(17.9)	12,468	2.3	49,391	57,434	61,538
EBITDA	5,869	10,770	(45.5)	6,575	(10.7)	33,244	31,914	33,914
Depreciation	2,379	2,382	(0.1)	2,444	(2.7)	9,692	9,877	9,877
EBIT	3,490	8,388	(58.4)	4,131	(15.5)	23,552	22,037	24,037
Other income	732	342	114.3	505	44.9	2,170	2,339	2,706
Interest	3,970	4,448	(10.8)	4,229	(6.1)	16,848	15,387	14,261
Add: Exceptional items								
Profit before tax	253	4,282	(94.1)	407	(38.0)	8,875	8,988	12,482
Provision for taxes	27	1,382	(98.1)	249	(89.4)	2,690	2,697	3,745
Minority interest	10	44	(76.6)	(34)	(130.3)	(65)	62	62
Associate profit share	22	(6)	(492.7)	22	0.5	41	40	40
Reported net profit	237	2,850	(91.7)	214	10.9	6,290	6,270	8,715
Adjustments		(231)	(100.0)					
Adjusted Profit	237	3,081	(92.3)	214	10.9	6,291	6,270	8,715
Diluted shares (mn)	1,640	1,640		1,640		1,640	1,640	1,640
Adjusted Diluted EPS	0.1	1.9	(92.3)	0.1	10.9	3.8	3.8	5.3
Diluted P/E (x)	-	-		-		1.0	0.9	0.9
EV/EBITDA (x)	-	-		-		6.7	6.3	5.9
ROAE (%)	-	-		-		6.6	6.0	7.8
<b>As % of net revenues</b>								
Direct costs	56.8	49.4		53.9		49.1	54.0	54.1
Employee cost	2.9	1.8		2.7		2.6	2.7	2.8
Other operating expenses	8.8	7.9		8.9		8.1	7.6	7.6
EBITDA	31.5	40.9		34.5		40.2	35.7	35.5
Reported net profit	1.3	10.8		1.1		7.6	7.0	9.1
Tax rate	10.5	32.3		61.2		30.3	30.0	30.0

## Company Description

JSWEL was incorporated in 1994 as the energy vertical of the JSW Group. The company has been in the power generation business since 2000 and later ventured into the transmission, distribution and trading business as well. It has 3,140 MW of operational generating thermal capacity and has ventured into hydro power by acquiring 1,391MW of capacity from Jai Prakash Power in FY16. In addition, it has power generation projects at an early stage under development with a proposed combined installed capacity of 10,000 MW

## Investment Theme

### Thermal capacity at 3,140 MW & riding the merchant power wave

The diversified company has an operational capacity of 3,140 MW selling significant portion on merchant basis. The company has made a conscious plan to sell 56% (out of ~ 3 GW) on merchant basis to take advantage of higher realizations which it believes will be high over the medium term. However, with higher potential for realizations comes the risk of volatility in merchant prices which raises the uncertainty in the company's earnings. Further, for ~2GW of its projects coal is sourced entirely on spot from international markets which keeps the coal costs very volatile. Also given that the pipeline projects are in early stages of development no capacity led growth is expected in the near to medium term.

### Diversified in hydro generation

The company in a bid to diversify had ventured into hydro generation by acquiring 1,391MW of projects from Jai Prakash Power during FY16. Since the projects are operational and bulk of this capacity is regulated, it imparts high earnings visibility and steady cash flows.

## Key Risks

### Merchant prices moderating

Our hypothesis is that merchant prices will stay elevated in the south at INR 4.5+/kWh in the short-medium term. Merchant prices at moderating (downwards of INR 4.25/kWh) due to declining SEB's demand or buying capacity is a risk to our call that merchant players will start showing healthy merchant realizations.

### International/spot coal costs jump

International coal prices have been moderating on account of decline in demand for thermal power across the globe, supplies from new countries like Australia, etc, which we believe will keep coal prices at the current level in the years to come. However, any surge in international coal prices is a risk to our call that imported/spot coal will maintain the cost of generation, aiding profitability.

## Financial Statements

## Key Assumptions

Year to March	FY16	FY17	FY18E	FY19E
<b>Macro</b>				
GDP(Y-o-Y %)	7.2	6.5	7.1	7.7
Inflation (Avg)	4.9	4.8	5.0	5.2
Repo rate (exit rate)	6.8	6.3	6.3	6.3
USD/INR (Avg)	65.0	67.5	67.0	67.0
<b>Sector</b>				
NewCastle FoB(USD/t)	56	56	56	56
Melawan FoB(USD/t)	46	46	46	46
<b>Company</b>				
Year end capacity (MW)	4,531	4,531	4,531	4,531
Net Gen./Sold (mn kwh)	22,064	20,763	23,738	25,405
Avg. Realisation(INR/kwh)	4.1	3.9	3.7	3.7
Merchant sale (mn kwh)	10,175	6,576	7,871	8,693
Merchant Realisation (INR/kwh)	4.4	3.5	3.6	3.7
Long Term sale (mn kwh)	11,677	14,186	15,867	16,712
LT Realisation (INR/kwh)	4.0	4.0	3.7	3.6
Avg. Energycost(INR/kwh)	2.3	2.3	2.0	2.0
Avg. O&M/unit (INR/kwh)	0.43	0.42	0.39	0.39
Avg. Dep/unit (INR/kwh)	0.43	0.47	0.42	0.39
Avg. Int/unit (INR/kwh)	0.69	0.81	0.65	0.56
Tax rate (%)	29.5	30.3	30.0	30.0
Dividend payout (%)	23.5	13.0	20.0	20.0
OI as %age of cash (%)	19.0	22.5	14.5	14.0
Net borrowings (INR mn)	150,530	121,320	100,521	97,706
Capex (INR mn)	93,098	4,500	4,500	4,500
Debtor days	73	90	85	90
Inventory days	50	50	50	50
Payable days	157	180	180	180

## Income statement

(INR mn)

Year to March	FY16	FY17	FY18E	FY19E
Net revenue	99,689	82,634	89,347	95,452
Cost of Operations	48,793	40,603	48,232	51,646
Other operating expenses	7,617	6,670	6,816	7,225
Employee costs	1,834	2,118	2,386	2,668
Total operating expenses	58,244	49,391	57,434	61,538
EBITDA	41,446	33,244	31,914	33,914
Depreciation	9,502	9,692	9,877	9,877
EBIT	31,944	23,552	22,037	24,037
Add: Other income	2,100.4	2,170.00	2,338.57	2,706.02
Less: Interest Expense	15,032	16,848	15,387	14,261
Add: Exceptional items	1,500	-	-	-
Profit Before Tax	20,513	8,875	8,988	12,482
Less: Provision for Tax	6,051	2,690	2,697	3,745
Less: Minority Interest	133	(65)	62	62
Associate profit share	(373)	41	40	40
Reported Profit	13,955	6,290	6,270	8,715
Exceptional Items	-	-	-	-
Adjusted Profit	13,955	6,291	6,270	8,715
Shares o /s (mn)	1,640	1,640	1,640	1,640
Adjusted Basic EPS	8.5	3.8	3.8	5.3
Diluted shares o/s (mn)	1,640	1,640	1,640	1,640
Adjusted Diluted EPS	8.5	3.8	3.8	5.3
Adjusted Cash EPS	14.3	9.7	9.8	11.3
Dividend per share (DPS)	2.0	0.5	0.8	1.1
Dividend Payout Ratio(%)	27.1	15.6	22.6	21.9

## Common size metrics

Year to March	FY16	FY17	FY18E	FY19E
Operating expenses	58.4	59.8	64.3	64.5
Depreciation	9.5	11.7	11.1	10.3
Interest Expense	15.1	20.4	17.2	14.9
EBITDA margins	41.6	40.2	35.7	35.5
Net Profit margins	14.1	7.5	7.1	9.2

## Growth ratios (%)

Year to March	FY16	FY17	FY18E	FY19E
Revenues	6.3	(17.1)	8.1	6.8
EBITDA	8.6	(19.8)	(4.0)	6.3
PBT	8.4	(56.7)	1.3	38.9
Adjusted Profit	5.6	(54.9)	(0.3)	39.0
EPS	5.6	(54.9)	(0.3)	39.0

Balance sheet		(INR mn)			
As on 31st March	FY16	FY17	FY18E	FY19E	
Share capital	16,401	16,401	16,401	16,401	
Reserves & Surplus	68,958	87,284	92,136	98,944	
Shareholders' funds	85,358	103,685	108,536	115,345	
Minority Interest	551	24	86	148	
Short term borrowings	15,893	87	87	87	
Long term borrowings	139,338	131,265	122,659	114,052	
Total Borrowings	155,231	131,352	122,745	114,139	
Long Term Liabilities	2,339	489	489	489	
Def. Tax Liability (net)	4,383	5,801	5,801	5,801	
<b>Sources of funds</b>	<b>247,862</b>	<b>241,349</b>	<b>237,657</b>	<b>235,921</b>	
Gross Block	266,291	236,005	240,505	245,005	
Net Block	218,742	178,765	173,388	168,011	
Capital work in progress	1,200	5,269	1,200	1,200	
Intangible Assets	3,156	16,141	16,141	16,141	
Total Fixed Assets	223,098	200,175	190,729	185,352	
Non current investments	1,932	13,599	13,599	13,599	
Cash and Equivalents	4,701	10,032	22,224	16,433	
Inventories	6,494	5,967	6,767	6,869	
Sundry Debtors	28,381	21,828	19,786	27,286	
Loans & Advances	13,742	12,181	12,181	12,181	
Other Current Assets	3,025	22,107	22,107	22,107	
Current Assets (ex cash)	51,643	62,083	60,841	68,443	
Trade payable	25,632	21,187	26,384	24,554	
Other Current Liab	7,879	23,352	23,352	23,352	
Total Current Liab	33,511	44,540	49,736	47,907	
Net Curr Assets-ex cash	18,131	17,543	11,104	20,536	
<b>Uses of funds</b>	<b>247,862</b>	<b>241,349</b>	<b>237,657</b>	<b>235,921</b>	
BVPS (INR)	52.0	63.2	66.2	70.3	

Free cash flow		(INR mn)			
Year to March	FY16	FY17	FY18E	FY19E	
Reported Profit	13,955	6,290	6,270	8,715	
Add: Depreciation	9,502	9,692	9,877	9,877	
Interest (Net of Tax)	10,597	11,741	10,771	9,983	
Others	6,474	2,831	2,300	1,595	
Less: Changes in WC	(4,854)	17,820	6,439	(9,432)	
Operating cash flow	35,674	48,374	35,656	20,738	
Less: Capex	93,098	4,500	4,500	4,500	
<b>Free Cash Flow</b>	<b>(57,424)</b>	<b>43,874</b>	<b>31,156</b>	<b>16,238</b>	

Peer comparison valuation

Name	Market cap (USD mn)	Diluted P/E (X)		P/B (X)		ROAE (%)	
		FY18E	FY19E	FY18E	FY19E	FY18E	FY19E
JSW Energy	1,711	16.3	11.7	0.9	0.9	6.0	7.8
Adani Power	1,981	30.0		1.5		5.1	
CESC	1,949	14.4	10.4	1.7	1.5	12.3	14.6
NTPC	21,108	12.7	11.0	1.3	1.2	10.7	11.5
Tata Power Co	3,542	10.7	9.9	1.2	1.2	11.8	12.2
Median	-	14.4	11.0	1.3	1.2	10.7	12.2
AVERAGE	-	16.8	10.7	1.3	1.2	9.2	11.6

Source: Edelweiss research

Cash flow metrics		FY16	FY17	FY18E	FY19E
Year to March					
Operating cash flow		35,674	48,374	35,656	20,738
Investing cash flow		(34,657)	28,387	1,908	(1,794)
Financing cash flow		(15,982)	(26,397)	(25,371)	(24,735)
Net cash Flow		(14,965)	50,363	12,192	(5,791)
Capex		(93,098)	(4,500)	(4,500)	(4,500)
Dividend paid		(3,948)	(984)	(1,418)	(1,907)

Profitability and efficiency ratios

Year to March	FY16	FY17	FY18E	FY19E
ROAE (%)	17.4	6.6	6.0	7.8
ROACE (%)	16.6	10.8	10.5	11.6
Inventory Days	45	56	48	48
Debtors Days	73	111	85	90
Payable Days	157	210	180	180
Cash Conversion Cycle	(39)	(44)	(47)	(42)
Current Ratio	1.7	1.6	1.7	1.8
Gross Debt/EBITDA	3.7	4.0	3.8	3.4
Gross Debt/Equity	1.8	1.3	1.1	1.0
Adjusted Debt/Equity	1.8	1.3	1.1	1.0
Interest Coverage Ratio	2.1	1.4	1.4	1.7

Operating ratios

Year to March	FY16	FY17	FY18E	FY19E
Total Asset Turnover	0.5	0.3	0.4	0.4
Fixed Asset Turnover	0.6	0.4	0.5	0.5
Equity Turnover	1.2	0.9	0.8	0.9

Valuation parameters

Year to March	FY16	FY17	FY18E	FY19E
Adj. Diluted EPS (INR)	8.5	3.8	3.8	5.3
Y-o-Y growth (%)	5.6	(54.9)	(0.3)	39.0
Adjusted Cash EPS (INR)	14.3	9.7	9.8	11.3
Diluted P/E (x)	7.3	16.2	16.3	11.7
P/B (x)	1.2	1.0	0.9	0.9
EV / Sales (x)	2.5	2.7	2.3	2.1
EV / EBITDA (x)	6.1	6.7	6.4	5.9
Dividend Yield (%)	3.2	0.8	1.2	1.7

## Additional Data

### Directors Data

Mr. Sajjan Jindal	Chairman & Managing Director, Executive	Mr. Nirmal Kumar Jain	Non Executive, Non Independent
Mr. Chandan Bhattacharya	Non Executive, Independent	Mr. Sanjay Sagar	Jt. Managing Director and CEO
Mr. Pramod Menon	Director-Finance	Shailaja Chandra	Non Executive, Independent
Ms. Sheila Sangwan	Non Executive, Independent	Mr. Rakesh Nath	Non Executive, Independent

Auditors - M/S. Lodha & Co.

*\*as per last annual report*

### Holding – Top 10

	Perc. Holding		Perc. Holding
Life Insurance Corp Of India	4.91	Indus Capital Group Ltd	2.19
Blackrock	1.90	Dimensional Fund Advisors Lp	1.11
Vanguard Group	0.78	Religare India Asset Management	0.28
Kotak Mahindra	0.23	Jpmorgan Chase & Co	0.20
Wisdomtree Investments Inc	0.19	Reliance Capital Trustee Co Ltd	0.16

*\*as per last available data*

### Bulk Deals

Data	Acquired / Seller	B/S	Qty Traded	Price
No Data Available				

*\*in last one year*

### Insider Trades

Reporting Data	Acquired / Seller	B/S	Qty Traded
30 Mar 2017	Indusglobe Multiventures Private Limited	Buy	256798994.00
30 Mar 2017	Sahyog Holdings Pvt Ltd (Formerly known as Sahyog Tradcorp Private Limited)	Sell	256798944.00
03 Jan 2017	SEEMA JAJODIA	Sell	100000.00
27 Dec 2016	JSW Investments Private Limited	Buy	87227187.00
27 Dec 2016	SAJJAN JINDAL	Sell	74144162.00

*\*in last one year*

Company	Absolute reco	Relative reco	Relative risk	Company	Absolute reco	Relative reco	Relative Risk
Adani Power	HOLD	SU	H	CESC	BUY	None	None
JSW Energy	HOLD	SP	M	NTPC	BUY	SP	L
Power Grid Corp of India	BUY	SO	L	PTC India	BUY	None	None
Tata Power Co	BUY	SP	M				

### ABSOLUTE RATING

Ratings	Expected absolute returns over 12 months
Buy	More than 15%
Hold	Between 15% and - 5%
Reduce	Less than -5%

### RELATIVE RETURNS RATING

Ratings	Criteria
Sector Outperformer (SO)	Stock return > 1.25 x Sector return
Sector Performer (SP)	Stock return > 0.75 x Sector return
	Stock return < 1.25 x Sector return
Sector Underperformer (SU)	Stock return < 0.75 x Sector return

Sector return is market cap weighted average return for the coverage universe within the sector

### RELATIVE RISK RATING

Ratings	Criteria
Low (L)	Bottom 1/3rd percentile in the sector
Medium (M)	Middle 1/3rd percentile in the sector
High (H)	Top 1/3rd percentile in the sector

Risk ratings are based on Edelweiss risk model

### SECTOR RATING

Ratings	Criteria
Overweight (OW)	Sector return > 1.25 x Nifty return
Equalweight (EW)	Sector return > 0.75 x Nifty return
	Sector return < 1.25 x Nifty return
Underweight (UW)	Sector return < 0.75 x Nifty return

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**Coverage group(s) of stocks by primary analyst(s): Power**

Adani Power, CESC, JSW Energy, NTPC, PTC India, Power Grid Corp of India, Tata Power Co

**Recent Research**

Date	Company	Title	Price (INR)	Recos
11-Apr-17	<b>Power</b>	Supreme Court disallows compensation for imported coal; <i>Sector Update</i>		
23-Feb-17	<b>PTC India</b>	Subdued overall volumes dent profit; <i>Result Update</i>	90	Buy
15-Feb-17	<b>CESC</b>	Turnaround imminent and ahead of time; <i>Result Update</i>	847	Buy

**Distribution of Ratings / Market Cap**

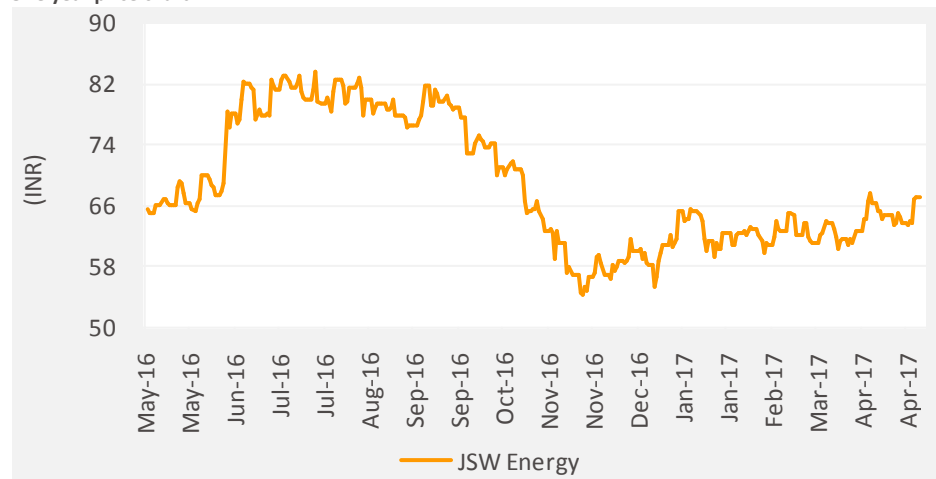
**Edelweiss Research Coverage Universe**

	Buy	Hold	Reduce	Total
Rating Distribution*	161	67	11	240
* 1stocks under review				
	> 50bn	Between 10bn and 50 bn	< 10bn	
Market Cap (INR)	156	62	11	

**Rating Interpretation**

Rating	Expected to
<b>Buy</b>	appreciate more than 15% over a 12-month period
<b>Hold</b>	appreciate up to 15% over a 12-month period
<b>Reduce</b>	depreciate more than 5% over a 12-month period

**One year price chart**



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