

ADANI POWER

Compensatory tariff reversal sings profitability

India Equity Research | Power

Key negative highlight of Adani Power's (APL) Q4FY17 result was the INR36.5bn reversal of compensatory tariff (CT) booked on Mundra power plant post the apex court's adverse ruling on pass through of increase in Indonesian coal prices. Going forward, we envisage APL to benefit from the new coal linkage policy 'SHAKTI' as it will be eligible for coal linkages for its Tirora and Kawai power plants (partial), which could reduce the fuel cost to less than INR2.0/unit for Tirora (our estimate at INR1.85/unit). While the operational performance could recover, the key trigger for the stock is reducing Mundra power plant's coal cost, which is a key challenge. Hence, maintain our cautious stance with 'HOLD' and target price of INR28.

Lower off take and non-recognition of CT drags revenue

Consolidated revenue at INR64bn fell 17% YoY due to lower sales (partially offset by better realisations) and lower CT booked for the quarter. APL booked CT of INR2.5bn (INR690mn at Tirora and INR1.8bn at Kawai; no CT booked at Mundra) in Q4FY17 versus INR14bn booked last year. EBITDA at INR13bn plunged 60% YoY due to depressed revenue and higher fuel and other operating costs. Average fuel cost for the quarter was at INR2.77 per unit versus INR2.2 per unit last year. APL registered a 500bps drop in average PLF in Q4FY17 (74% versus 79% last year) due to lower PLF at Mundra and Udupi (Mundra 76%, Kawai 78%, Tirora 71% and Udupi 78%).

Benefit under new coal policy likely

Under the new coal policy 'SHAKTI', APL's Tirora (5x660MW) and Kawai (2x660MW) are likely to get domestic coal linkages (through tariff based bidding). This could prune the fuel cost to less than INR2.0/unit for Tirora from INR2.15/unit currently. In our assumptions we have factored in fuel cost of INR1.85/unit from FY19 and hence we do not see any upsides in our earnings estimates.

Outlook and valuations: Cautious; maintain 'HOLD'

APL's performance is expected to improve with commencement of the 440MW PPA at Tirora, better coal supplies at Kawai and uptick in Udupi's PLF. However, given the company's high leverage (D/E at >10x in FY17), revival of cash flows is critical, which is not in sight and a key monitorable. At CMP, the stock trades at 3.1x and 2.7x FY18E and FY19E P/BV respectively. We maintain 'HOLD/SU' with SOTP-based target price of INR28.

Financials

	(INR mn)							
Year to March	Q4FY17	Q4FY16	Change(%)	Q3FY17	Change(%)	FY17	FY18E	FY19E
Net rev.	63,522	76,450	(16.9)	54,691	16.1	227,838	242,914	249,658
EBITDA	13,216	34,121	(61.3)	13,048	1.3	59,717	70,572	71,141
Adj. net profit	(8,838)	(1,611)	448.6	(6,679)	32.3	(20,974)	2,934	5,569
Dil. EPS (INR)	(25.2)	(0.5)	5,124.3	(19.1)	32.3	(7.3)	1.0	1.9
EV/EBITDA (x)						10.6	8.8	8.1
ROAE (%)						(40.4)	9.3	15.6
Price/BV(x)						3.4	3.1	2.7

EDELWEISS 4D RATINGS	
Absolute Rating	HOLD
Rating Relative to Sector	Underperform
Risk Rating Relative to Sector	High
Sector Relative to Market	Underweight

MARKET DATA (R: ADAN.BO, B: ADANI IN)

CMP	: INR 27
Target Price	: INR 28
52-week range (INR)	: 46 / 23
Share in issue (mn)	: 3,856.9
M cap (INR bn/USD mn)	: 103 / 1,596
Avg. Daily Vol.BSE/NSE('000)	: 11,302.5

SHARE HOLDING PATTERN (%)

	Current	Q2FY17	Q1FY17
Promoters *	68.1	64.9	64.0
MF's, FI's & BK's	9.1	9.8	10.4
FII's	15.7	17.3	17.0
Others	7.1	8.0	8.6
* Promoters pledged shares (% of share in issue)	:		NIL

PRICE PERFORMANCE (%)

	Stock	Nifty	EW Power Index
1 month	(19.1)	3.2	(5.0)
3 months	(30.8)	8.2	0.8
12 months	(11.1)	17.8	17.9

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May 29, 2017

Table 1: SOTP

Unit	MW	Stake	NPV @ Ke 12%	
			(INR mn)	INR / share
Mundra I & II	1,320	100%	2,226	1
Mundra III	1,320	100%	(16,165)	(4)
Mundra IV	1,980	100%	6,922	2
Tirora	1,980	100%	29,713	8
Tirora II	1,320	100%	21,858	6
Kawai	1,320	100%	31,623	8
Udupi	1,200	100%	19,106	5
Total	10,440		95,284	25
FY17 Cash + CT - Corporate Debt			7,078	3
Total			102,362	28

Source: Edelweiss research

Adani Power Q4FY17 - Concall takeaways

- **Supreme Court order on CERC's authority to decide CT:** Management stated that both the PPAs with GUVNL and Haryana are part of composite schemes and as such CERC has authority to decide CT.
- **New coal policy:** APL is likely to benefit from the new coal linkage policy i.e. SHAKTI. Since there are no LOAs for any plants, the company will be eligible for Tirora and to a certain extent for Kawai as well, to get coal linkages.
- Key highlights of the quarter:
 - Average availability at 98%.
 - Average PLF of 74% vs 79% in Q4FY16 due to lower PLF at Mundra and Udupi (for the quarter, PLFs at Mundra 76%, Kawai 78%, Tirora 71% and Udupi 78%).
 - Auxiliary consumption was at 6.0% vs 6.3% last year.
 - APL booked INR2.53bn (Tirora INR0.69bn and Kawai INR1.84bn) of CT in Q4FY17 versus INR13bn in Q4FY16.
 - For FY17, the company booked INR9.69bn of CT (Tirora INR2.43bn and Kawai INR7.26bn) vs INR21.9bn in FY16. No CT recognised for Mundra in FY17.
 - For the quarter, EBITDA at Tirora was at INR6.34bn and Kawai's at INR3.76bn and full year EBITDA at Tirora - INR24.11bn and Kawai - INR12.78bn.
 - For Q4FY17, PAT at Tirora - INR1.02bn and Kawai was almost flat while PAT for the full year at Tirora - INR2.74bn and Kawai - INR0.15bn.
 - Udupi EBITDA of INR11.8bn and PBT of INR2.3bn in FY17. For the quarter, EBITDA at INR2.36bn and PBT at INR0.06bn.
 - Fuel cost for the quarter was at INR2.67per kwh.
 - Average realisation for the quarter was at INR3.74 per Kwh, while merchant realisation was at INR3.7 per Kwh and PPA realisation was at INR3.7 per Kwh.
 - The number of units sold at Merchant was 963MUs.
- **Supply to GUVNL from APL Mundra:** Since CT is not positive for the company it has informed GUVNL to stop the supply. The company has been operating the plants but

not fully. APL is hopeful of reducing losses on the back of coal prices which are now falling.

- On recent CT order by CERC, the company has not booked any CT on Haryana.
- **Higher finance and depreciation charges for the quarter:** Higher finance cost of INR1.7bn on account of MTM loss on derivatives position. Higher depreciation on account of government grants (grants at the time of starting the project has to be added to the project cost which was INR70bn) and has to be amortised over the life of the asset.
- **Configuration of power plants for domestic coal:** Tirora and Kawai are largely designed for domestic coal (can use 30% imported coal). Mundra is largely designed for imported coal, except for phase 4 (Haryana PPA) which largely uses domestic coal.
- Coal usage at Tirora in FY17 was 100% domestic coal and inters plant transfer along with some e-auction. The landed cost would be INR2/kWh with the nearest domestic coal linkage post the new coal policy.
- Total debt repayment of ~INR25bn in FY18/19 needs to be made.
- APL's total debt stands at INR525bn on consolidated basis. Total long term debt is INR460bn (includes INR50bn inter corporate debt) and INR65bn working capital debt.
- **Recapitalisation:** Only issue is in APL Mundra with respect to debt to equity. Rest all plants are fine with respect to D/E. No timeline per say from lenders on recapitalisation as the company has been able to service the debt.
- Korba West acquisition is in the final leg of approvals. Current power sales are booked in Avantha's books.
- APL has decided to write off receivables against GUVNL and Haryana PPA, which it has been booking earlier.

In Kawai and Tirora, the company falls under the discount programme under that new coal policy.

- Plant-wise debt break up given by the company – APL SA INR247bn, Tirora INR124bn, Kawai INR57bn and Udupi INR36bn.

Financial snapshot

(INR mn)

Year to March	Q4FY17	Q4FY16	% change	Q3FY17	% change	FY17	FY18E	FY19E
Net revenues	63,522	76,450	(16.9)	54,691	16.1	227,838	242,914	249,658
Cost of operations	45,134	37,685	19.8	37,009	22.0	148,393	152,813	158,151
Staff costs	954	788	21.0	956	(0.2)	4,017	3,529	3,655
Other operating expenses	4,218	3,856	9.4	3,678	14.7	15,712	15,999	16,712
Total expenditure	50,306	42,329	18.8	41,643	20.8	168,122	172,341	178,518
EBITDA	13,216	34,121	(61.3)	13,048	1.3	59,717	70,572	71,141
Depreciation	8,685	8,920	(2.6)	6,077	42.9	26,724	25,111	25,769
EBIT	4,531	25,201	(82.0)	6,970	(35.0)	32,993	45,461	45,372
Other income	2,342	1,120	109.2	592	295.3	4,190	1,726	1,640
Interest	15,864	15,470	2.5	14,302	10.9	59,017	44,253	41,442
Add: Exceptional items	(40,767)					(40,767)		
Profit before tax	(49,758)	10,851	NA	(6,739)	NA	(62,602)	2,934	5,569
Provision for taxes	(152)	729	NA	(60)	NA	(861)	-	-
Minority interest								
Reported net profit	(49,605)	10,122	NA	(6,679)	NA	(61,741)	2,934	5,569
Adjustments	(40,767)	11,733	NA	-		(40,767)	-	-
Adjusted Profit	(8,838)	(1,611)	NA	(6,679)	NA	(20,974)	2,934	5,569
Diluted shares (mn)	350	3,334		350		2,872	2,872	2,872
Adjusted Diluted EPS	(25.2)	(0.5)	NA	(19.1)	NA	(7.3)	1.0	1.9
ROAE (%)	-	-		-		(40.4)	9.3	15.6
As % of net revenues	-	-		-		-	-	1
Direct costs	71.1	49.3		67.7		65.1	62.9	63.3
Employee cost	1.5	1.0		1.7		1.8	1.5	1.5
Other operating expenses	6.6	5.0		6.7		6.9	6.6	6.7
EBITDA	20.8	44.6		23.9		26.2	29.1	28.5
Reported net profit	(78.1)	13.2		(12.2)		(27.1)	1.2	2.2
Tax rate	0.3	6.7		0.9		1.4	-	-

Company Description

APL commercialised its first unit of 330 MW at Mundra, Gujarat, in 2009 and scaled up plans to build India's largest and one of the world's top 5 single location thermal power plants with a capacity of 10,440 MW. The company has also made inroads into power generation in Maharashtra, Rajasthan and Madhya Pradesh with an ambitious vision of being a 20,000 MW company by 2020. It commissioned the first supercritical 660 MW unit in the country and also the world's first supercritical technology project to have received 'clean development mechanism (CDM) project' certification from United Nations Framework Convention on Climate Change (UNFCCC).

Investment Theme

The company has operational capacity of ~10.4 GW (at Mundra, Gujarat; Tiroda, Maharashtra, Kawai, Rajasthan and Udupi, Maharashtra). APL envisages achieving total commercial capacity of 20 GW by FY20. The company has a good blend of projects in terms of diverse locations, imported and domestic coal, long-term PPAs and merchant sales. APL's entire capacity (~10.4 GW) is coal based with a blend of imported (AEL) and domestic (CIL) coal procured through linkages. Though linkages are in place (except 2.6 GW Tiroda ext/Kawai where linkage is applied for) we anticipate risk to domestic coal supply because of the likely production shortage from CIL in the medium term.

Key Risks

CIL honouring its coal contracts

The company expects domestic linkages from CIL to meet coal requirements for much of the ~10.4 GW capacity. Our hypothesis is that CIL will not be able to honour its existing contracts in totality (we have factored in 80% of CIL's commitment for Mundra IV i.e. 3x660 and Tiroda I i.e. 3x660 to be met based on draft revised FSAs circulated by CIL) due to current problems in scaling up and logistics (rake availability). CIL honouring its existing contracts (pooling, imported, etc) at the current price level is a risk to our call.

Commissioning of plants ahead of CEA dates

We have assumed the timeline of commissioning of power units based on the recent status updated by the CEA. However, faster execution and commissioning of plants ahead of the expected schedule (gives them time to generate power and sell on merchant basis) is a risk to our assumptions.

Financial Statements

Key Assumptions

Year to March	FY16	FY17	FY18E	FY19E
Macro				
GDP(Y-o-Y %)	7.4	7.9	8.3	7.7
Inflation (Avg)	4.8	5.0	5.2	5.2
Repo rate (exit rate)	6.8	6.0	6.0	6.3
USD/INR (Avg)	65.0	67.5	67.0	67.0
Sector				
Merchant prices(INR/kWh)	4.0	4.0	4.0	5.0
NewCastle FoB(USD/t)	59	59	59	59
Company				
Closing capacity (MW)	10,480.0	10,480.0	10,480.0	-
Average PLF (%)	80.0	80.0	80.0	85.0
Gross generation (MUs)	69,390	70,722	73,323	-
Aux consumption (%)	6.9	8.0	7.9	-
Net Gen./Sold (mn kwh)	64,600	65,097	67,504	-
Avg. Realisation(INR/kwh)	3.2	3.5	3.6	-
Avg. Energycost(INR/kwh)	2.3	2.3	2.3	-
Avg. O&M/unit (INR/kwh)	0.27	0.3	0.28	-
Avg. Dep/unit (INR/kwh)	0.36	0.41	0.37	-
Avg. Int/unit (INR/kwh)	0.92	0.91	0.66	-
Net borrowings (INR mn)	521,829	532,386	517,738	475,112
Capex (INR mn)	63,000	-	-	-
Debtor days	94	156	156	156
Inventory days	40	42	42	42
Payable days	147	167	167	167

Income statement

(INR mn)

Year to March	FY16	FY17	FY18E	FY19E
Net revenue	252,316	227,838	242,914	249,658
Cost of Operations	149,159	148,393	152,813	158,151
Other operating expenses	14,350	15,712	15,999	16,712
Employee costs	3,278	4,017	3,529	3,655
Total operating expenses	166,786	168,122	172,341	178,518
EBITDA	85,529	59,717	70,572	71,141
Depreciation	23,362	26,724	25,111	25,769
EBIT	62,168	32,993	45,461	45,372
Add: Other income	2,017.8	4,189.6	1,726.00	1,639.5
Less: Interest Expense	59,642	59,017	44,253	41,442
Add: Exceptional items	-	(40,767)	-	-
Profit Before Tax	4,544	(62,602)	2,934	5,569
Less: Provision for Tax	(341)	(861)	-	-
Reported Profit	4,885	(61,741)	2,934	5,569
Exceptional Items	-	(40,767)	-	-
Adjusted Profit	4,885	(20,974)	2,934	5,569
Shares o/s (mn)	3,334	3,857	3,857	3,857
Adjusted Basic EPS	1.5	(5.4)	0.8	1.4
Diluted shares o/s (mn)	3,334	3,857	3,857	3,857
Adjusted Diluted EPS	1.5	(5.4)	0.8	1.4
Adjusted Cash EPS	8.5	1.5	7.3	8.1

Common size metrics

Year to March	FY16	FY17	FY18E	FY19E
Operating expenses	66.1	73.8	70.9	71.5
Depreciation	9.3	11.7	10.3	10.3
Interest Expense	23.6	25.9	18.2	16.6
EBITDA margins	33.9	26.2	29.1	28.5
Net Profit margins	1.9	(9.2)	1.2	2.2

Growth ratios (%)

Year to March	FY16	FY17	FY18E	FY19E
Revenues	29.1	(9.7)	6.6	2.8
EBITDA	45.6	(30.2)	18.2	0.8
PBT	(155.7)	(1,477.7)	(104.7)	89.8
Adjusted Profit	(120.5)	(529.4)	(114.0)	89.8
EPS	(117.7)	(471.2)	(114.0)	89.8

Balance sheet		(INR mn)			
As on 31st March	FY16	FY17	FY18E	FY19E	
Share capital	33,339	38,569	38,569	38,569	
Reserves & Surplus	40,426	(8,574)	(5,639)	(70)	
Shareholders' funds	73,765	29,996	32,930	38,499	
Short term borrowings	134,357	172,895	188,182	191,355	
Long term borrowings	396,160	367,177	336,664	290,865	
Total Borrowings	530,517	540,071	524,846	482,220	
Long Term Liabilities	3,259	59,075	59,075	59,075	
Def. Tax Liability (net)	1,851	2,249	2,249	2,249	
Sources of funds	609,392	631,390	619,099	582,042	
Gross Block	587,892	661,041	661,041	661,041	
Net Block	496,752	541,932	518,066	492,297	
Capital work in progress	880	1,246	-	-	
Intangible Assets	7,433	1,978	1,978	1,978	
Total Fixed Assets	505,064	545,155	520,044	494,275	
Non current investments	-	-	-	-	
Cash and Equivalents	8,688	7,685	7,108	7,108	
Inventories	16,192	17,604	17,564	18,833	
Sundry Debtors	94,432	99,727	107,914	105,492	
Loans & Advances	23,322	14,994	14,994	14,994	
Other Current Assets	45,977	29,945	29,945	29,945	
Current Assets (ex cash)	179,923	162,270	170,417	169,264	
Trade payable	62,908	72,542	67,292	77,427	
Other Current Liab	21,375	11,178	11,178	11,178	
Total Current Liab	84,283	83,721	78,470	88,605	
Net Curr Assets-ex cash	95,640	78,550	91,947	80,658	
Uses of funds	609,392	631,390	619,099	582,042	
BVPS (INR)	22.1	7.8	8.5	10.0	

Free cash flow		(INR mn)			
Year to March	FY16	FY17	FY18E	FY19E	
Reported Profit	4,885	(61,741)	2,934	5,569	
Add: Depreciation	23,362	26,724	25,111	25,769	
Interest (Net of Tax)	59,642	58,206	44,253	41,442	
Others	(7,393)	36,403	(1,726)	(1,640)	
Less: Changes in WC	(32,301)	60,286	(13,397)	11,288	
Operating cash flow	48,194	119,877	57,175	82,429	
Less: Capex	63,000	-	-	-	
Free Cash Flow	(14,806)	119,877	57,175	82,429	

Peer comparison valuation

Name	Market cap (USD mn)	EV / EBITDA (X)		P/B (X)		ROAE (%)	
		FY18E	FY19E	FY18E	FY19E	FY18E	FY19E
Adani Power	1,596	8.8	8.1	3.1	2.7	9.3	15.6
CESC	1,828	9.1	8.2	1.4	1.3	5.0	5.5
JSW Energy	1,572	6.3	5.9	0.9	0.9	6.0	7.8
NTPC	20,004	10.1	9.0	1.3	1.2	10.7	11.5
Tata Power Co	3,403	9.1	9.1	1.6	1.5	7.0	8.8
Median	-	9.1	8.2	1.4	1.3	7.0	8.8
AVERAGE	-	8.7	8.1	1.7	1.5	7.6	9.9

Source: Edelweiss research

Cash flow metrics		FY16	FY17	FY18E	FY19E
Year to March					
Operating cash flow		48,194	119,877	57,175	82,429
Investing cash flow		(37,028)	4,190	1,726	1,640
Financing cash flow		(22,606)	(112,502)	(59,478)	(84,068)
Net cash Flow		(11,440)	11,565	(577)	-
Capex		(63,000)	-	-	-

Profitability and efficiency ratios

Year to March	FY16	FY17	FY18E	FY19E
ROAE (%)	7.5	(40.4)	9.3	15.6
ROACE (%)	11.6	6.3	8.4	8.7
Inventory Days	40	42	42	42
Debtors Days	94	156	156	156
Payable Days	147	167	167	167
Cash Conversion Cycle	(13)	31	31	31
Current Ratio	2.2	2.0	2.3	2.0
Debt/EBITDA (x)	6.2	9.0	7.4	6.8
Debt/Equity (x)	7.2	18.0	15.9	12.5
Adjusted Debt/Equity	7.2	18.0	15.9	12.5
Interest Coverage Ratio	1.0	0.6	1.0	1.1

Operating ratios

Year to March	FY16	FY17	FY18E	FY19E
Total Asset Turnover	0.5	0.4	0.4	0.4
Fixed Asset Turnover	0.5	0.4	0.5	0.5
Equity Turnover	3.9	4.4	7.7	7.0

Valuation parameters

Year to March	FY16	FY17	FY18E	FY19E
Adj. Diluted EPS (INR)	1.5	(5.4)	0.8	1.4
Y-o-Y growth (%)	(117.7)	(471.2)	(114.0)	89.8
Adjusted Cash EPS (INR)	8.5	1.5	7.3	8.1
Diluted P/E (x)	18.2	(4.9)	35.1	18.5
P/B (x)	1.2	3.4	3.1	2.7
EV / Sales (x)	2.4	2.8	2.6	2.3
EV / EBITDA (x)	7.1	10.6	8.8	8.1

Additional Data

Directors Data

Mr. Gautam S. Adani	Chairman, Promoter Non Executive	Mr. Rajesh S. Adani	Managing Director, Promoter Executive
Mr. Raminder Singh Gujral	Non Executive (Independent)	Mr. Vneet S Jaain	Executive Director
Mr. C. P. Jain	Non Executive (Independent)	Ms. Nandita Vohra	Non Executive (Independent)

Auditors - M/s. Deloitte Haskins & Sells

**as per last annual report*

Holding – Top 10

	Perc. Holding		Perc. Holding
Worldwide Emerge Mkt Hldg	6.88	Afro Asia Ind Ltd	6.88
Universal Trading Co Ltd	5.66	Opal Investment Mauritius	5.53
Emerging India Focus Funds	2.96	Elara India Opportunities Fund	2.94
Albula Investment Fund Ltd	2.07	Life Insurance Corp Of India	1.78
Cresta Fund Ltd	1.77	Vespera Fund Ltd	0.92

**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
07 Apr 2017	Universal Trade and Investments Ltd.	Buy	75485676.00
07 Apr 2017	RAMINDER SINGH GUJRAL	Sell	118295.00
07 Apr 2017	Vinod Shantilal Adani	Sell	226457026.00
07 Apr 2017	Afro Asia Trade and Investments Ltd.	Buy	75485675.00
07 Apr 2017	Parsa Kente Rail Infra LLP	Buy	377180885.00

**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
23-May-17	Tata Power Company	Tripped by one off; <i>Result Update</i>	80	Buy
22-May-17	CESC	Demerger prudent; prospects brighten; <i>Result Update</i>	884	Buy
02-May-17	JSW Energy	Low generation mars performance; <i>Result Update</i>	62	Hold

Distribution of Ratings / Market Cap

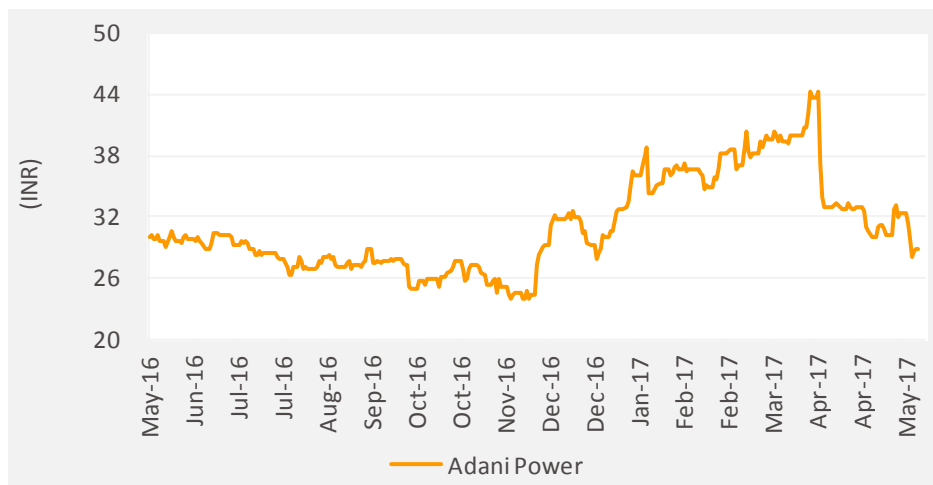
Edelweiss Research Coverage Universe

	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
Buy	appreciate more than 15% over a 12-month period
Hold	appreciate up to 15% over a 12-month period
Reduce	depreciate more than 5% over a 12-month period

One year price chart



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