

COAL INDIA

Higher cost hammers EBITDA

India Equity Research | Metals and Mining

Coal India's (CIL) Q4FY17 EBITDA, at INR33.8bn, came 32% below consensus due to ~INR8bn grade slippage provision and ~INR7bn employee cost, though revenue came broadly in line. We estimate wage cost to grow 18% over FY16 (earlier estimate 14%) and slightly lower FSA realisation due to grade rationalisation. Ergo, while we await the analyst meet scheduled on June 3 for further clarity, we have trimmed FY18/FY19E EBITDA 18% each in the interim. Maintain 'BUY' with revised target price of INR295 (INR340 earlier) while keeping the multiples unchanged, implying 14x FY19E EPS. Our recommendation is also based on dividend expectation of INR20/share in FY18 as well as FY19.

EBITDA miss due to higher cost and provisions

Q4FY17 EBITDA tumbled 39% YoY (12% QoQ) to INR33.8bn primarily due to higher provisions pending wage negotiations and one-time provision of ~INR8bn for grade slippage claims in FY17. However, e-auction volume, proportion and premium gave something to cheer—e-auction price rose 3% YoY to INR1,611, proportion in total sales was at historic high of 25% and premium to FSA coal jumped to ~24% (from 21%). We estimate wage cost to be 18% higher post negotiations and have trimmed FSA realisation by 1% compared to Q4FY17 to reflect grade rationalisation. We await more clarity on wage provisions, grade rationalisation, capital expenditure plans and pricing policy in the analyst meet scheduled for June 3.

Upbeat on dividend yield and operating leverage benefits

We perceive CIL as a good defensive play with estimated dividend of INR20/share in FY18 and FY19, translating into dividend yield of ~7.2% at CMP. We also expect operating leverage benefits and better blended realisation as the company ramps up volume through the e-auction route. As a result, we expect EBITDA/t to increase from INR225 in FY17 to INR315 by FY19E, though still lower than INR351 in FY16.

Outlook and valuations: Upbeat on dividend yield; maintain 'BUY'

We expect CIL's EPS to remain under pressure due to higher wages, though the impact will be partially mitigated by higher volumes. We estimate ~7.5% dividend yield over the next 2 years as a key positive. We maintain 'BUY/SO' at revised TP of INR295 (earlier INR 340), implying an exit P/E of 14.1x FY19E.

Financials

(INR mn)

Year to March	Q4FY17	Q4FY16	% Chg	Q3FY17	% Chg	FY17	FY18E	FY19E
Net revenues	247,802	228,130	8.6	219,467	12.9	838,081	924,140	995,181
EBITDA	33,876	55,684	(39.2)	38,549	(12.1)	122,399	167,799	202,135
Adjusted Profit	27,179	43,995	(38.2)	28,845	(5.8)	92,678	114,487	130,275
Adjusted Diluted EPS	4.4	7.0	(37.1)	4.6	(5.8)	14.7	18.1	20.6
Diluted P/E (x)						17.9	14.5	12.7
EV/EBITDA (x)						11.2	8.4	7.3
ROAE (%)						31.0	50.3	65.3

EDELWEISS 4D RATINGS

Absolute Rating	BUY
Rating Relative to Sector	Outperform
Risk Rating Relative to Sector	Medium
Sector Relative to Market	Overweight

MARKET DATA (R: COAL.BO, B: COAL IN)

CMP	: INR 267
Target Price	: INR 295
52-week range (INR)	: 350 / 261
Share in issue (mn)	: 6,207.4
M cap (INR bn/USD mn)	: 1,659 / 25,727
Avg. Daily Vol.BSE/NSE('000)	: 4,032.7

SHARE HOLDING PATTERN (%)

	Current	Q2FY17	Q1FY17
Promoters *	78.9	79.8	79.6
MF's, FI's & BK's	11.7	10.8	10.3
FII's	6.5	6.9	7.8
Others	3.0	2.5	2.3
* Promoters pledged shares (% of share in issue)	:		NIL

PRICE PERFORMANCE (%)

	Stock	Nifty	EW Metals and Mining Index
1 month	(3.4)	3.2	0.7
3 months	(17.0)	8.2	(4.3)
12 months	(5.0)	17.8	48.1

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Q4FY17: EBITDA miss, though revenue was broadly in line

CIL's Q4FY17 EBITDA tumbled 39% YoY to INR33.8bn due to higher provision for wages pending negotiation and a one-off provision of INR8bn for grade slippage. Revenue grew 9% YoY (13% QoQ) to INR 247bn primarily due to higher e-auction volume (up 45% YoY and 17% QoQ). Blended realisation also jumped 4% YoY to INR1,586/t due to higher proportion of e-auction volume in overall sales mix (25% against 17% YoY and 21% QoQ).

Table 1: Higher e-auction volume drives revenue growth

	Q4FY17	Q4FY16	Y-o-Y (%)	Q3FY17	Q-o-Q (%)
Quantity (mt)					
Sales volume					
FSA	116.3	119.3	(2.5)	112.9	3.0
e-auction	29.5	20.4	44.6	25.2	17.2
Washeries	3.7	4.1	(9.6)	3.5	7.0
Sales (INR mn)					
FSA	159,960	161,080	(0.7)	145,443	10.0
e-auction	47,560	33,630	41.4	39,390	20.7
Washeries	14,490	9,690	49.5	9,940	45.8
Realisation (INR/t)					
FSA	1,376	1,350	1.9	1,289	6.8
e-auction	1,611	1,648	(2.2)	1,564	3.0
Washeries	3,927	2,375	65.3	2,881	36.3

Source: Company data, Edelweiss research

EBITDA/t slipped 42% YoY (17% QoQ) to INR224 predominantly due to higher employee cost (up 13% YoY) and provisions related to grade slippage (up ~2.5x YoY and QoQ). We expect EBITDA/t to increase QoQ as CIL ramps up volumes.

Table 2: Higher employee cost and provisions dent EBITDA

(INR/t)	Q3FY17	Q3FY16	% chg	Q2FY17	% chg
Cost of materials	33	(11)	NA	107	(68.9)
Employee costs	609	540	12.8	577	5.6
Power and fuel	42	43	(3.6)	46	(8.1)
Social overhead	15	27	(44.2)	7	123.8
Repairs	31	32	(3.2)	21	47.5
Contractual expenses	249	238	4.7	236	5.3
Miscellaneous expenses	251	195	29.1	189	33.2
Overburden removal charge	98	91	7.8	57	72.0
Provisions/ Write-offs	84	33	NA	29	NA
Operating cost (excluding O	1,314	1,097	19.8	1,211	8.5
EBITDA	224	383	(41.7)	270	(17.3)

Source: Company data, Edelweiss research

Valuation: Maintain 'BUY' with revised TP of INR295/share

Going by the volume traction in the past few months, we estimate sales volume of 586mt, implying growth of 8% YoY (still lower than management's 600mt estimate). Taking cognizance of higher employee cost and grade rationalisation, we have lowered FY18E/FY19E EBITDA 18% each. Hence, our revised target price works out to INR295/share (at unchanged multiples), implying 14.1x FY19E EPS.

Table 3: TP revised to INR295 (earlier INR340)

Particulars	Present TP	FY19E
EPS- Ex Cash	14.3	17.6
Multiple (x)	18x	16x
Valuation- Ex Cash	258	284
Add: Cash per share	44	35
Value per share (INR)	302	320
Discount factor (@ 15%)	1.0	0.9
Value per share (INR)	302	288
Fair value per share (INR)	295	

Source: Edelweiss research

Financial snapshot

(INR mn)

Year to March	Q4FY17	Q4FY16	% change	Q3FY17	% change	FY17	FY18E	FY19E
Net revenues	247,802	228,130	8.6	219,467	12.9	838,081	924,140	995,181
Dec/(inc) in stock	(17,177)	(21,864)	NA	(2,413)	NA	(12,382)		
Repairs and maintenance	4,742	4,695	1.0	3,027	56.7	12,877	13,893	15,004
Cost of materials	22,210	20,283	9.5	17,663	25.7	69,634	61,103	65,991
Power and fuel	6,343	6,303	0.6	6,495	(2.3)	25,581	27,617	29,826
Welfare expenses	2,272	3,899	(41.7)	956	137.8	4,896	5,281	5,704
Contractual expenses	37,688	34,502	9.2	33,681	11.9	123,041	132,790	143,413
Employee expenses	92,291	78,430	17.7	82,318	12.1	335,143	363,718	369,174
Other expenses	38,059	28,250	34.7	26,908	41.4	109,464	109,091	117,658
OBR	14,843	13,195	12.5	8,124	82.7	26,722	28,805	31,109
Provisions / write-offs	12,657	4,755	166.2	4,161	204.2	20,706	14,042	15,165
Total expenditure	213,926	172,447	24.1	180,918	18.2	715,682	756,341	793,046
EBITDA	33,876	55,684	(39.2)	38,549	(12.1)	122,399	167,799	202,135
Depreciation	8,498	8,100	4.9	7,011	21.2	29,101	33,497	38,678
EBIT	25,378	47,584	(46.7)	31,539	(19.5)	93,299	134,302	163,456
Other income	18,558	17,708	4.8	11,167	66.2	55,156	37,106	30,953
Interest	1,151	1,192	(3.5)	1,107	4.0	4,117	4,604	4,604
Add: Exceptional items								
Profit before tax	42,784	64,099	(33.3)	41,599	2.9	144,337	166,804	189,806
Provision for taxes	15,606	20,104	(22.4)	12,754	22.4	51,660	52,317	59,531
Reported net profit	27,179	43,995	(38.2)	28,845	(5.8)	92,678	114,487	130,275
Adjusted Profit	27,179	43,995	(38.2)	28,845	(5.8)	92,678	114,487	130,275
Diluted shares (mn)	6,207	6,316		6,207		6,316	6,316	6,316
Adjusted Diluted EPS	4.4	7.0	(37.1)	4.6	(5.8)	14.7	18.1	20.6
Diluted P/E (x)	-	-		-		17.9	14.5	12.7
EV/EBITDA (x)	-	-		-		11.2	8.4	7.3
ROAE (%)	-	-		-		31.0	50.3	65.3
As % of net revenues								
Cost of materials	9.0	8.9		8.0		8.3	6.6	6.6
Employee cost	37.2	34.4		37.5		40.0	39.4	37.1
Power & fuel	2.6	2.8		3.0		3.1	3.0	3.0
Welfare expenses	0.9	1.7		0.4		0.6	0.6	0.6
Repairs and Maintenance	1.9	2.1		1.4		1.5	1.5	1.5
Contractual expenses	15.2	15.1		15.3		14.7	14.4	14.4
Other expenditure	15.4	12.4		12.3		13.1	11.8	11.8
OBR	6.0	5.8		3.7		3.2	3.1	3.1
Provisions / write-offs	5.1	2.1		1.9		2.5	1.5	1.5
Total expenses	86.3	75.6		82.4		85.4	81.8	79.7
EBITDA	13.7	24.4		17.6		14.6	18.2	20.3
Reported net profit	11.0	19.3		13.1		11.1	12.4	13.1
Tax rate	36.5	31.4		30.7		35.8	31.4	31.4

Change in Estimates

	FY18E			FY19E			Comments
	New	Old	% change	New	Old	% change	
Net Revenue	924,140	893,079	3.5	995,181	955,278	4.2	Revenue estimates changed
EBITDA	167,799	205,316	(18.3)	202,135	246,369	(18.0)	pursuant to IND-AS related adjustments and latest quarterly results.
EBITDA Margin	18.2	23.0		20.3	25.8		
Adjusted Profit After Tax	114,487	128,641	(11.0)	130,274	148,979	(12.6)	
Net Profit Margin	12.4	14.4		13.1	15.6		
Capex	80,136	100,170	(20.0)	99,168	165,281	(40.0)	

Company Description

Coal India (CIL) is the world's largest coal reserve holder and producer and also controls ~80% of the Indian coal market. It is going to be the primary beneficiary of the structural deficit of coal in India. Moreover, it is one of the least cost producers of coal in the world.

CIL, a Maharatna company, is one of the largest public sector companies in India in terms of turnover. Its product portfolio consists largely of thermal coal with the balance being coking coal. The company enjoys a near-monopoly position in the lucrative coal market and is more of a utility player due to assured volume off-take, pseudo regulated pricing and minimal chance of a product price cut, as prices already remain at ~30-35% discount to current international benchmark prices.

It currently operates ~471 mines in India and is also scouting for international mines to increase global presence and assure its resources. It sells ~15% of its production based on the e-Auction route and ~3.5% beneficiated coal (2x realisations of raw coal).

Investment Theme

The government focus on ramping up domestic production (to counter rising imports) will lead to sustainable volume growth for CIL over the next five years. We believe that CIL will benefit from its prices being lower as compared to imported coal. Dividend yield of ~7-8% over next two years will be an additional sweetener.

Key Risks

Lower than expected new FSA demand

Loss of volume-linked incentive

Lower than expected volume growth

Sharp drop in international and eAuction prices

Sharp increase in costs without immediate increase in prices.

Financial Statements

Key Assumptions

Year to March	FY16	FY17	FY18E	FY19E
Macro				
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	6.0	5.8	5.8
USD/INR (Avg)	65.0	67.5	67.0	67.0
Sector				
Indonesian coal (USD/t)	40.0	60.0	55.0	55.0
India coal demand (mt)	850.6	905.9	964.8	1,027.5
Coal imports (mn tonnes)	201.7	208.3	176.4	139.1
Company				
Production (mt)	539	547	591	638
Sales volumes (MT)	534	543	586	633
E-auction volume (mt)	66	60	65	64
Beneficiation volume(mt)	14	17	21	25
Raw Coal volume (mt)	449	460	495	538
E-auction (INR/t)	1,858	1,536	1,613	1,613
Beneficiation (INR/t)	2,328	3,753	4,667	4,667
Raw coal (INR/t)	1,292	1,347	1,349	1,344
Cost of materials(INR/t)	156	163	171	180
Power and fuel (INR)	42	44	48	52
Welfare expenses (INR/t)	9	9	10	10
Repairs per tonne (INR)	25	26	28	29
Contractual exp(INR/t)	190	202	225	249
Misc expenses (INR/t)	61	64	67	70
OBR (INR/t)	65	65	65	65
Provisions (INR/t)	20	20	20	20
Staff costs (INR mn)	301	335	364	369
Blended EBITDA/t (USD/t)	271	125	199	228
Depreciation rate (%)	6.4	5.8	5.8	5.8
Debtor days	44	48	44	43
Inventory days	166	181	190	177
Payable days	51	79	95	95

Income statement

(INR mn)

Year to March	FY16	FY17	FY18E	FY19E
Net revenue	835,610	838,081	924,140	995,181
Accretion to stock	(14,442)	(12,382)	-	-
Purchase of goods	165,284	179,098	170,194	183,649
Employee costs	301,268	335,143	363,718	369,174
Total SG&A expenses	171,482	188,242	194,811	210,396
Power and Freight	24,905	25,581	27,617	29,826
Total operating expenses	648,497	715,682	756,341	793,046
EBITDA	187,113	122,399	167,799	202,135
Depreciation	28,259	29,101	33,497	38,678
EBIT	158,854	93,299	134,302	163,456
Add: Other income	59,405.8	55,156.00	37,105.9	30,953.47
Less: Interest Expense	3,862	4,117	4,604	4,604
Profit Before Tax	214,398	144,337	166,804	189,806
Less: Provision for Tax	71,719	51,660	52,317	59,531
Reported Profit	142,679	92,678	114,487	130,275
Adjusted Profit	142,679	92,678	114,487	130,275
Shares o/s (mn)	6,316	6,207	6,207	6,207
Adjusted Basic EPS	22.6	14.9	18.4	21.0
Diluted shares o/s (mn)	6,316	6,207	6,207	6,207
Adjusted Diluted EPS	22.6	14.9	18.4	21.0
Adjusted Cash EPS	27.1	19.6	23.8	27.2
Dividend per share (DPS)	27.4	19.9	19.9	19.9
Dividend Payout Ratio(%)	144.0	161.0	130.4	114.6

Common size metrics

Year to March	FY16	FY17	FY18E	FY19E
Operating expenses	77.6	85.4	81.8	79.7
EBITDA margins	22.4	14.6	18.2	20.3
Net Profit margins	17.1	11.1	12.4	13.1

Growth ratios (%)

Year to March	FY16	FY17	FY18E	FY19E
Revenues	12.7	0.3	10.3	7.7
EBITDA	7.9	(34.6)	37.1	20.5
PBT	(0.7)	(32.7)	15.6	13.8
Adjusted Profit	4.0	(35.0)	23.5	13.8
EPS	4.0	(33.9)	23.5	13.8

Metals and Mining

Balance sheet		(INR mn)			
As on 31st March	FY16	FY17	FY18E	FY19E	
Share capital	63,164	62,074	62,074	62,074	
Reserves & Surplus	285,168	183,193	141,149	126,780	
Shareholders' funds	348,332	245,267	203,223	188,854	
Minority Interest	1,048	3,459	3,459	3,459	
Short term borrowings	9,290	27,130	27,130	27,130	
Long term borrowings	2,631	2,948	2,948	2,948	
Total Borrowings	11,921	30,078	30,078	30,078	
Long Term Liabilities	462,730	486,794	515,599	546,708	
Def. Tax Liability (net)	(64,424)	(101,957)	(101,957)	(101,957)	
Sources of funds	759,607	663,641	650,403	667,142	
Gross Block	467,520	539,520	619,656	718,824	
Net Block	220,137	237,499	272,739	333,229	
Capital work in progress	45,532	85,901	85,901	85,901	
Intangible Assets	688	578	578	578	
Total Fixed Assets	266,357	323,978	359,217	419,707	
Cash and Equivalents	399,549	317,433	275,315	219,151	
Inventories	75,692	89,452	87,421	91,091	
Sundry Debtors	114,476	107,359	113,836	118,794	
Loans & Advances	218	125	125	125	
Other Current Assets	89,352	93,632	93,632	93,632	
Current Assets (ex cash)	279,738	290,568	295,014	303,642	
Trade payable	32,972	39,002	49,809	46,024	
Other Current Liab	271,280	356,187	356,187	356,187	
Total Current Liab	304,251	395,190	405,997	402,211	
Net Curr Assets-ex cash	(24,514)	(104,622)	(110,983)	(98,569)	
Uses of funds	759,607	663,641	650,403	667,142	
BVPS (INR)	55.1	39.5	32.7	30.4	

Free cash flow		(INR mn)			
Year to March	FY16	FY17	FY18E	FY19E	
Reported Profit	142,679	92,678	114,487	130,275	
Add: Depreciation	28,259	29,101	33,497	38,678	
Interest (Net of Tax)	2,570	2,644	3,160	3,160	
Others	(58,114)	(86,477)	(39,942)	(29,509)	
Less: Changes in WC	(29,891)	(80,108)	(6,361)	12,414	
Operating cash flow	145,285	118,053	117,562	130,189	
Less: Capex	62,000	76,000	80,136	99,168	
Free Cash Flow	83,285	42,053	37,426	31,021	

Peer comparison valuation

Name	Market cap (USD mn)	Diluted P/E (X)		EV / EBITDA (X)		ROAE (%)	
		FY18E	FY19E	FY18E	FY19E	FY18E	FY19E
Coal India	25,727	14.5	12.7	8.4	7.3	50.3	65.3
China Coal Energy Co Ltd	-	17.0	18.9	8.4	8.8	4.8	4.3
Peabody Energy Corp	-	3.9	10.1	1.8	2.4	89.4	24.2
Median	-	14.5	12.7	8.4	7.3	50.3	24.2
AVERAGE	-	11.8	13.9	6.2	6.2	48.1	31.3

Source: Edelweiss research

Cash flow metrics					
Year to March	FY16	FY17	FY18E	FY19E	
Operating cash flow	145,285	118,053	117,562	130,189	
Investing cash flow	(72,597)	(55,476)	(43,030)	(68,215)	
Financing cash flow	(153,709)	(112,234)	(125,047)	(153,852)	
Net cash Flow	(81,021)	(49,657)	(50,515)	(91,878)	
Capex	(62,000)	(76,000)	(80,136)	(99,168)	
Dividend paid	(205,498)	(149,248)	(149,248)	(149,248)	

Profitability and efficiency ratios

Year to March	FY16	FY17	FY18E	FY19E
ROAE (%)	37.9	31.0	50.3	65.3
ROACE (%)	56.7	46.4	66.5	84.7
Inventory Days	166	181	190	177
Debtors Days	44	48	44	43
Payable Days	51	79	95	95
Cash Conversion Cycle	159	150	138	125
Current Ratio	2.2	1.5	1.4	1.3
Gross Debt/EBITDA	6.4	24.6	17.9	14.9
Gross Debt/Equity	3.4	12.1	14.6	15.6
Adjusted Debt/Equity	3.4	12.1	14.6	15.6
Net Debt/Equity	(110.9)	(115.5)	(118.7)	(98.3)
Interest Coverage Ratio	4,113.7	2,266.0	2,917.1	3,550.3

Operating ratios

Year to March	FY16	FY17	FY18E	FY19E
Total Asset Turnover	1.1	1.2	1.4	1.5
Fixed Asset Turnover	4.2	3.7	3.6	3.3
Equity Turnover	2.2	2.8	4.1	5.0

Valuation parameters

Year to March	FY16	FY17	FY18E	FY19E
Adj. Diluted EPS (INR)	22.6	14.9	18.4	21.0
Y-o-Y growth (%)	4.0	(33.9)	23.5	13.8
Adjusted Cash EPS (INR)	27.1	19.6	23.8	27.2
Diluted P/E (x)	11.8	17.9	14.5	12.7
P/B (x)	4.8	6.8	8.2	8.8
EV / Sales (x)	1.6	1.6	1.5	1.5
EV / EBITDA (x)	7.0	11.2	8.4	7.3
Dividend Yield (%)	10.3	7.4	7.4	7.4

Additional Data

Directors Data

Shri S Bhattacharya	Chairman-cum-Managing-Director	Shri Chandan Kumar Dey	Director Finance
Shri S.Saran	Technical Director	Shri R Mohan Das	Personnel & Industrial Relation Director
Shri S N Prasad	Marketing Director	Shri Vivek Bharadwaj	Government Nominee Director
Shri Rajesh Kumar Sinha	Government Nominee Director		

Auditors - De Chakraborty & Sen

**as per last annual report*

Holding – Top10

	Perc. Holding		Perc. Holding
Government of india	78.86	Life insurance corp	6.78
Blackrock	0.72	Benchmark asset mana	0.7
Vanguard group	0.68	Capital group compan	0.38
Icici prudential ass	0.32	Fmr llc	0.24
Sbi funds management	0.21	Jpmorgan chase & co	0.2

**in last one year*

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
28 Mar 2017	The President of India	Sell	15933351.00
30 Jan 2017	The President of India	Sell	41223086.00
01 Nov 2016	President Of India	Sell	78842816.00

**in last one year*

Company	Absolute reco	Relative reco	Relative risk	Company	Absolute reco	Relative reco	Relative Risk
Coal India	BUY	SO	M	Hindalco Industries	BUY	SO	M
Hindustan Zinc	BUY	SO	L	Jindal Steel & Power	BUY	SO	M
JSW Steel	REDUCE	SP	H	NMDC	HOLD	SP	M
Steel Authority of India	REDUCE	SU	M	Tata Steel	BUY	SO	M
Vedanta	BUY	SO	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): Metals and Mining

Coal India, Hindalco Industries, Hindustan Zinc, Jindal Steel & Power, JSW Steel, NMDC, Steel Authority of India, Tata Steel, Vedanta

Recent Research

Date	Company	Title	Price (INR)	Recos
29-May-17	Jindal Steel and Power	New blast furnace: Potent growth enabler; <i>EdelFlash</i>	125	Buy
26-May-17	NMDC	EBITDA miss on higher provisions; <i>Result Update</i>	117	Hold
25-May-17	Metals & Mining	April volume cheer for non ferrous ;		

Distribution of Ratings / Market Cap

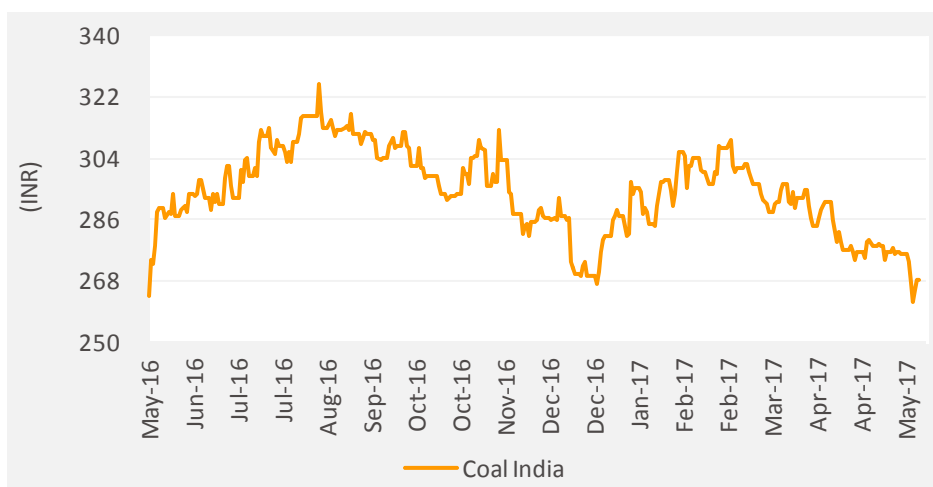
Edelweiss Research Coverage Universe

	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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