

## Power Grid Corporation of India

### Healthy capitalisation provides earnings visibility

Power Grid Corporation of India (PGCIL) is among the largest transmission utilities in the world and is one of the best plays on the power sector in India owing to its assured ROE model and strong earnings visibility.

**Huge investments lined up for augmenting power generation and transmission capacities:** Power generation capacity in the country is expected to increase to ~318GW by the end of the XII plan and a further addition of ~110GW has been planned during the XIII plan. The transmission sector is also expected to see huge investments of ~₹1,80,000cr and ~₹2,00,000cr during the XII and XIII plan, respectively. A majority of these investments are expected to be towards inter-regional transmission.

**Regulated ROE model assures steady earnings growth:** PGCIL receives a fixed return on equity (ROE) of 15.5%, with an additional 0.5% for timely completion of projects, as per norms laid out by the Central Electricity Regulatory Commission (CERC). The fixed ROE model implies that earnings growth is directly linked to the growth in assets capitalised. We estimate PGCIL's current projects under implementation to be upwards of ₹1,00,000cr, providing strong earnings visibility.

**Strong capex plans to drive growth:** PGCIL has incurred a capex of ~₹60,000cr since the beginning of FY2013 and remains well on track to achieve the XII plan capex target of ₹110,000cr. Further, we expect ~60-65% of XIII plan investments in the transmission sector toward inter-state transmissions, implying a capex outlay of ~₹1,20,000-1,30,000cr by PGCIL. The pace of capitalisation has also picked up in recent years, with FY2015 expected to have a capitalisation to capex ratio of >1.

**Outlook and Valuation:** Led by the strong capex plans and a healthy capitalisation rate, we expect PGCIL to report a top-line and bottom-line CAGR of ~15% and ~17% over FY2014-17E. At the current market price of ₹147, the stock trades at a P/B of 1.8x and 1.7x its FY2016E and FY2017E BV of ₹79.7 and ₹88.7, respectively. **We initiate coverage on the stock with a Buy recommendation and a target price of ₹170, based on ~1.9x FY2017E book value, implying a 16% upside from the current levels.**

#### Key financials

Y/E March (₹ cr)	FY2014	FY2015E	FY2016E	FY2017E
<b>Net sales</b>	<b>15,230</b>	<b>17,177</b>	<b>20,085</b>	<b>22,938</b>
% chg	19.4	12.8	16.9	14.2
<b>Net profit</b>	<b>4,497</b>	<b>4,991</b>	<b>6,127</b>	<b>7,277</b>
% chg	7.3	12.4	20.5	18.8
EBITDA margin (%)	85.1	86.4	86.5	86.7
<b>EPS (₹)</b>	<b>9.4</b>	<b>9.5</b>	<b>11.7</b>	<b>13.9</b>
P/E (x)	15.6	15.4	12.5	10.5
P/BV (x)	2.2	2.0	1.8	1.7
RoE (%)	14.9	14.1	15.4	16.5
RoCE (%)	8.3	7.7	8.1	8.4
EV/Sales (x)	10.2	9.7	8.9	8.2
EV/EBITDA (x)	12.0	11.3	10.2	9.5

Source: Company, Angel Research, Note: CMP as of March 13, 2015

## BUY

CMP	₹147
Target Price	₹170

Investment Period	12 Months
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#### Stock Info

Sector	Power
Market Cap (₹ cr)	76,695
Net Debt (₹ cr)	66,343
Beta	1.0
52 Week High / Low	98 / 159
Avg. Daily Volume	2,73,051
Face Value (₹)	10
BSE Sensex	28,503
Nifty	8,648
Reuters Code	PGRD.BO
Bloomberg Code	PWGR IN

#### Shareholding Pattern (%)

Promoters	57.9
MF / Banks / Indian Fls	7.7
FII / NRIs / OCBs	27.6
Indian Public / Others	6.8

Abs. (%)	3m	1yr	3yr
Sensex	4.2	30.9	60.0
Power Grid	8.8	48.5	32.0

#### 3-Year Daily price chart



Source: Capitaline

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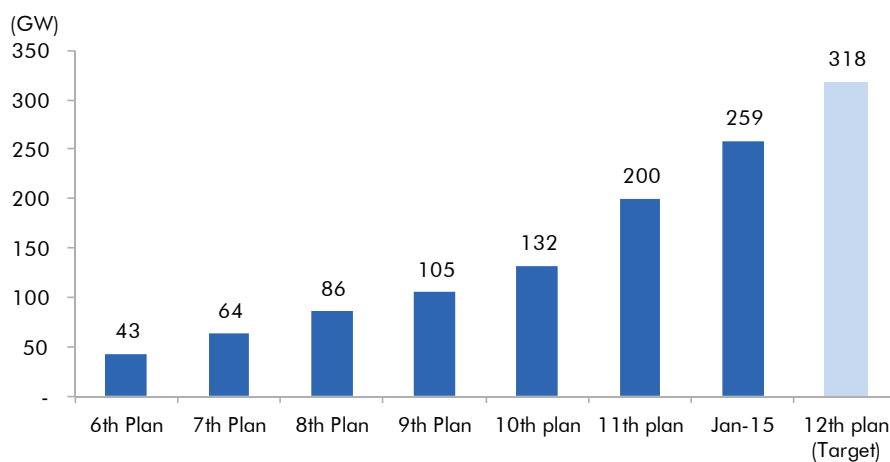
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## Investment Arguments

### Huge investments lined up for augmenting power generation and transmission capacities

Power generation capacity in the country has increased at a CAGR of 7.2% since the end of the IX plan to ~259GW as of January 1, 2015 as against ~105GW at the end of FY2001-02. Generation capacity is expected to reach ~318GW by the end of the XII plan. A further capacity addition of ~110GW is currently planned during the XIII plan.

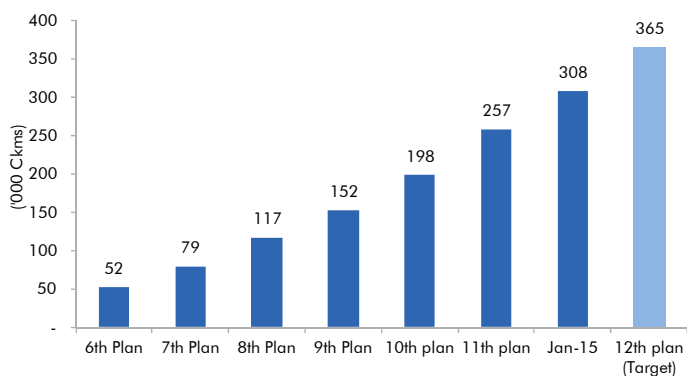
#### Exhibit 1: Power generation capacity



Source: CEA, Planning Commission

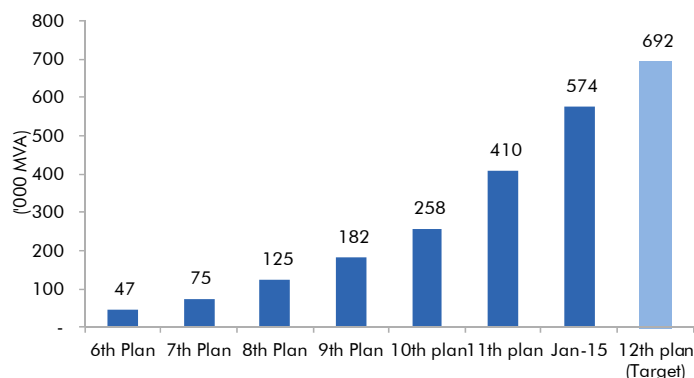
Transmission capacity has also increased at a rapid clip, keeping pace with rise in generation capacity. India added 1,55,715 circuit kilometers (ckm) of transmission lines since the end of the IX plan to take the total length of transmission lines to 3,07,984ckm. Transformation capacity increased even faster, i.e. by 3,84,232MVA and 8,300MW (HVDC sub-stations) to 5,60,975MVA and 13,500MW, respectively. Transmission line length is expected to increase to 364,921ckm by the end of the XII plan to expand the total transformation capacity to 6,69,801MVA and 22,500MW for HVDC sub-stations.

#### Exhibit 2: Transmission Lines (Length)



Source: CEA, Planning Commission

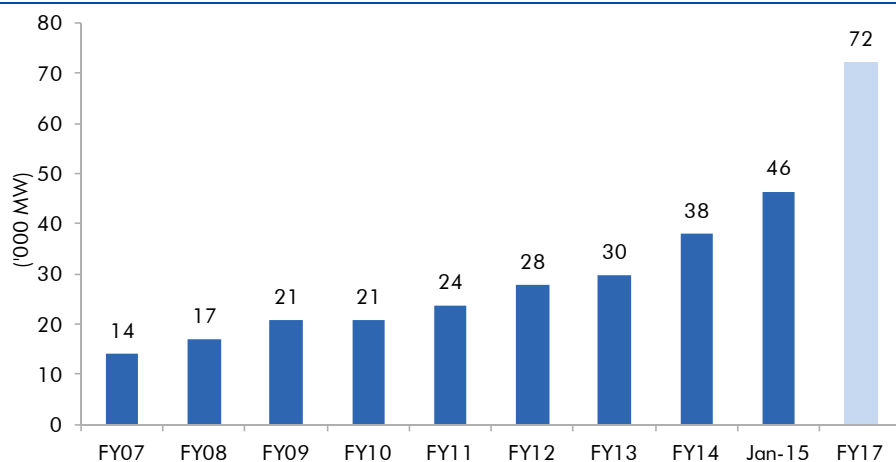
#### Exhibit 3: Transformation capacity



Source: CEA, Planning Commission

PGCIL is responsible for planning, implementation, operation and maintenance of inter-state transmission system and operation of National & Regional Power Grids. Inter-regional transmission capacity increased at a CAGR of 16% to 46,450MW as on January 31, 2015 from 14,050MW on March 31, 2007. The inter-regional transmission capacity is expected to reach 72,250MW by the end of the XII plan, implying a CAGR of 24%.

#### Exhibit 4: Inter-regional transmission capacity



Source: Company, Angel Research

Total investment required during the XII plan was envisaged at ₹1,80,000cr to add 1,09,440ckm and transformation capacity of 2,70,000MVA. Under the XIII plan, a further addition of 1,30,000ckm of transmission lines and 3,00,000MVA of transformation capacity is foreseen. This will require an investment of more than ~₹2,00,000cr. The power minister envisages an investment of ₹3,00,000cr over the next five years to tackle the power shortages.

Majority of these investments would be towards inter-regional transmission systems, which would directly benefit PGCIL. The company has planned a capital outlay of ₹1,10,000cr during the XII plan. Further, we expect ~60-65% of XIII plan investments in the transmission sector toward inter-state transmissions, implying a capex outlay of ~₹1,20,000-1,30,000cr by PGCIL.

#### Regulated ROE model assures steady earnings growth

PGCIL receives its tariffs as per norms laid out by the CERC. CERC Regulations, 2014 came into effect for a tariff block of five years starting from April 01, 2014. The new regulations maintained the existing rate of return on equity (ROE) of 15.5%, with an additional 0.5% for timely completion of projects. The debt to equity split for the transmission projects has also been maintained at 70:30.

The fixed ROE model implies that earnings growth is directly linked to the growth in assets capitalised. The capitalisation rate in turn is directly linked to the rate of capex and timely completion of projects. The company has outlined a strong capex plan and has also demonstrated an excellent track record of execution and management of transmission projects.

*PGCIL operates on a fixed ROE model with an assured return of 15.5% on projects.*

We estimate PGCIL's current projects under implementation to be upwards of ₹100,000cr. The strong order pipeline and the amount of investments required in the power transmission sector provide strong visibility for future earnings growth.

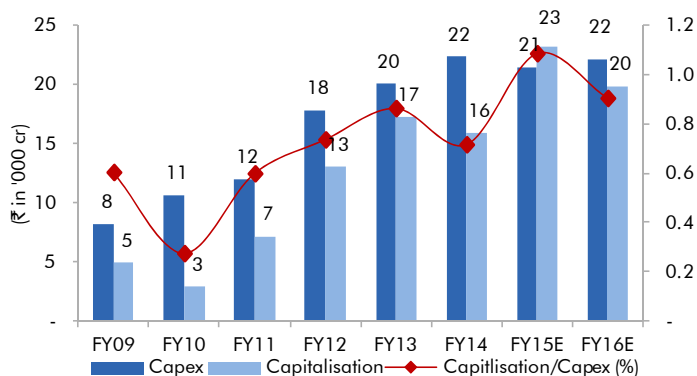
### Strong capex plans to drive growth

After successfully achieving, its XI plan capex target of ₹55,000cr, PGCIL plans to further invest ₹1,10,000cr during the XII plan, mainly towards development of transmission infrastructure for implementation of various inter-state transmission systems. The company plans to add 40,000ckm of transmission lines and ~1,00,000MVA of transformation capacity during the XII Plan. Of this, PGCIL has already commissioned about 23,479ckm (59%) of EHV transmission lines and ~95,861MVA (96%) of transformation capacity as on February 11, 2015.

PGCIL has incurred a capex of ~₹60,000cr till February 11, 2015 and remains well on track to achieve the XII plan capex target

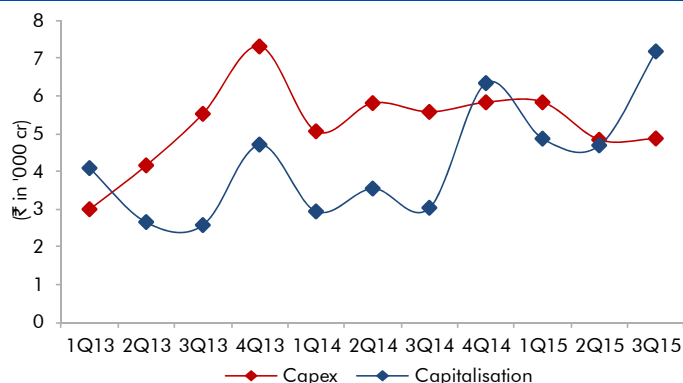
PGCIL has incurred a capex of ₹20,037cr and ₹22,324cr in FY2013 and FY2014, respectively. Capex till February 11, 2015 was ~₹17,700cr, taking the total capex under the XII plan, to ~₹60,000cr. The company remains well on track to achieve the XII plan capex target.

**Exhibit 5: Capex / Capitalisation Trends**



Source: Company, Angel Research

**Exhibit 6: Recent quarterly Capex vs. Capitalisation**



Source: Company, Angel Research

The pace of capitalisation has also increased in recent years, with FY2015 expected to have a capitalisation to capex ratio of 108%. The cumulative capitalisation rate for the company has been ~90% over the FY2007-14 period. We expect capitalisation rate to remain healthy over FY2016 and FY2017 at 90% and 85% respectively led by the strong order pipeline, efficient operations and execution track record.

### Regulated projects to remain the significant portion of capex mix

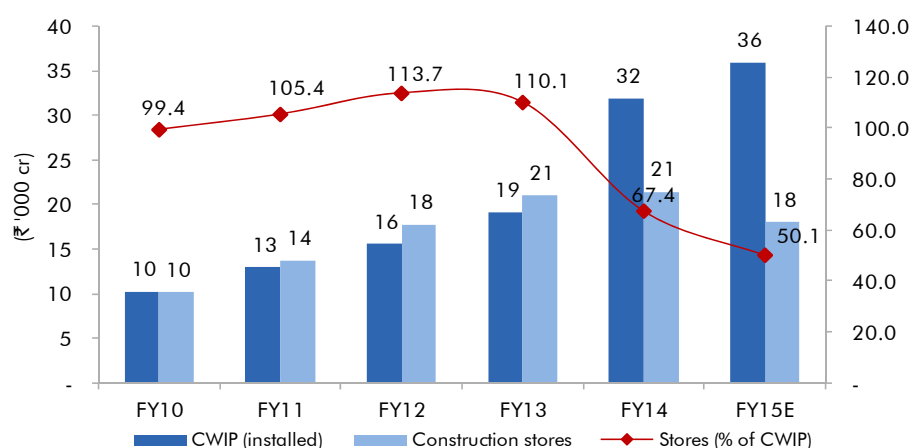
Tariff-based competitive bidding (TBCB) has been made mandatory since January 2011, for all transmission projects, barring a few cases such as the experimental 1,200kv HVDC line and projects which are required urgently or in a compressed time schedule as decided by Central Government as a case to case basis. At the end of FY2014, Power Grid had won 6 (40%) out of the 15 projects put up for bidding via the TBCB route. Aggregate levelised tariff for these projects won through competitive bidding was is ~₹565cr. The company has won two more projects in FY2015 – 1) Transmission system strengthening associated with Vindhyachal-V and 2) Transmission System Associated with Gadawara (Part A&B). The aggregate levelised tariff for these projects is ~₹758cr.

PGCIL is expected to incur a total capex of ~₹12,000cr to execute these projects. Based on the debt to equity ratio of 70:30, the company will require a total equity of ~₹3,600cr over the life of these projects. The current equity invested in these projects stands at ~₹800cr. We expect this to increase to ~₹1500cr (3% of total equity) by FY2017. Thus, projects assigned to PGCIL on cost plus basis would continue to dominate the project mix over the next few years.

### Efficient operations

PGCIL earns its tariff only on assets which are capitalised and not on the entire capex it incurs. All the capital expenditure related to erection charges are shown as capital work-in-progress (CWIP) till the date of capitalisation. A higher CWIP acts as a drag on earnings and the company has over the last couple of years focused on reducing CWIP, to increase the efficiency of operations.

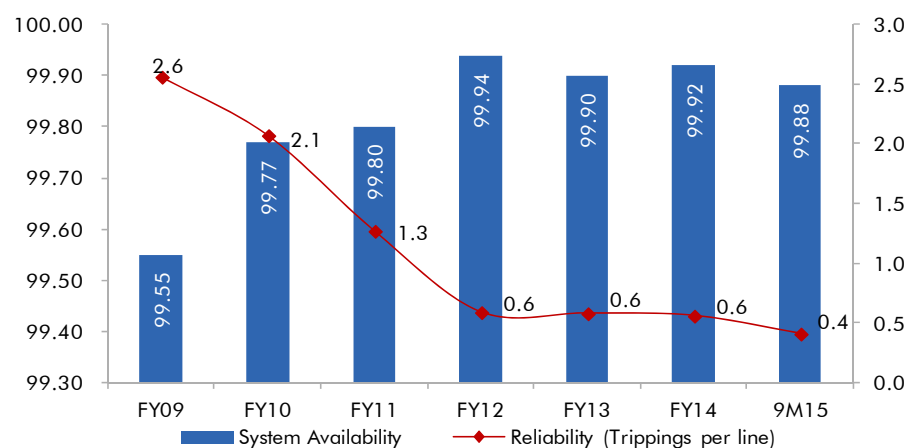
#### Exhibit 7: CWIP & Construction Stores



Source: Company, Angel Research

The company has worked along with its suppliers to reduce the inventory of materials, by ensuring payments are made only on actual erection at sites. Material inventory as a % of CWIP has reduced to 50% at the end of 9MFY2015 against 114% in FY2012 and 110% in FY2013.

#### Exhibit 8: Availability and reliability



Source: Company, Angel Research

PGCIL is one of the world's largest transmission utility, managing over 928 transmission lines with a network length of 113,838ckm and 189 sub-stations with a transformation capacity of 2,20,394MVA. Despite its size, the company has consistently operated its transmission systems at high levels of efficiency, with a system availability rate of >99% and trippings per line at <1%.

PGCIL has also pioneered the implementation of state-of-the-art smart grid technologies in transmission, which makes existing infrastructure more robust, reliable and efficient by using intelligent tools and technologies. Almost all the attributes of a smart grid, viz. advance metering infrastructure, outage management system, demand response, power quality management, etc. have been successfully integrated at Smart Grid control centre at Puducherry.

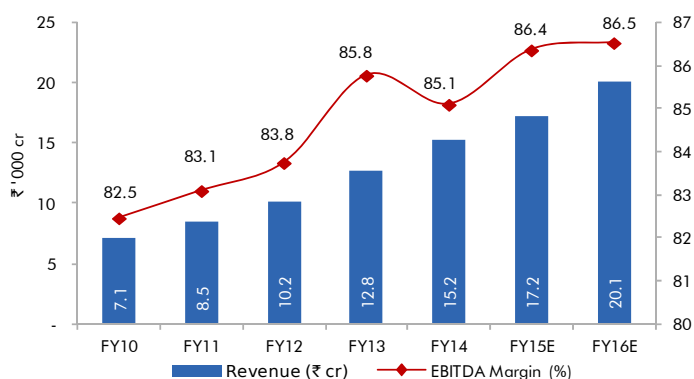
Power Grid has also focused on indigenously developing smart products such as smart meter, data concentrator unit, home energy management system, micro grid controller, smart cap utilising solar energy, active filter etc. for varied applications.

## Outlook and Valuation

Going ahead, we expect Power Grid to report a top-line CAGR of ~17% over FY2014-17E to ~₹7,277cr

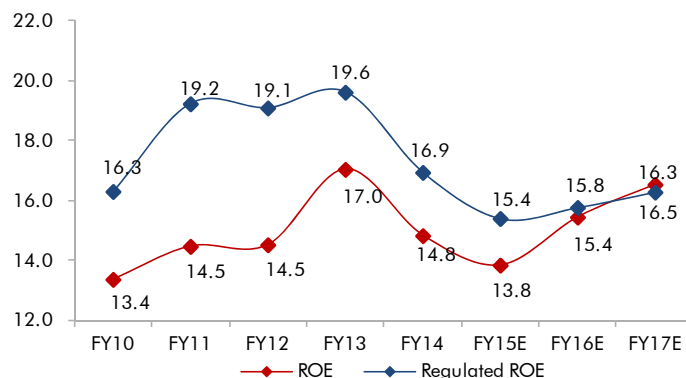
We like PGCIL for the high quality earnings and growth offered by the regulated equity model, huge investments that are required in the transmission sector and the execution track record of the company. We expect PGCIL to report a top-line CAGR of ~15% over FY2014-17E to ~₹22,938cr led by the strong capex plans and capitalisation rate. We expect the bottom-line to grow at a CAGR of 17% over the same period.

**Exhibit 9: Revenue & EBITDA margin**



Source: Company, Angel Research

**Exhibit 10: Return on Equity**



Source: Company, Angel Research

At the current market price of ₹147, the stock trades at a P/B of 1.8x and 1.7x its FY2016E and FY2017E BV of ₹79.7 and ₹88.7, respectively. We initiate coverage on the stock with a Buy recommendation and target price of ₹170, based on ~1.9x FY2017E book value, implying a 16% upside from current levels.

**Exhibit 11: Valuation (FY2017E)**

	(₹ cr)
Equity	46,398
P/B (x)	1.9
Equity Value	89,005
<b>Target price (₹)</b>	<b>170</b>

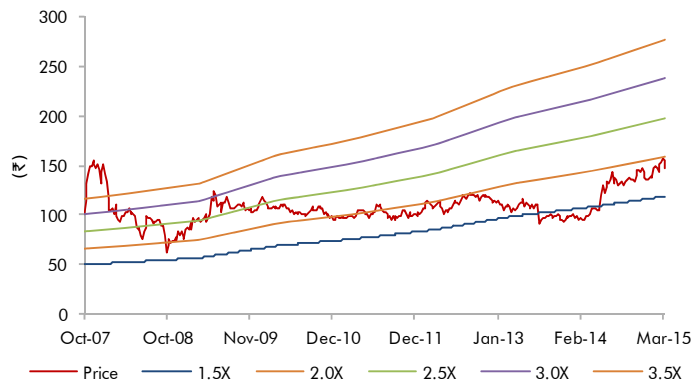
Source: Company, Angel Research

**Exhibit 12: Average P/B**



Source: Bloomberg

**Exhibit 13: P/B Band**



Source: Bloomberg

### **Risks to our target price**

- We are currently expecting an outlay of ~₹1,20,000-1,30,000cr during the XIII plan. A lower than expected capex outlay would be a negative for the stock.
- Increase in the rate of projects allocated through the tariff-based competitive bidding (TBCB). Tariff bids under TBCB require an accurate assessment of future costs, project execution timelines and operational complexities. The bids under TBCB could end up being aggressive, posing risks to the financial viability of these projects or affecting their execution.
- We expect capitalisation to remain healthy at 90% and 85% in FY2016 and FY2017, respectively. A higher than expected rate of capitalisation would be positive for the stock.



## Company Background

Power Grid Corporation of India Ltd is the Central Transmission Utility (CTU) of the country and a 'Navratna' company operating under the Ministry of Power. The company is engaged in the power transmission business with the responsibility for planning, implementation, operation and maintenance of inter-state transmission system and operation of National & Regional Power Grids. As of January 31, 2015, the company owns and operates a transmission network of about 1,13,688ckm of transmission lines and 189 EHVAC & HVDC substations with transformation capacity of about 2,20,394MVA. The company continues to wheel ~50% of total power generated in the country through its transmission network with a consistently high availability of over 99%.

### Exhibit 13: Key Statistics (as on January 31, 2015)

Transmission	Consultancy	Telecom
<ul style="list-style-type: none"> <li>■ 1,13,688ckm transmission lines</li> <li>■ 189 sub-stations</li> <li>■ &gt;99% system availability</li> <li>■ 2,20,394MVA transformation capacity</li> <li>■ ~45850MW inter-regional capacity</li> </ul>	<ul style="list-style-type: none"> <li>■ Transmission related consultancy to more than 150 domestic clients</li> <li>■ Global foot prints in 18 countries catering to more than 20 clients</li> </ul>	<ul style="list-style-type: none"> <li>■ Owns and operates ~29,641kms of telecom network</li> <li>■ Points of presence in ~317 locations</li> <li>■ Intra-city network in 68 cities across India</li> </ul>

Source: Company

**Profit & Loss Statement (Standalone)**

Y/E March (₹ cr)	FY2013	FY2014	FY2015E	FY2016E	FY2017E
Transmission Charges	11,754	14,046	16,512	19,390	22,212
Telecom & Consultancy	547	903	636	660	686
<b>Net Sales</b>	<b>12,300</b>	<b>14,949</b>	<b>17,148</b>	<b>20,050</b>	<b>22,898</b>
Other operating income	457	281	30	35	40
<b>Total operating income</b>	<b>12,758</b>	<b>15,230</b>	<b>17,177</b>	<b>20,085</b>	<b>22,938</b>
% chg	25.5	19.4	12.8	16.9	14.2
Transmission Expenses	368	456	561	659	755
Employee Expenses	886	942	1,016	1,168	1,311
Other Mfg costs	558	849	755	863	962
Provisions	3	22	10	15	17
<b>EBITDA</b>	<b>10,943</b>	<b>12,961</b>	<b>14,835</b>	<b>17,380</b>	<b>19,892</b>
% chg	28.6	18.4	14.5	17.2	14.5
(% of Net Sales)	85.8	85.1	86.4	86.5	86.7
Depreciation & Amortisation	3,352	3,996	5,034	5,906	6,646
<b>EBIT</b>	<b>7,591</b>	<b>8,965</b>	<b>9,800</b>	<b>11,473</b>	<b>13,246</b>
% chg	27.8	18.1	9.3	17.1	15.4
(% of Net Sales)	59.5	58.9	57.1	57.1	57.7
Interest & other Charges	2,535	3,168	3,965	4,357	4,744
Other Income	571	491	533	585	645
(% of PBT)	10.1	7.8	8.4	7.6	7.1
Share in profit of Associates	-	-	-	-	-
<b>Recurring PBT</b>	<b>5,627</b>	<b>6,289</b>	<b>6,368</b>	<b>7,701</b>	<b>9,147</b>
% chg	21.9	11.8	1.3	20.9	18.8
Extraordinary Inc/(Expense)	18	(25)	(95)	-	-
<b>PBT (reported)</b>	<b>5,645</b>	<b>6,264</b>	<b>6,273</b>	<b>7,701</b>	<b>9,147</b>
Tax	1,410	1,766	1,282	1,574	1,870
(% of PBT)	25.0	28.2	20.4	20.4	20.4
<b>PAT (reported)</b>	<b>4,235</b>	<b>4,497</b>	<b>4,991</b>	<b>6,127</b>	<b>7,277</b>
<b>ADJ. PAT</b>	<b>4,216</b>	<b>4,523</b>	<b>5,086</b>	<b>6,127</b>	<b>7,277</b>
% chg	28.7	7.3	12.4	20.5	18.8
(% of Net Sales)	33.0	29.7	29.6	30.5	31.7
<b>Basic EPS (₹)</b>	<b>9.1</b>	<b>9.4</b>	<b>9.5</b>	<b>11.7</b>	<b>13.9</b>
<b>Adj. fully Diluted EPS (₹)</b>	<b>9.1</b>	<b>9.4</b>	<b>9.7</b>	<b>11.7</b>	<b>13.9</b>
% chg	28.7	3.4	3.3	20.5	18.8

**Balance Sheet (Standalone)**

Y/E March (₹ cr)	FY2013	FY2014	FY2015E	FY2016E	FY2017E
<b>SOURCES OF FUNDS</b>					
Equity Share Capital	4,630	5,232	5,232	5,232	5,232
Reserves & Surplus	21,610	29,228	32,467	36,443	41,166
<b>Shareholders Funds</b>	<b>26,239</b>	<b>34,460</b>	<b>37,699</b>	<b>41,675</b>	<b>46,398</b>
Share Warrants	-	-	-	-	-
Total Loans	68,188	83,170	95,221	1,05,304	1,15,562
Deferred Tax Liability	1,959	2,443	2,432	2,421	2,411
Other Long term liabilities	4,708	5,855	5,998	6,431	6,527
Long term provisions	443	524	591	692	790
<b>Total Liabilities</b>	<b>1,01,537</b>	<b>1,26,452</b>	<b>1,41,941</b>	<b>1,56,522</b>	<b>1,71,687</b>
<b>APPLICATION OF FUNDS</b>					
Gross Block	80,600	96,504	1,19,661	1,39,506	1,58,673
Less: Acc. Depreciation	19,199	23,350	28,384	34,290	40,937
<b>Net Block</b>	<b>61,401</b>	<b>73,154</b>	<b>91,277</b>	<b>1,05,215</b>	<b>1,17,736</b>
Capital Work-in-Progress	19,115	31,851	31,374	33,040	35,460
Construction Stores	21,038	21,479	20,218	20,756	21,719
Investments	964	814	900	900	900
Non-current Loans & Adv.	2,351	3,190	3,435	4,017	4,588
<b>Current Assets</b>	<b>6,265</b>	<b>9,100</b>	<b>9,505</b>	<b>9,857</b>	<b>10,995</b>
Cash	1,662	4,418	4,205	3,606	3,755
Loans & Advances	429	472	532	623	711
Other	4,175	4,211	4,768	5,629	6,529
<b>Current liabilities</b>	<b>9,597</b>	<b>13,138</b>	<b>14,767</b>	<b>17,263</b>	<b>19,711</b>
<b>Net Current Assets</b>	<b>(3,331)</b>	<b>(4,037)</b>	<b>(5,262)</b>	<b>(7,406)</b>	<b>(8,716)</b>
Mis. Exp. not written off	-	-	-	-	-
<b>Total Assets</b>	<b>1,01,537</b>	<b>1,26,452</b>	<b>1,41,941</b>	<b>1,56,522</b>	<b>1,71,687</b>

**Cashflow Statement (Standalone)**

Y/E March (₹ cr)	FY2013	FY2014	FY2015E	FY2016E	FY2017E
Profit before tax	5,645	6,264	6,273	7,701	9,147
Depreciation	3,380	4,011	5,034	5,906	6,646
Change in Working Capital	1,241	3,333	1,002	1,941	1,848
Others	2,091	2,809	4,175	4,483	4,539
Direct taxes paid	(1,072)	(1,157)	(1,282)	(1,574)	(1,870)
<b>Cash Flow from Operations</b>	<b>11,284</b>	<b>15,259</b>	<b>15,202</b>	<b>18,457</b>	<b>20,310</b>
(Inc.)/ Dec. in Fixed Assets	(22,389)	(26,735)	(21,418)	(22,050)	(22,550)
(Inc.)/ Dec. in Investments	137.0	148.8	(85.8)	-	-
Others	303	209	(246)	(581)	(571)
<b>Cash Flow from Investing</b>	<b>(21,948)</b>	<b>(26,378)</b>	<b>(21,749)</b>	<b>(22,631)</b>	<b>(23,121)</b>
Issue of Equity	0	5,297	0	0	0
Inc./(Dec.) in loans	13,795	12,720	12,051	10,083	10,258
Dividend Paid (Incl. Tax)	(1,569)	(1,391)	(1,752)	(2,150)	(2,554)
Others	(2,236)	(2,752)	(3,965)	(4,357)	(4,744)
<b>Cash Flow from Financing</b>	<b>9,990</b>	<b>13,874</b>	<b>6,334</b>	<b>3,575</b>	<b>2,960</b>
Inc./(Dec.) in Cash	(675)	2,756	(213)	(599)	150
<b>Opening Cash balances</b>	<b>2,337</b>	<b>1,662</b>	<b>4,418</b>	<b>4,205</b>	<b>3,606</b>
<b>Closing Cash balances</b>	<b>1,662</b>	<b>4,418</b>	<b>4,205</b>	<b>3,606</b>	<b>3,755</b>

**Key Ratios**

Y/E March	FY2013	FY2014	FY2015E	FY2016E	FY2017E
<b>Valuation Ratio (x)</b>					
P/E (on FDEPS)	16.0	15.6	15.4	12.5	10.5
P/CEPS	9.0	8.3	7.6	6.4	5.5
P/BV	2.6	2.2	2.0	1.8	1.7
Dividend yield (%)	1.9	1.8	2.0	2.4	2.8
EV/Sales	10.5	10.2	9.7	8.9	8.2
EV/EBITDA	12.3	12.0	11.3	10.2	9.5
EV/Total Assets	1.3	1.2	1.2	1.1	1.1
<b>Per Share Data (₹)</b>					
Adjusted EPS (Basic)	9.1	9.4	9.7	11.7	13.9
Adjusted EPS (fully diluted)	9.1	9.4	9.7	11.7	13.9
Cash EPS	16.3	17.7	19.3	23.0	26.6
DPS	2.8	2.6	2.9	3.5	4.2
Book Value	56.7	65.9	72.1	79.7	88.7
<b>Dupont Analysis</b>					
EBIT margin	59.5	58.9	57.1	57.1	57.7
Tax retention ratio (%)	75.0	71.8	79.6	79.6	79.6
Asset turnover (x)	0.1	0.1	0.1	0.1	0.1
ROIC (Post-tax)	6.7	6.1	6.3	6.6	6.9
Cost of Debt (Post Tax)	3.1	3.0	3.5	3.5	3.4
Leverage (x)	2.4	2.4	2.3	2.4	2.4
Operating RoE	15.1	13.6	12.9	14.2	15.3
<b>Returns (%)</b>					
RoCE (Pre-tax)	8.7	8.3	7.7	8.1	8.4
Angel RoIC (Pre-tax)	15.6	15.4	13.9	13.4	13.6
RoE	17.0	14.9	14.1	15.4	16.5
<b>Turnover ratios (x)</b>					
Asset Turnover (Gross Block)	0.2	0.2	0.2	0.2	0.2
Inventory (days)	14	15	16	17	18
Receivables (days)	42	36	36	36	37
Payables (days)	44	45	51	47	47
WC cycle (ex-cash) (days)	(116)	(161)	(190)	(186)	(187)
<b>Solvency ratios (x)</b>					
Net debt to equity	2.5	2.3	2.4	2.4	2.4
Net debt to EBITDA	6.1	6.1	6.1	5.8	5.6
Interest Coverage	3.0	2.8	2.5	2.6	2.8

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Disclosure of Interest Statement	Power Grid Corporation of India
1. Analyst ownership of the stock	No
2. Angel and its Group companies ownership of the stock	No
3. Angel and its Group companies' Directors ownership of the stock	Yes
4. Broking relationship with company covered	No

Note: We have not considered any Exposure below ₹1 lakh for Angel, its Group companies and Directors

<b>Ratings (Based on expected returns over 12 months investment period):</b>	Buy (> 15%)	Accumulate (5% to 15%) Reduce (-5% to -15%)	Neutral (-5 to 5%) Sell (< -15)
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