

## EDUCATIONAL EQUITY RESEARCH REPORT : ELECTION SPECIAL

### POWERGRID CORPORATION OF INDIA LTD

( NSE : POWERGRID , BSE : 532898 )

DATE : 1/04/24

WE AT AS RESEARCH TECHNIC, INITIATE OUR COVERAGE ON POWERGRID CORPORATION OF INDIA LTD. POWERGRID, A SCHEDULE 'A' MARATHA PUBLIC SECTOR ENTERPRISE OF GOVERNMENT OF INDIA UNDER THE MINISTRY OF POWER HOLDS A PIVOTAL ROLE IN BULK TRANSMISSION OF POWER ACROSS INDIA. THE GOVERNMENT OF INDIA HOLDS A MAJORITY STAKE OF 51.34% WITH THE REMAINING SHARES HELD BY PUBLIC.

#### ABOUT THE BUSINESS :

POWERGRID CORPORATION OF INDIA LTD IS AN INDIAN CENTRAL PUBLIC SECTOR UNDERTAKING, UNDER THE OWNERSHIP OF THE MINISTRY OF POWER, GOVERNMENT OF INDIA. IT IS MAINLY ENGAGED IN THE TRANSMISSION OF BULK POWER ACROSS DIFFERENT STATES OF INDIA . IT IS HEADQUARTERED IN GURUGRAM. POWERGRID TRANSMITS ABOUT 50% OF THE TOTAL POWER GENERATED IN INDIA ON ITS TRANSMISSION NETWORK.

#### PROS :

- Stock is providing a good dividend yield of 4.00%.
- Company has been maintaining a healthy dividend payout of 60.0%

#### CONS :

- Stock is trading at 2.96 times its book value
- The company has delivered a poor sales growth of 8.76% over past five years.
- Company might be capitalizing the interest cost

#### RESEARCH ANALYST

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#### MARKET SNAPSHOTS :

Market Cap	₹ 2,59,394 Cr.
Stock P/E	16.5
ROCE	13.10%
Current Price	₹ 279
Book Value	₹ 93.4
ROE	19.60%
HIGH	299
LOW	168
Dividend Yield	3.98%
Face Value	10

#### SHARE HOLDING PATTERN:

PROMOTERS	51.34%
FIIS	30.51%
DIIS	14.77%
PUBLIC	3.37%
NO.OF SHAREHOLDERS	961585

## KEY POINTS :

- IN THE PAST NINE YEARS, THE RULING PARTY GOVERNMENT HAS ACHIEVED REMARKABLE TRANSFORMATION IN THE POWER SECTOR.
- POWERGRID IS GOING TO BE THE LEADING ENERGY TRANSITION OF A SUSTAINABLE FUTURE.
- THE COMPANY HAS UNINTERRUPTED POWER SUPPLY WHICH IS THE BACK BONE OF THE INDIA'S ECONOMY UNDERPINNED BY A STRONG TRANSMISSION NETWORK.
- THE COMPANY'S BUSINESS OPERATIONS ARE DISTRIBUTED INTO THREE SEGMENTS , TRANSMISSION,TELECOM AND CONSULTANCY.THE TRANSMISSION BUSINESS SEGMENT BEING AT THE CORE ACCOUNTS FOR MORE THAN 97% OF TOTAL REVENUE FROM OPERATIONS.
- POWERGRID HAS EMBRACED THE CONCEPT OF SMART GRIDS,ENSURING A RESPONSIVE AND RELIABLE ELECTRICITY SUPPLY FOR CONSUMERS WHILE PROMOTING RESOURCE EFFICIENCY AND MINIMIZING WASTE
- ITS CROSS - BORDER INTER-CONNECTIONS, SUCH AS THE INDIA- BANGLADESH INTERCONNECTIONS AND THE INDIA- NEPAL TRANSMISSION LINE,HAVE FACILITATED UNINTERRUPTED ELECTRICITY TRANSFER,FOSTERING REGIONAL ENERGY COOPERATION AND OPENING DOORS FOR BILATERAL TRADE AND COLLABORATION.
- POWERGRID HAS ALWAYS BEEN AT THE FOREFRONT IN ADOPTING ADVANCED TECHNOLOGIES AND SMART SERVICE DELIVERY PROCESS IN OUR SUPPLY CHAIN. ONE SUCH INITIATIVE IS INTEGRATION OF MACHINE LEARNING BASED SOLUTION ACROSS THEIR OPERATION AND MAINTAINANCE PROCESSES TO ANALYSE AND MONITOR THE HEALTH OF THEIR ASSETS BETTER.
- POWERGRID HAS LAUNCHED SEVERAL NOTABLE INITIATIVES TO ASSIST RURAL INDIAN WOMEN IN REALIZING THEIR FULL POTENTIAL.

### Sector: Power Generation & Distribution

### Industry: Power Generation And Supply

S.No.	Name	CMP Rs.	P/E	Mar Cap Rs.Cr.	Div Yld %	Sales Qtr Rs.Cr.	ROCE %
1	NTPC	338.6	16.84	328329.12	2.13	42820.38	9.83
2	Adani Green	1893	182.4	299857.34	0	2311	7.81
3	Power Grid Corpn	278.9	16.48	259393.86	3.98	11549.79	13.09
4	Adani Power	560.35	9.28	216123.58	0	12991.44	15.8
5	Tata Power Co.	404.65	37.77	129299.39	0.5	14651	11.74
6	Adani Energy Sol	1074.9	102.9	119904.35	0	4562.73	10.22
7	NHPC Ltd	90.51	24.42	90917.57	2.03	2055.5	8.49

- DEVELOPED 100+ e-LEARNING MODULES RELATED TO DIFFERENT BUSINESS VERTICALS AND 9 REFRESHER COURSES RELATED TO VARIOUS COMPANY DOMAINS AROUND 7450 EMPLOYEES.
- BENEFITTED MORE THAN 4000+ EMPLOYEES THROUGH SANDARIKSHIKA.
- 350+ CONTRACT STAFF IMPARTED TRAINING UNDER RPL ( RECOGNITION OF PRIOR LEARNING ) CERTIFICATION.
- 950+ APPRENTICES HAVE BEEN ENGAGED IN DIFFERENT TRADES AS PER THE APPRENTICE ACT.
- POWERGRID IS STRIVING TO BECOME A "NET ZERO EMISSION " COMPANY BY 2047.
- WON CBIP AWARD FOR 'BEST PERFORMING POWER TRANSMISSION UTILITY- CENTRAL STATE SECTOR'.
- THE SHARE PRICE CAN GO UPTO 288.22 IF IT BREAKS 276.2 ON THE UPPER SIDE
- THE SHARE PRICE CAN GO UPTO 250 IF IT BREAKS 261 ON THE LOWER SIDE
- IN CONCLUSION POWERGRID ,HAS PLAYED AN INSTRUMENTAL ROLE IN REALIZING THE NATION'S VISION OF "ONE NATION ONE GRID ONE FREQUENCY " WHICH HAS LED TO THE SYNCHRONIZATION OF ALL DISTRIBUTED REGIONAL GRIDS.
- HENCE, BEING, INDIA'S LARGEST POWER TRANSMISSION COMPANY,POWERGRID COULD BE A GOOD OPPORTUNITY TO INVEST IN .
- THE SHARE PRICE CAN GO UPTO 288 AFTER BREAKING 283 ON THE UPPER SIDE
- THE SHARE PRICE CAN GO UPTO 250 AFTER BREAKING 254 ON THE LOWER SIDE

	SUPPORT				RESISTANCE				
DATE	WEEK CLOSE	S3	S2	S1	PIVOT	R1	R2	R3	PRV CLOSE
28-03-2024	276.9	264.67	268.16	272.52	276.01	280.37	283.86	288.22	276.9
27-03-2024	276.9	265.1	267.15	268.7	270.75	272.3	275.9	275.9	270.9
26-03-2024	276.9	258.06	262.08	266.06	270.08	274.06	282.06	282.06	270.05
25-03-2024	276.9	265.09	268.22	271.99	275.12	278.89	282.02	285.79	275.75
24-03-2024	276.9	261.66	264.38	269.06	271.78	276.46	283.86	283.86	273.75
19-03-2024	276.9	250.54	254.42	257.39	261.27	264.24	271.09	271.09	259

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