

# **RESEARCH REPORT ON**

## **POWER GRID**

### **CORPORATION OF INDIA**

#### **LIMITED**



Power Grid Corporation of India Limited is a power transmission company engaged in planning, implementation, operation, and maintenance of Inter-State Transmission System (ISTS), telecom and consultancy services. The Company's segments include Transmission Services, Consultancy Services and Telecom Services. Transmission Services is engaged in transmission of bulk power across different states of India consisting of extra high voltage/high voltage (EHV/HV) networks. Consultancy Services provides consultancy services in the transmission, distribution, and telecom sectors, including planning design, engineering, load dispatch, optical ground wire (OPGW) on intra state transmission network, procurement management, operation and maintenance, financing, and project management. It utilizes the spare Optical fibers available in the OPGW laid on the transmission network for providing telecom services to various customers. Its Smart Grid enables real time monitoring and control of power system.

## **COMPANY PROFILE**

### **Power Grid Corporation of India Limited**



|                  |                                                                                                                    |
|------------------|--------------------------------------------------------------------------------------------------------------------|
| Type             | Central Public Sector Undertaking                                                                                  |
| Traded as        | NSE: POWERGRID<br>BSE: 532898<br>BSE SENSEX Constituent<br>NSE NIFTY 50 Constituent                                |
| Industry         | Electricity grids                                                                                                  |
| Founded          | 23 October 1989; 33 years ago                                                                                      |
| Headquarters     | Gurugram, Haryana, India                                                                                           |
| Area served      | India                                                                                                              |
| Key people       | Kandikuppa Sreekant, IPES<br>(Chairman & MD)                                                                       |
| Products         | <ul style="list-style-type: none"> <li>• Transmission</li> <li>• Distribution</li> <li>• Energy trading</li> </ul> |
| Revenue          | ▲ ₹46,605 crore (US\$5.8 billion)<br>(2023)                                                                        |
| Operating income | ▲ ₹17,453 crore (US\$2.2 billion)<br>(2023)                                                                        |
| Net income       | ▲ ₹15,417 crore (US\$1.9 billion)<br>(2023)                                                                        |
| Total assets     | ▲ ₹250,295 crore (US\$31 billion)<br>(2023)                                                                        |

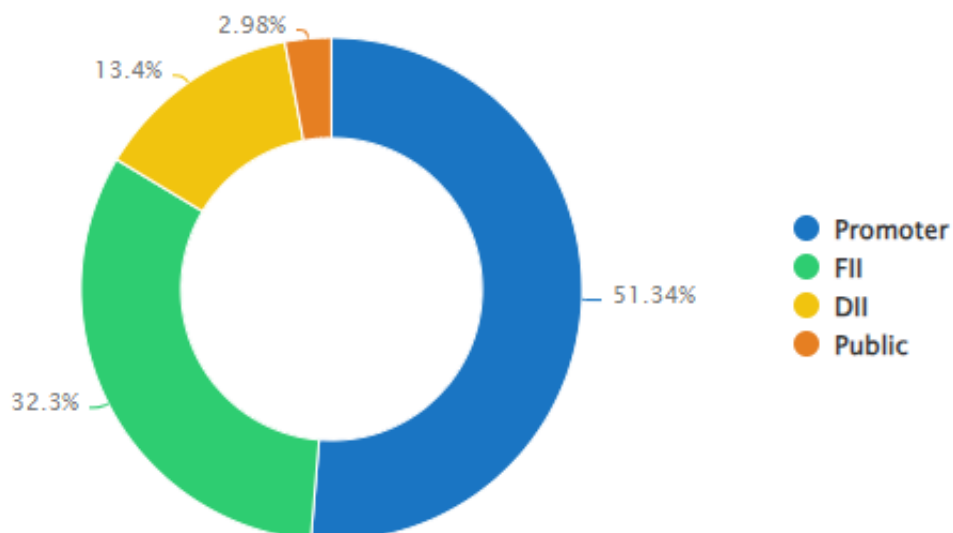


|                     |                                                                                                                               |
|---------------------|-------------------------------------------------------------------------------------------------------------------------------|
| Total equity        | ▲ ₹83,014 crore (US\$10 billion)<br>(2023)                                                                                    |
| Owner               | Ministry of Power, Government of India                                                                                        |
| Number of employees | 8,536 (March 2022)                                                                                                            |
| Divisions           | <ul style="list-style-type: none"><li>• Power System Operation Corporation Limited</li><li>• Powertel India Limited</li></ul> |
| Website             | <a href="http://www.powergrid.in">www.powergrid.in</a>                                                                        |

## ➤ FUNDAMENTALS

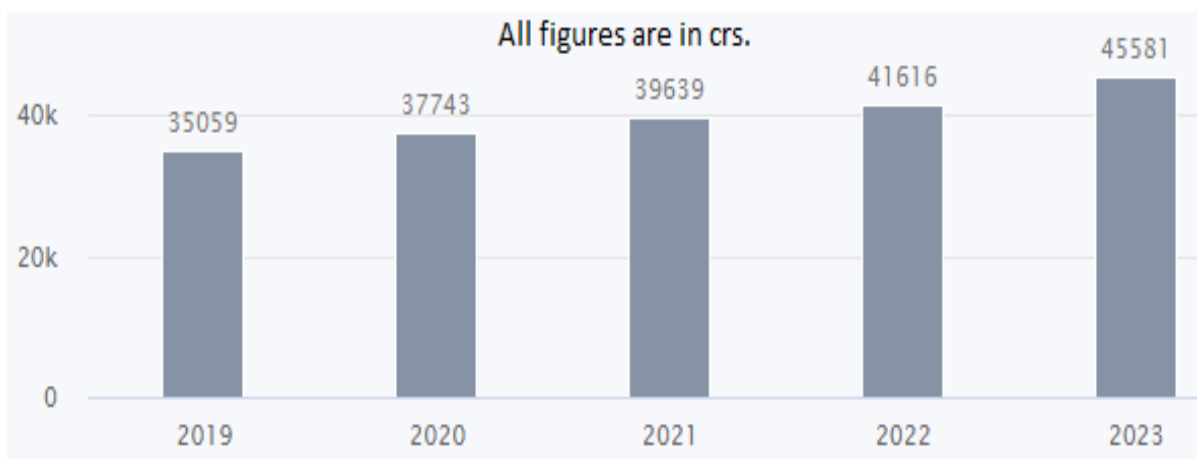
|                |             |                |        |
|----------------|-------------|----------------|--------|
| Market Cap     | ₹1,68,562Cr | ROE            | 19.36% |
| P/E Ratio(TTM) | 10.93       | EPS(TTM)       | 22.10  |
| P/B Ratio      | 2.03        | Dividend Yield | 5.07%  |
| Industry P/E   | 9.77        | Book Value     | 119.01 |
| Debt to Equity | 1.53        | Face Value     | 10     |

## ➤ SHAREHOLDING

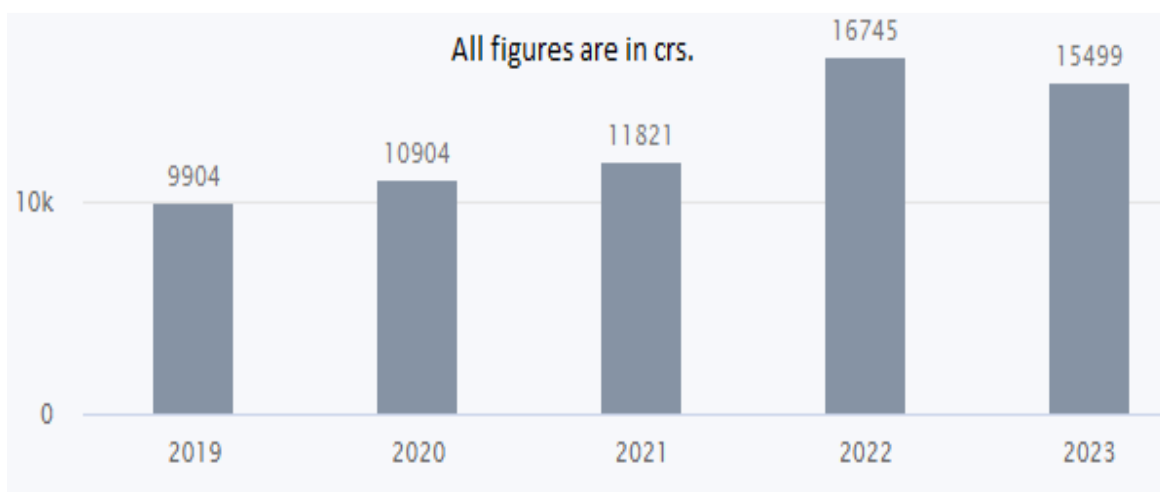


## **FINANCIALS**

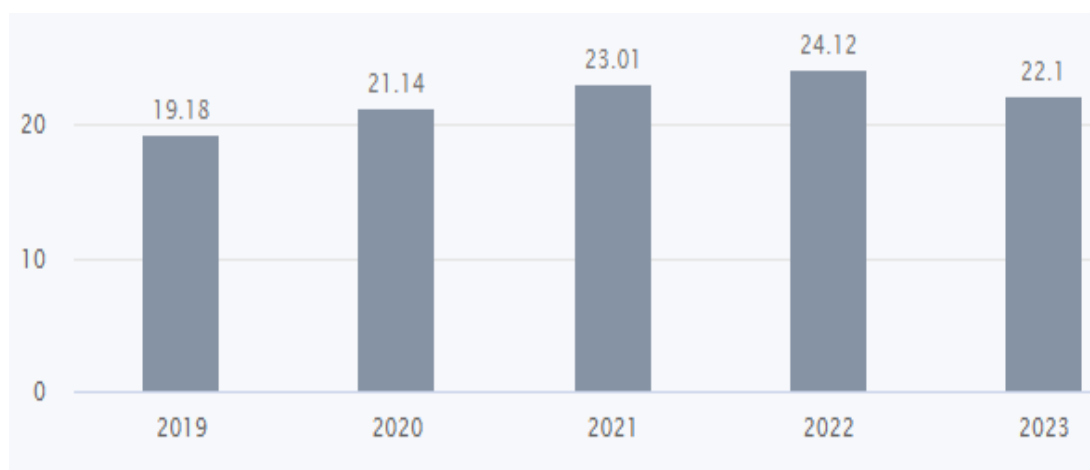
### ➤ **REVENUE**



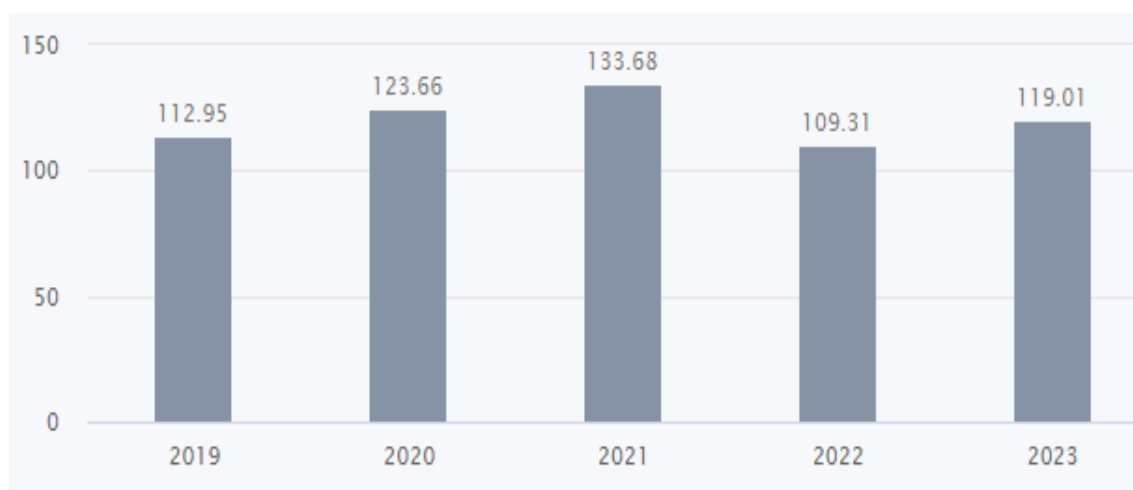
### ➤ **NET PROFIT**



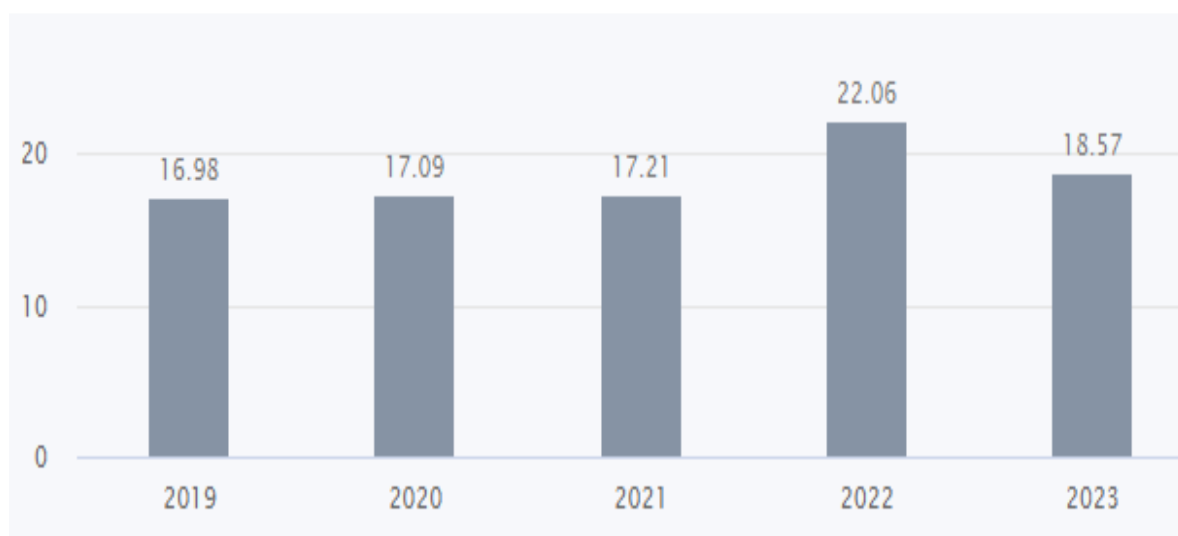
➤ **EPS**



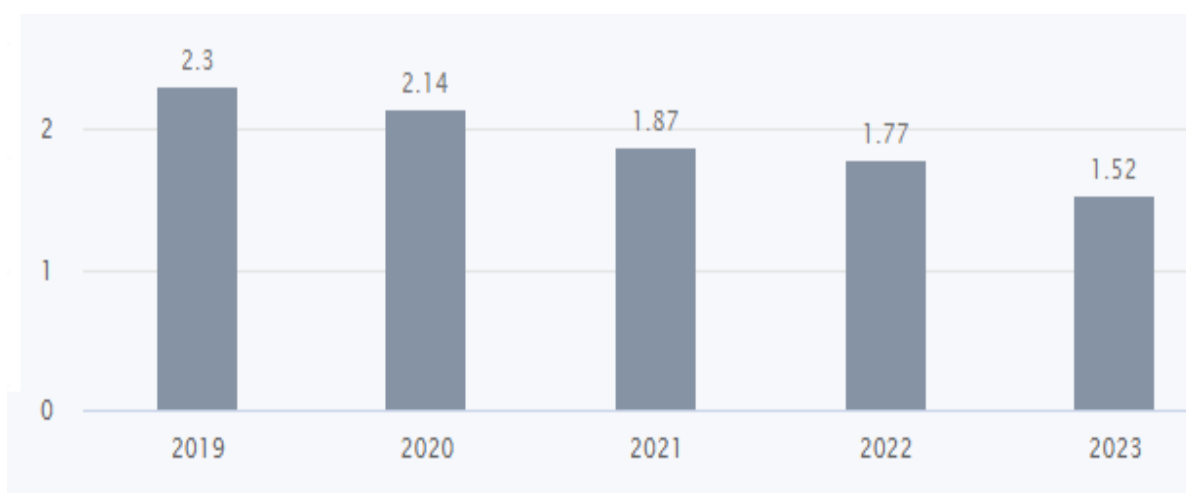
➤ **BVPS**



➤ **ROE**



➤ **DEBT TO EQUITY**



## TECHNICAL ANALYSIS



**BUY POWERGRID AT 242 TARGET 275,300 STOPLOSS 210  
(1-3 MONTHS)**



- 100% BUY
- 0% SELL
- 0% HOLD

100% of moneycontrol  
users recommend  
buying Power Grid  
Corp

➤ Quarterly Topline Performance

Company witnessed QoQ revenue growth of 8.91%, which is highest in the last 3 years.

| Power Grid Share Price Returns |         |
|--------------------------------|---------|
| 1 Day                          | ↑1.55%  |
| 1 Week                         | ↑4.6%   |
| 1 Month                        | ↑0.82%  |
| 3 Months                       | ↑8.68%  |
| 1 Year                         | ↑9.14%  |
| 3 Years                        | ↑91.85% |
| 5 Years                        | ↑65.34% |

- It is currently sustaining above a critical near-term moving average, which reinforces the positive outlook. The RSI is showing a bullish crossover, suggesting increasing buying momentum in the stock. In terms of technical levels, the support is placed at Rs 210.
- Power Grid Corporation of India has recently experienced a breakout from a consolidation pattern, indicating a potential shift in its price trend.

## **RATIO ANALYSIS**

| ANNUAL                         | FY 2023 | FY 2022 | FY 2021 |
|--------------------------------|---------|---------|---------|
| Return on Equity (%)           | 18.51   | 22.44   | 17.15   |
| Return on Capital Employed (%) | 12.14   | 12.02   | 11.25   |
| Return on Assets (%)           | 6.22    | 6.89    | 4.69    |
| Interest Coverage Ratio (x)    | 4.09    | 4.55    | 2.85    |
| Asset Turnover Ratio (x)       | 0.18    | 0.16    | 14.80   |
| Price to Earnings (x)          | 10.28   | 8.85    | 9.46    |
| Price to Book (x)              | 1.90    | 1.99    | 1.62    |
| EV/EBITDA (x)                  | 7.00    | 7.58    | 6.64    |
| EBITDA Margin (%)              | 92.05   | 93.49   | 95.35   |

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**"Investment in Securities market is subject to market risks. Read all the related documents carefully before investing."**