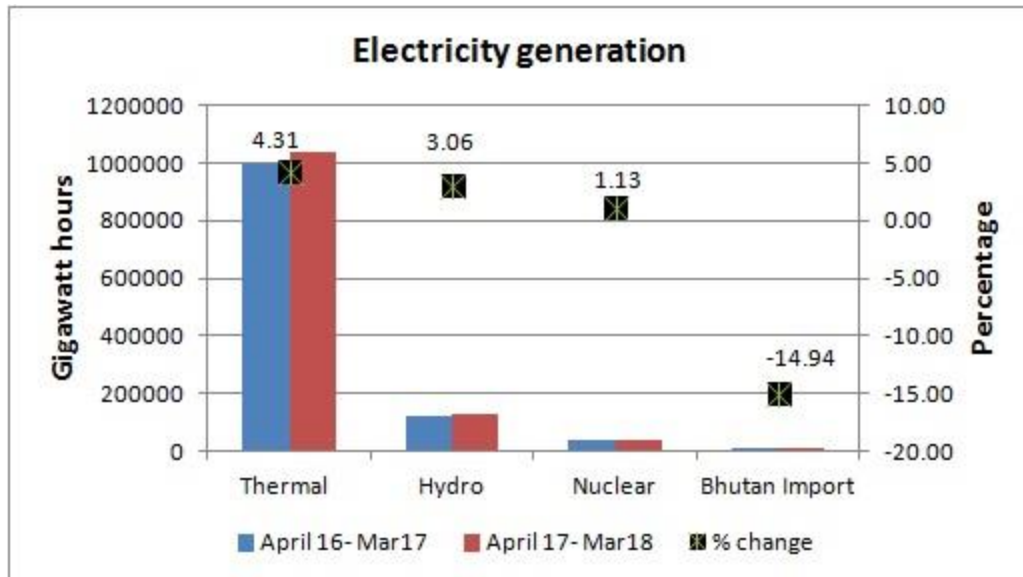


Power is the main essence of industrial growth which is directly contributing to India's GDP and it is the most significant component in infrastructure. Power is considered to be a core sector as it facilitates growth across various other sectors of the Indian economy, such as manufacturing, agriculture, commercial enterprises and railways. Presently, the power sector is at a crucial juncture of its development, with over half of the power sector dominated by State electricity Boards, followed by public sector and private sector. Private sector is growing at a greater pace. India is the 5th largest producer of electricity in the world. In May 2018, India has been ranked 4th in the Asia Pacific region out of 25 nations on an index that measures their overall power.

### Electricity Generation

India's electricity generation (excluding Renewables Energy) during April 17- March 18 (FY18) rose by 3.98% to 1206306.2 Gigawatt hours (GWH) as against 1160140.9 GWH in the previous fiscal year.

Thermal electricity generation during FY18 was 1037059.1 GWH against 994230.17 GWH in the last fiscal year, up by 4.31%. The Plant Load Factor (PLF) of thermal power stations increased to 60.72% in FY18 from 59.81% in FY17. Nuclear electricity generation during FY18 was 38346.12 GWH against 37915.87 GWH in the last fiscal year, up by 1.13%. Moreover, Hydro electricity generation enhanced by 3.06% to 126122.7 GWH in FY18 as compared to 122377.56 GWH in FY17.



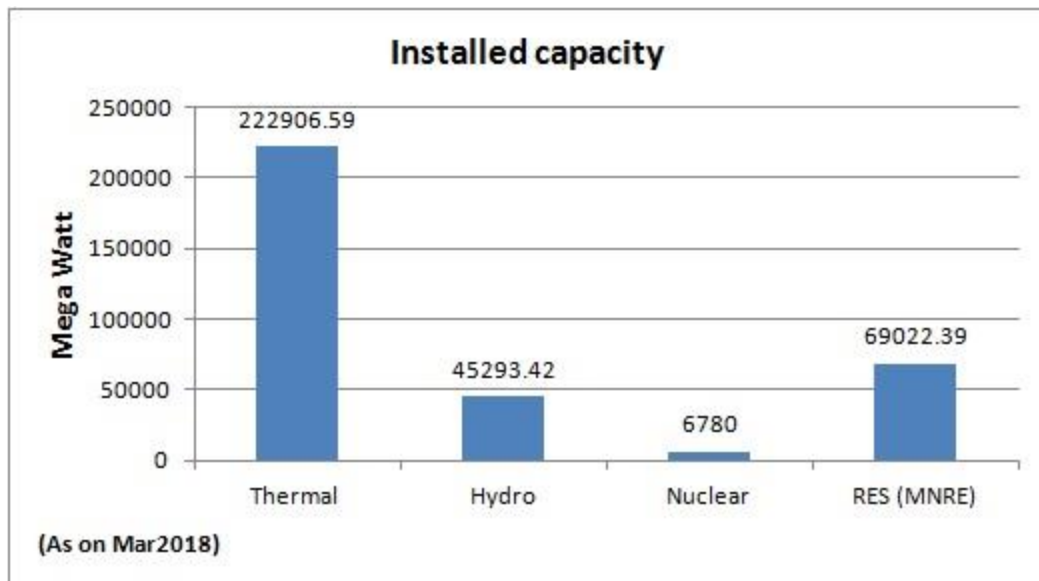
### Installed Capacity

Total installed capacity as on March 2018 was 3,44,002.39 Mega Watts (MW), while the installed capacity as on March 2017 was 3,26,832.53 MW. The Government of India's focus on attaining 'Power for all' has accelerated capacity addition in the country.

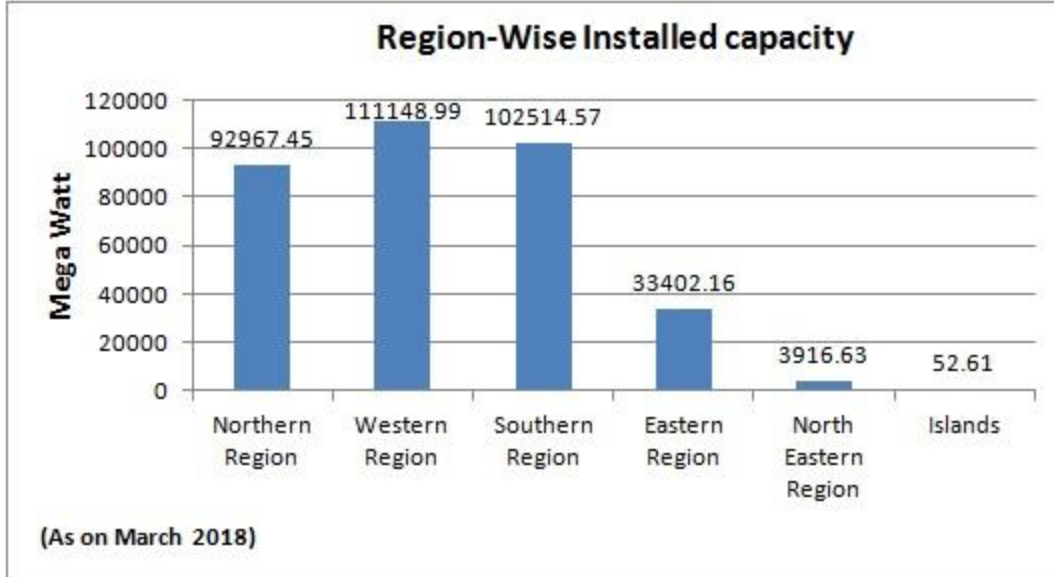
As India has large reserves of coal, thermal sector contributed maximum towards the total installed capacity. As on March 2018, total thermal installed capacity in the country stood at 2,22,906.59 MW, while the thermal installed capacity as on March 2017 was 2,18,329.88 MW.

Besides, as on March 2018, hydro installed capacity stood at 45,293.42 MW, while the hydro installed capacity as on March 2017 was 44,478.42 MW. Hydro installed capacity has gone up as the country has enormous potential for hydropower because it has large swathe of rivers and water bodies. As on March 2018, total nuclear installed capacity in the country stood at 6780 MW.

Wind energy is the largest renewable energy source in India. As on March 2018, RES installed capacity was 69022.39 MW, while the RES installed capacity as on March 2017 was 57244.23 MW. (RES includes Small Hydro Project (SHP), Biomass Power (BP), Urban & Industrial Waste Power (U&I), Solar and Wind Energy).



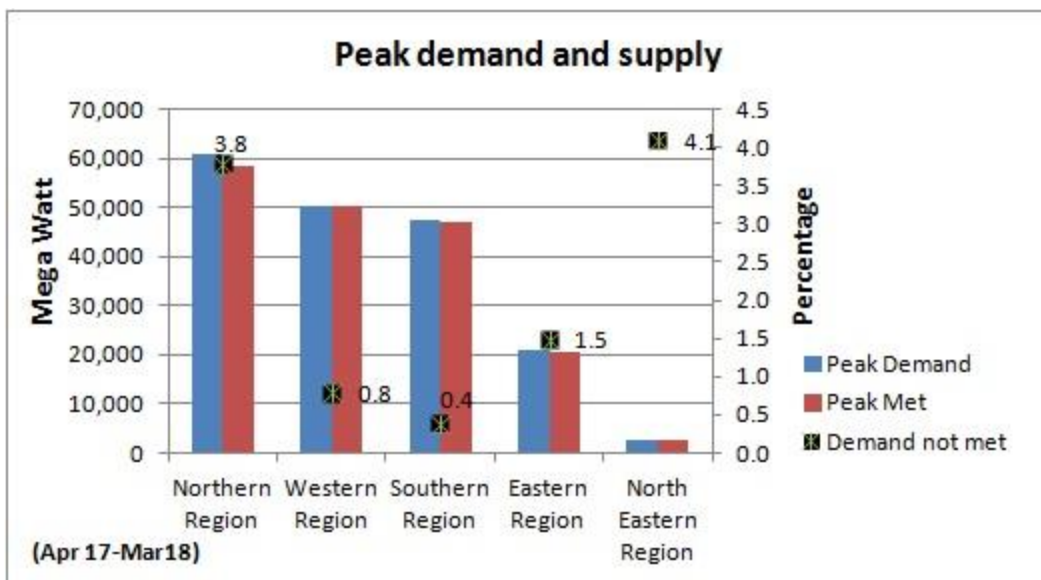
As on March 2018, India's 32.31% of power capacity is in western region followed by 29.80% in southern region, 27.03% in northern region, 9.71% in eastern region and 1.14% in north-eastern and only 0.015% in island regions. Western region leads in thermal power and northern region in hydro power with 81415.11 MW and 19753.77 MW respectively. Southern region leads in nuclear power with 3320.00 MW.



### Peak Demand and Supply

The peak power demand in the country stood at 1,64,066 MW during FY2018 and peak met stood at 1,60,752 MW. This shows that there was a gap of 2% in terms of peak demand and supply.

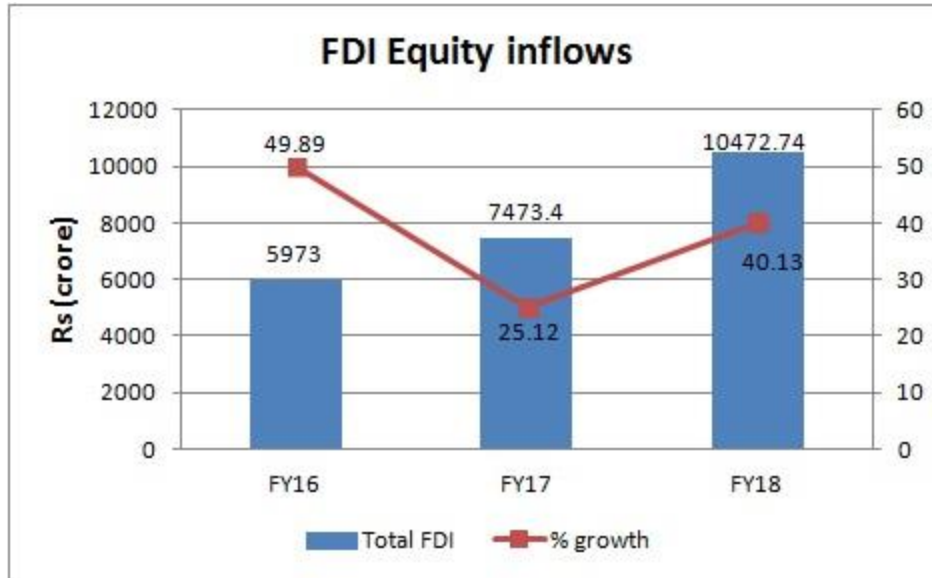
During FY18, in northern region the peak demand was 60,749 MW and peak met was 58,448 MW. This shows that there was wide gap of 3.8% in terms of peak demand and supply. In western region the peak demand was 50,477 MW and peak met was 50,085 MW. In southern region the peak demand was 47,385 MW and peak met was 47,210 MW and in eastern region the peak demand was 20,794 MW and peak met was 20,485 MW. Western, southern and eastern region had a narrow gap in supply and demand. In North-eastern region the peak demand was 2,629 MW and peak met was 2,520 MW. This shows that there was a huge gap of 4.1% in terms of peak demand and supply.



## FDI inflows in Power sector

Power is one of the key sectors attracting FDI inflows into India. FDI inflows in FY18 stood at Rs 10472.74 crore, showing an increase of 40.13% over the previous fiscal year. Inflows in this sector have increased as 100% FDI is allowed under the automatic route.

Power sector accounted for 3.51% of total FDI inflows till March 2018. Cumulative FDI inflows into the sector in April 2000 - March 18 were Rs 70,559.48 crore.



## Government initiatives

- Power Ministry joins hands with Skill India:** Ministry of Power has joined hands with the Ministry of Skill Development & Entrepreneurship. The main aim of this partnership is to train the manpower in six states for speedy implementation of its SAUBHAGYA scheme. SAUBHAGYA (Pradhan Mantri Sahaj Bijli Har Ghar Yojna) aims to achieve universal household electrification in all parts of the country in a time bound manner. Around 4 crore households are expected to get electricity connections under the scheme.
- Govt launches Pilot scheme:** The Government kicks off a Pilot Scheme for Procurement of Aggregate Power of 2500 MW on competitive basis for 3 (three) years under medium term i.e. from generators with commissioned projects but without Power Purchase Agreement. Under the scheme a single entity can be allotted maximum capacity of 600 MW. The Scheme assures a minimum off-take of 55 per cent of contracted capacity.
- EESL to install LED lights across all airports in India:** Energy Efficiency Services Limited (EESL), a joint venture of PSUs under the Ministry of Power signed a Memorandum of Understanding (MoU) with the Airports Authority of India (AAI) for installing energy-efficient LED lights at airports, buildings and facilities owned by AAI across India. EESL will make the entire upfront investment of Rs 24.41 crore on the project.
- SJVN signs MoU with Ministry of Power:** SJVN, the operator of one of the largest Hydro Power Plants in the country i.e. 1500 MW Nathpa Jhakri Hydro Power Station,

### Outlook

Power is amongst the most important component in infrastructure which affects economic growth of the country. Power sector likely to show impressive growth in up-coming times as the country's demand for power has increased rapidly and is expected to surge further in the coming years. In order to meet the increasing demand for electricity in the country, massive addition to the installed generating capacity is required. Further, rising FDI and government initiatives like Power Ministry joining hands with Skill India and govt launching Pilot scheme will support the sector. Meanwhile, the government has set a high target of generating 175 GW of solar and wind power by 2022, of which 100 GW would be that of solar power. Furthermore, the government expects the Coal-based power generation capacity in India to reach 330-441 GW by 2040 which currently stands at 192 GW.

### Companies Financial Data In Industry

Company Name	CMP	MCAP	BOOK VALUE	DIV. YIELD %	TTM EPS	TTM PE
CESC Ltd.	912.90	12101.13	797.55	1.10	75.74	12.05
RelianceInfrastructure Ltd.	402.80	10593.24	932.22	2.23	48.56	8.30
Indian Energy Exchange Ltd.	1640.00	4973.89	107.42	1.34	46.88	34.98
KKV Agro Powers Ltd.	404.50	18.34	313.00	0.25	33.80	11.97
Torrent Power Ltd.	230.85	11095.04	162.15	2.17	20.09	11.49
Nava Bharat Ventures Ltd.	124.75	2227.73	196.00	1.20	17.25	7.23
Power Grid Corporation Of India Ltd.	188.75	98746.25	104.03	2.30	15.27	12.36
Tata Power Company Ltd.	67.20	18176.08	60.41	1.93	14.49	4.64
NLC India Ltd.	75.20	11494.83	87.35	5.98	12.80	5.87
NTPC Ltd.	158.15	130402.02	125.60	3.02	12.79	12.37
PTC India Ltd.	82.65	2446.51	133.52	3.63	12.00	6.88
Adani Transmission Ltd.	164.05	18042.38	39.80	0.00	11.17	14.69
Gujarat Industries Power Company Ltd.	89.25	1349.92	147.84	3.03	10.98	8.13
WAA Solar Ltd.	72.90	48.36	181.30	0.00	7.36	9.91

Sorted with TTM EPS (High to Low)

Source: AceEquity Disclaimer : Accord Fintech Pvt Ltd has taken all the necessary steps and measures in compilation of the Data present in the AceEquity. We have tried our level best to provide data from reliable source. However, Accord Fintech Pvt Ltd does not guarantee the accuracy, adequacy or completeness of any Data in the AceEquity and is not responsible for any errors or omissions or for the results obtained from the use of such Data. Accord Fintech especially states that it has no financial liability whatsoever to the users of AceEquity. Accord or any of its directors/ employees/ representatives does not accept any liability for any direct or consequential loss arising from the use of the Data contained in the AceEquity or any data generated from the AceEquity.

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