



Torrent Power Limited

BUY

June 19, 2007

Current Price : Rs64
Target Price : Rs79
Upside : 23%

52 Week H/L : Rs99/Rs55
Avg. Daily Vol. : 596943
Market Cap. : Rs33.86bn
BSE Code : 532779
NSE Symbol : TORNTPOWER

Shareholding pattern

Share holder	Mar 2007
Promoters	54.67%
F1/MF	22.93%
FII	0.18%
Public & Others	22.22%

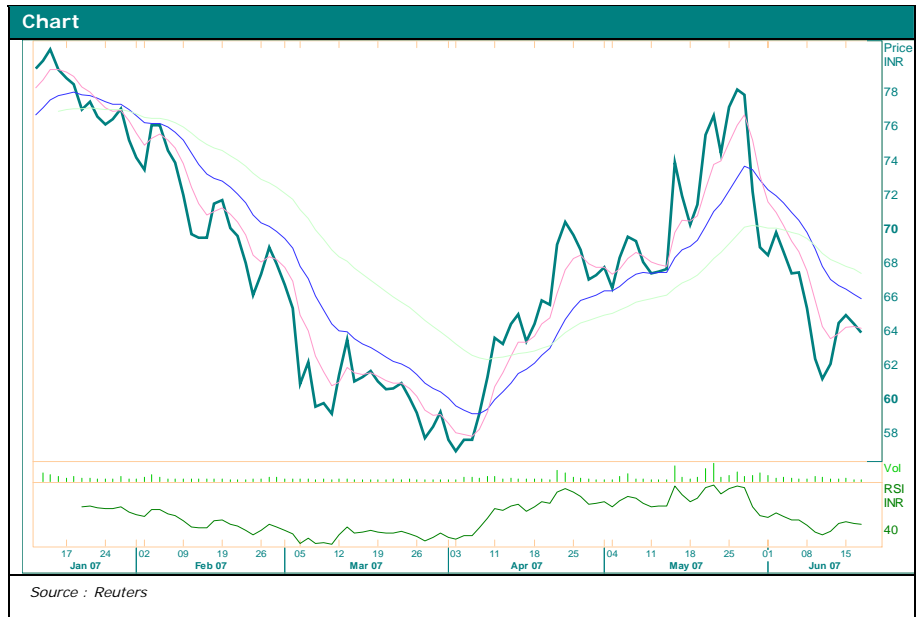
Company Profile

Torrent Power Limited (TPL), promoted by the Rs38bn Torrent Group, is one of the leading players in the Indian power sector. With an all-round experience in generation, transmission and distribution of power, and a proven track record of implementing large power projects, TPL is among the most experienced private sector player in Gujarat. TPL has a generation capacity of 500MW and distributes over 7bn units of power annually to industrial and commercial belt of Ahmedabad, Gandhinagar and Surat in Gujarat and to over 1.8 million customers spread over an area of 408 Sq Kms in these cities. TPL is setting up an 1100MW SUGEN CCPP near Surat in Gujarat, which would take its generation capacity to 1600MW. This project would be one of the first Greenfield mega power projects to be setup with LNG as the fuel, which will not only be eco-friendly power, but would also offer the benefit of lower generation cost per unit.

During the quarter ended March, 2007, TPL's sales rose by 17% qoq to Rs7.42bn and net profit rose by 61% to Rs443mn. OPM stood at 13.5%.

Key Triggers

- **Expected Carbon Credits for 1100mw Greenfield project:** TPL has applied for 3.1mn MT CO2 equivalent per annum for its LNG based power project in Gujarat.
- **Moving Average Convergence:** The short and medium term MA of TPL on a daily and weekly basis have congregated around the current prices showing signs of completion of correction from a price and time stand point.



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Analyst holding in stock : Nil