

<b>BSE SENSEX</b>	<b>S&amp;P CNX</b>
27,986	8,629
<b>Bloomberg</b>	<b>NTPC IN</b>
Equity Shares (m)	8,245.5
M.Cap.(INRb)/(USDb)	1,179.9 / 17.6
52-Week Range (INR)	170 / 107
1, 6, 12 Rel. Per (%)	4/12/30
12M Avg Val (INR M)	666
Free float (%)	30.0

**Financials & Valuations (INR b)**

Y/E Mar	2016	2017E	2018E
Net Sales	787.1	827.8	970.7
EBITDA	191.6	225.6	293.7
PAT	101.6	99.4	119.0
EPS (INR)	12.3	12.1	14.4
Gr. (%)	1.7	-2.2	19.7
BV/Sh (INR)	104.7	109.5	116.8
RoE (%)	12.1	11.3	12.8
RoCE (%)	7.3	7.0	8.2
P/E (x)	10.5	13.6	11.3
P/BV (x)	1.2	1.5	1.4

**Estimate change**

**TP change**

**Rating change**

**CMP: INR164**
**TP: INR199(+22%)**
**Buy**
**Core PAT up 17% on higher incentives and IndAS**

NTPC standalone 1QFY17 (NTPCsa) adjusted PAT increased 13% YoY to INR24b, driven by 17% growth in Core (generation) PAT, while other income declined on utilization of cash in project equity.

- Declared capacity (DC) increased by 2.7GW and regulated equity increased by INR54b YoY. During the quarter, 250MW Bongaigaon and 200MW solar plants were added to DC.
- Core PAT was boosted by provisional PLF incentives of INR1.53b. 15 units (from 8 stations) reported PLF above 85%. Energy sales increased 10.6% YoY to 60.3b kwh, which is a very strong volume growth in many years. NTPC has been able to improve its merit order dispatch (MoD) position on reducing ECR (energy charge rate). Average tariff was INR3.12/kwh and ECR was INR1.92/kwh.
- PAT was boosted by ~INR1b on capitalization of certain operating expenses under IndAS. 440MW plant at Tanda has been converted into service lease agreement under IndAS as its entire output is supplied to UP.

**Capitalization gaining momentum; EPS CAGR of 11% for five years**

- We have upgraded our PAT estimates by 4-7% for FY17-20E on IndAS accounting change and higher PLF incentives. NTPC's consolidated EPS is estimated to grow at a CAGR of 11% over FY16-20E. We expect DC to increase at CAGR of 7.5% and Regulated equity to increase at CAGR of 15% over FY16-21E. RoE is expected to improve from 12.1% in FY16 to ~15% in FY20E.
- We have upgraded the target P/BV multiple from 1.5x to 1.6x on lower cost of equity. The stock is trading at 1.4x FY18E book value. Our revised target price is INR199, an upside of ~22%. Re-iterate BUY.

**Quarterly Performance (standalone)**

Y/E March	FY16				FY17				FY16	FY17E	FY17 Var. 1QE (%)	
	1Q	2Q	3Q	4Q	1Q	2QE	3QE	4QE				
<b>Sales</b>	<b>170,187</b>	<b>177,229</b>	<b>173,175</b>	<b>179,901</b>	<b>187,354</b>	<b>188,751</b>	<b>179,199</b>	<b>183,069</b>	<b>700,492</b>	<b>738,373</b>	<b>183,475</b>	<b>2</b>
Change (%)	-5.9	6.9	-7.6	-6.4	10.1	6.5	3.5	1.8			7.8	
<b>EBITDA</b>	<b>33,718</b>	<b>38,550</b>	<b>45,277</b>	<b>53,355</b>	<b>50,874</b>	<b>50,251</b>	<b>51,016</b>	<b>53,499</b>	<b>170,900</b>	<b>205,640</b>	<b>46,768</b>	<b>9</b>
Depreciation	12,380	13,229	13,935	14,710	13,952	13,962	14,707	14,745	54,253	57,366	13,290	
Interest	7,309	8,145	8,251	8,599	9,004	9,624	9,748	9,791	32,304	38,166	8,949	
Other income	3,046	4,510	3,405	5,706	2,810	3,450	3,071	6,094	16,667	15,426	3,177	
Exceptional	0	0	-384	-39	33	0	0	0	-424	33	0	
<b>PBT</b>	<b>17,076</b>	<b>21,686</b>	<b>26,113</b>	<b>35,712</b>	<b>30,761</b>	<b>30,115</b>	<b>29,632</b>	<b>35,057</b>	<b>100,587</b>	<b>125,566</b>	<b>27,706</b>	<b>11</b>
Tax	-4,278	-7,297	1,184	8,548	7,066	6,083	5,986	7,081	-1,842	26,216	5,596	
<b>PAT</b>	<b>21,354</b>	<b>28,983</b>	<b>24,929</b>	<b>27,164</b>	<b>23,695</b>	<b>24,032</b>	<b>23,647</b>	<b>27,976</b>	<b>102,429</b>	<b>99,350</b>	<b>22,110</b>	<b>7</b>
Change (%)	-3.0	39.9	-18.9	-7.7	11.0	-17.1	-5.1	3.0	-0.5	-3.0	3.5	
<b>Adj. PAT</b>	<b>21,330</b>	<b>22,165</b>	<b>20,691</b>	<b>25,603</b>	<b>24,047</b>	<b>24,032</b>	<b>23,647</b>	<b>27,976</b>	<b>89,789</b>	<b>99,702</b>	<b>22,110</b>	<b>9</b>
Change (%)	9.6	24.2	-10.1	-6.3	12.7	8.4	14.3	9.3		11.0	3.7	
<b>A. Generation</b>	<b>18,742</b>	<b>19,364</b>	<b>18,197</b>	<b>21,355</b>	<b>21,850</b>	<b>21,279</b>	<b>21,196</b>	<b>23,113</b>	<b>77,658</b>	<b>87,437</b>	<b>19,574</b>	<b>12</b>
a. Base RoE - 15.5%	14,305	14,690	15,168	15,656	16,221	16,578	17,035	17,608	59,819	67,442	16,221	0
b. PLF incentive	780	890	-17	1,052	1,530	500	780	781	2,705	3,591	507	202
c. Others	3,657	3,784	3,046	4,647	4,099	4,201	3,381	4,723	15,134	16,404	2,846	44
<b>B. Other income</b>	<b>2,588</b>	<b>2,801</b>	<b>2,493</b>	<b>4,248</b>	<b>2,197</b>	<b>2,753</b>	<b>2,451</b>	<b>4,863</b>	<b>12,132</b>	<b>12,265</b>	<b>2,535</b>	<b>-13</b>

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## Exhibit 1: NTPC key operating variables

		FY14				FY15				FY16				FY17
		1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q	2Q	3Q	4Q	1Q
<b>Capacity</b>														
Installed	GW	41.3	41.4	42.5	43.1	43.1	43.1	43.1	44.4	45.0	45.5	45.5	46.7	47.2
Commercial	GW	39.8	40.3	40.4	41.9	42.0	42.0	42.6	43.1	43.1	43.9	44.4	45.1	45.9
Regulated Equity	INR b	325.8	325.8	326.4	351.6	352.1	352.1	366.2	369.2	369.2	389.0	393.9	414.2	423.0
<b>Generation</b>														
Gross	b kWh	57	55	59	63	63	55	61	61	59	60	61	62	65
Coal based	b kWh	53	52	56	59	60	52	58	59	56	56	58	60	61
Gas based	b kWh	4	3	3	3	3	3	3	2	2	2	3	2	2
Hydro	b kWh	0	0	0	0	0	0	0	0	0	2	1	0	1
Electricity sales	b kWh	53	51	55	58	59	51	57	57	54	56	57	58	60
<b>Availability</b>														
Coal	%	84.9	87.5	95.1	99.8	89.3	76.8	91.0	97.2	91.6	88.1	92.8	95.2	90.5
Gas	%	94.4	87.1	99.8	99.7	90.1	89.1	93.2	96.5	96.6	97.6	96.8	98.2	93.6
<b>PLF</b>														
Coal	%	79.1	75.9	82.4	88.7	84.3	73.2	80.8	82.7	77.6	77.3	78.2	81.3	81.4
Gas	%	42.0	31.8	33.8	35.6	39.8	33.4	31.8	26.7	28.5	25.7	28.5	17.8	26.3
<b>Fuel</b>														
Coal Received	mt	38.4	37.3	39.3	45.7	39.6	36.8	44.5	46.0	42.3	37.2	41.6	40.6	40.9
o/w imported	mt	3.8	3.5	1.2	2.3	3.6	2.9	4.9	4.9	3.9	2.6	1.9	1.1	0.6
% imported	%	9.8	9.4	3.1	5.1	9.0	7.8	11.1	10.6	9.1	6.9	4.7	2.7	1.4
Gas received	mmscmd	7.9	6.7	7.0	6.0	7.3	6.7	6.1	5.6	5.9	5.1	6.1	3.8	5.5
<b>Per unit</b>														
Realization	INR/kWh	2.94	3.21	3.40	3.59	3.07	3.22	3.28	3.35	3.12	3.17	3.06	3.10	3.12
Fuel cost	INR/kWh	1.77	2.00	2.04	2.47	2.17	2.22	2.12	2.18	2.11	2.06	1.87	1.75	1.92
Fixed charge	INR/kWh	1.16	1.21	1.36	1.11	0.90	1.00	1.16	1.17	1.01	1.11	1.19	1.35	1.20

Source: MOSL, Company

## Exhibit 2: NTPC (standalone) adjusted P&amp;L (for one-offs) – INR m

Adjusted P&L	1QFY16	2QFY16	3QFY16	4QFY16	FY2016	1QFY17
<b>Net Sales</b>	<b>178,537</b>	<b>183,501</b>	<b>173,416</b>	<b>181,467</b>	<b>716,921</b>	<b>187,706</b>
Fuel cost	115,091	115,408	106,252	104,130	440,882	116,324
Other. Exp	21,378	23,270	22,095	25,442	92,532	20,156
Int.	7,309	8,145	8,251	8,599	32,304	9,004
Dep	12,380	13,229	13,935	14,811	54,354	13,952
<b>PBT</b>	<b>25,470</b>	<b>26,840</b>	<b>26,019</b>	<b>34,151</b>	<b>112,482</b>	<b>31,113</b>
Generation	22,379	23,448	22,884	28,485	96,850	28,270
Other Incomes	3,091	3,392	3,136	5,667	15,632	2,843
Tax	4,140	4,675	5,329	8,548	22,692	7,066
Rate (%)	16.3	17.4	20.5	25.0	20.2	22.7
<b>Adj PAT</b>	<b>21,330</b>	<b>22,165</b>	<b>20,691</b>	<b>25,603</b>	<b>89,789</b>	<b>24,047</b>
<b>A. Generation</b>	<b>18,742</b>	<b>19,364</b>	<b>18,197</b>	<b>21,355</b>	<b>77,311</b>	<b>21,850</b>
Regulated Equity - Reported	369,160	389,020	393,853	414,204	414,204	423,003
- Base RoE @15.5%	14,305	14,690	15,168	15,656	59,819	16,221
- PAF/PLF incentives	780	890	-17	1,052	2,715	1,530
- Others	3,657	3,784	3,046	4,647	14,777	4,099
<b>B. Other Income</b>	<b>2,588</b>	<b>2,801</b>	<b>2,493</b>	<b>4,248</b>	<b>12,478</b>	<b>2,197</b>

Source: MOSL, Company

**Exhibit 3: NTPC (standalone) line item wise summary of adjustments – INR m**

Prior Period P&L deductions	1QFY16	2QFY16	3QFY16	4QFY16	FY2016	1QFY17
Net Sales	8,350	6,272	241	1,566	16,429	352
Exp	0	0	-449	-3,127	-3,576	0
Other Income	45	-1,118	115	0	-958	0
Tax	-8,418	-11,972	-4,145	0	-24,535	0
<b>PAT</b>	<b>-23</b>	<b>-6,818</b>	<b>-4,238</b>	<b>-1,561</b>	<b>-12,640</b>	<b>352</b>

Source: MOSL, Company

**Exhibit 4: Commercial capacity addition estimates**

	FY16	FY17	FY18	FY19	FY20	FY21	FY16-21	CEA's estimate for CoD
<b>NTPCsa</b>	<b>1,960</b>	<b>1,960</b>	<b>6,050</b>	<b>6,150</b>	<b>3,120</b>	<b>3,620</b>	<b>20,900</b>	
<b>Northern Region</b>	<b>800</b>			<b>1,680</b>	<b>660</b>		<b>2,340</b>	
Unchahar- IV				500				18-Apr
Tanda II				660	660			U1 -Nov 18, U2 - May 19, no revision
Koldam	800							
Tapoban Vishnugad				520				
<b>Western Region</b>	<b>500</b>	<b>660</b>	<b>2,120</b>	<b>3,060</b>			<b>5,840</b>	
Vindhyachal V	500							30 Oct 2015 actual
Mouda, Maharashtra								Expect cost to come down on full supply linkage supply from WCL
Mouda II		660	660					U1 -Oct 16, U2 - Apr 17, no revision
Lara (Chhattisgarh)			800	800				U1 -Feb 17, U2 - Sep 17
Solapur			660	660				U1 -Jun 17 (2m delay), U2 -Oct 17
Gadarwara				1,600				U1 -Aug 17, U2 -Feb 18, no revision
<b>Eastern Region</b>	<b>660</b>	<b>250</b>	<b>1820</b>	<b>660</b>	<b>1460</b>	<b>2120</b>	<b>6,310</b>	
Barh-II Bihar	660							U1 -Nov 14 actual, U2 - Feb 16
Barh I			1,320	660				U1 -July 17, U2 - Jan 18, U3-July 18
North Karanpura					660	1,320		U1 -Dec 18, U2 - Apr 19, U3-Aug 19; no revision
Bongaigaon, Assam		250	500					U1 -Apr 16actual, U2 - June 17, U3-Sep 17
Darlipalli					800	800		U1 -Apr18, U2 - Aug 18; no revision
<b>Southern Region</b>		<b>800</b>	<b>1600</b>				<b>2,400</b>	
Kudgi		800	1,600					U1 -Dec 16, U2 - May 17, U3-July 17; behind schedule
<b>Renewable</b>								
<b>Solar</b>		250	510	750	1,000	1,500		same as NTPC target
<b>Solar</b>		<b>250</b>	<b>510</b>	<b>750</b>	<b>1000</b>	<b>1500</b>	<b>4,010</b>	We expect 4GW against target of 10GW
<b>NTPCjv</b>		<b>640</b>	<b>2,730</b>	<b>1,320</b>			<b>4,690</b>	
Meja Urja Nigam			1,320					U1 -Jun 17, U2-Dec 17, no change
Nabinagar, BRBCL		250	750					U1 -June 16, U2-Apr 17, U3-Aug 17, U4 Nov 17: U1 is delayed
Nabinagar NPGCPL JV			660	1,320				U1 -Aug 17, U2-Feb 18, U3-Aug 18; no change
Kanti, Muzzarpur, Bihar		390						U3 195MW-June 16, U4 195MW - Dec 16, actual CoD delayed
<b>NTPCgrp</b>	<b>1,960</b>	<b>2,600</b>	<b>8,780</b>	<b>7,470</b>	<b>3,120</b>	<b>3,620</b>	<b>25,590</b>	

Source: CEA, MOSL

Source: MOSL, Company

## Valuation and view

### Capitalization gaining momentum; EPS cagr of 11% for five years

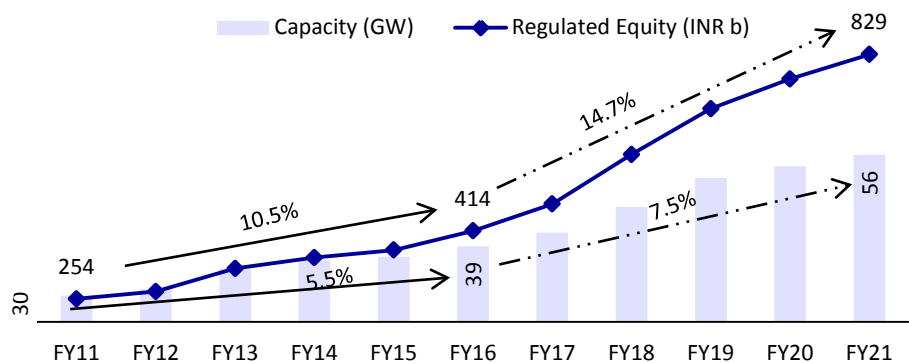
The pace of declared capacity (DC) addition and capitalization is gaining momentum. NTPCsa guided for addition of 3.1GW (v/s our est of 2.7GW), and capitalization of >INR200b. JVs will add another 600MW to DC in FY17E.

We expect DC to increase at CAGR of 7.5% and Regulated equity to increase at CAGR of 15% over FY16-21E. As a result, Consolidated EPS is expected to increase at cagr of 11%, while RoE is expected to improve from 12.1% in FY16 to 15% in next five years.

NTPC has one of the best business models in Indian power sector. Its revenue is guaranteed by government under PPA. Most of its plants are located close to mines and operate efficiently. Regulators are highly dependent on inputs from NTPC for laying down norms. Stock is trading at 1.4x FY17E book value. We value the stock at INR199 based on 1.6xBV of FY18E. **Maintain BUY.**

Higher specific capex for new projects to drive a regulated equity growth of ~15% over FY16-21E as against a capacity growth of 7.5% over the same period.

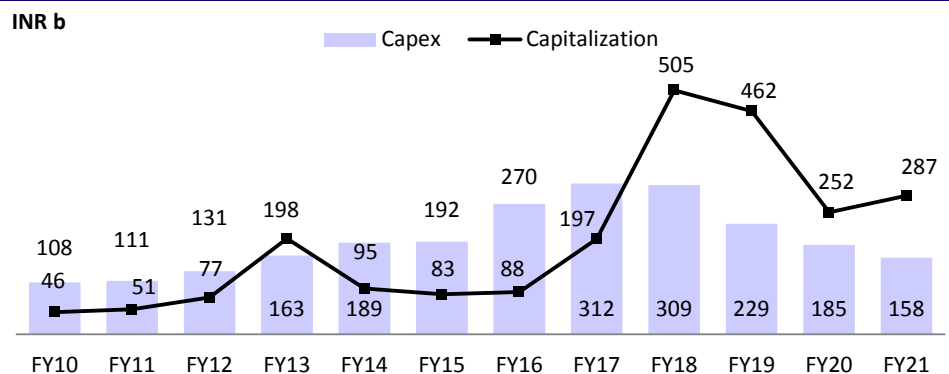
**Exhibit 5: Capacity (excluding RE) growth picking up, Reg. Equity to grow even faster at 15% CAGR**



Source: MOSL, Company

Capitalization to accelerate in FY18 and FY19.

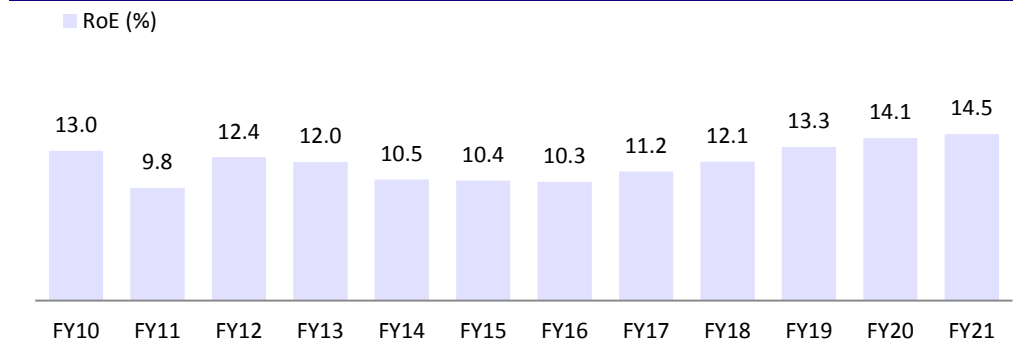
**Exhibit 6: Capitalization to pick up gradually, while Capex remain high**



Source: MOSL, Company

NTPCsa RoE to improve along with decline in share of CWIP.

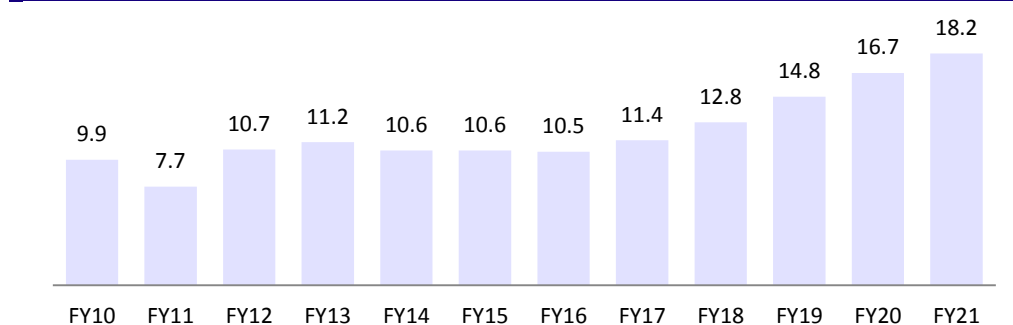
**Exhibit 7: NTPCsa RoE to improve...**



Source: MOSL, Company

NTPCsa EPS to grow at a slightly slower CAGR of 12% due to declining share of Other income.

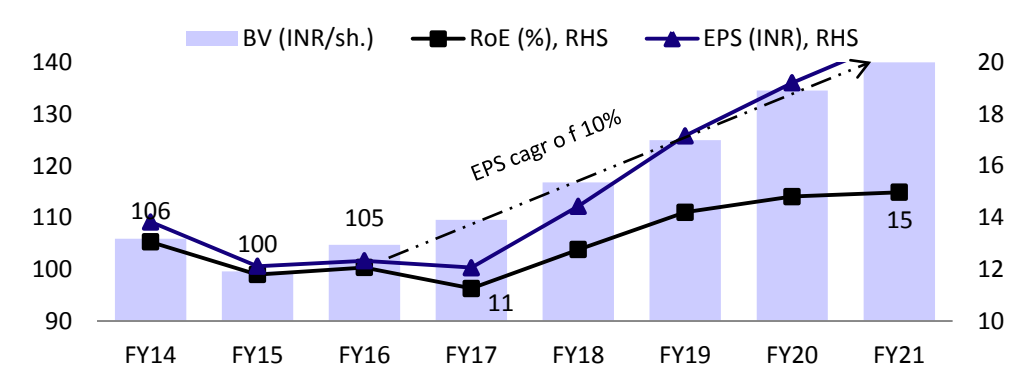
**Exhibit 8: NTPCsa EPS to grow at 12% cagr over FY16-21**



Source: MOSL, Company

Book value to grow at 7% CAGR.

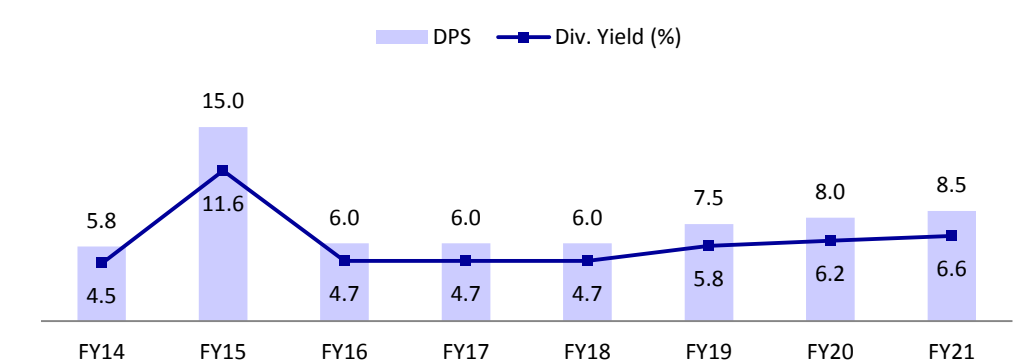
**Exhibit 9: Book value to grow at 6%, while improving RoE to re-rate valuations**



Source: MOSL, Company

Dividend yield remains attractive (assuming payout of 45-50%).

**Exhibit 10: Dividend yield is attractive**



Source: MOSL, Company

## Financials and Valuations

Income Statement						(INR Million)	
Y/E March	2012	2013	2014	2015	2016	2017E	2018E
<b>Net Sales</b>	<b>620,522</b>	<b>657,370</b>	<b>789,506</b>	<b>806,220</b>	<b>787,055</b>	<b>827,842</b>	<b>970,695</b>
Change (%)	12.7	5.9	20.1	2.1	-2.4	5.2	17.3
Total Expenditure	483,260	486,699	592,401	634,280	595,423	602,287	676,967
<b>EBITDA</b>	<b>137,263</b>	<b>170,672</b>	<b>197,106</b>	<b>171,941</b>	<b>191,632</b>	<b>225,555</b>	<b>293,727</b>
Margin (%)	22.1	26.0	25.0	21.3	24.3	27.2	30.3
Depreciation	27,917	33,968	47,700	55,646	61,534	65,397	84,229
<b>EBIT</b>	<b>109,346</b>	<b>136,704</b>	<b>149,406</b>	<b>116,295</b>	<b>130,098</b>	<b>160,158</b>	<b>209,498</b>
Interest	17,116	19,244	32,031	35,704	41,513	48,595	71,692
Other Income - Rec.	27,897	31,188	27,601	20,789	12,341	15,426	11,531
Exceptional item	3,136	17,138	-119	3,182	110	33	0
<b>Profit before Tax</b>	<b>123,262</b>	<b>165,786</b>	<b>144,858</b>	<b>104,562</b>	<b>101,035</b>	<b>127,022</b>	<b>149,337</b>
Tax	31,024	39,592	30,824	4,638	-589	27,595	30,296
Tax Rate (%)	25.2	23.9	21.3	4.4	-0.6	21.7	20.3
<b>Reported PAT</b>	<b>92,237</b>	<b>126,194</b>	<b>114,034</b>	<b>99,924</b>	<b>101,624</b>	<b>99,427</b>	<b>119,041</b>

Balance Sheet						(INR Million)	
Y/E March	2012	2013	2014	2015	2016	2017E	2018E
Share Capital	82,455	82,455	82,455	82,455	82,455	82,455	82,455
Reserves	650,457	721,421	790,843	738,485	780,753	820,813	880,487
<b>Net Worth</b>	<b>732,912</b>	<b>803,875</b>	<b>873,297</b>	<b>820,940</b>	<b>863,208</b>	<b>903,268</b>	<b>962,941</b>
Minority Interest	0	0	6,804	8,879	8,879	8,879	8,879
Loans	502,789	581,461	814,549	1,022,520	1,148,137	1,297,771	1,434,856
Deferred Tax Liability	6,369	9,153	12,393	12,656	12,656	12,656	12,656
<b>Capital Employed</b>	<b>1,242,070</b>	<b>1,394,489</b>	<b>1,707,044</b>	<b>1,864,995</b>	<b>2,032,880</b>	<b>2,222,574</b>	<b>2,419,333</b>
Gross Block	818,283	1,032,457	1,313,937	1,443,608	1,531,162	1,747,104	2,380,374
Less: Accum. Deprn.	365,719	403,096	471,858	525,077	586,611	652,008	736,237
<b>Net Fixed Assets</b>	<b>452,564</b>	<b>629,361</b>	<b>842,080</b>	<b>918,530</b>	<b>944,550</b>	<b>1,095,096</b>	<b>1,644,137</b>
Capital WIP	418,279	371,094	538,250	675,547	857,623	953,501	628,922
Investments	95,839	91,376	16,635	141	141	141	141
<b>Current Assets</b>	<b>441,626</b>	<b>519,333</b>	<b>603,487</b>	<b>601,543</b>	<b>563,965</b>	<b>503,948</b>	<b>488,975</b>
Inventory	37,029	40,572	59,885	79,725	67,307	61,336	67,462
Account Receivables	58,325	53,650	67,257	92,499	89,682	80,258	91,932
Cash and Bank Balance	177,643	184,902	186,876	161,390	139,047	94,425	61,651
Loans and Advances	69,377	113,790	173,875	190,883	190,883	190,883	190,883
Others	99,253	126,420	115,595	77,046	77,046	77,046	77,046
<b>Current Liabilities</b>	<b>166,237</b>	<b>216,676</b>	<b>293,408</b>	<b>330,766</b>	<b>333,399</b>	<b>330,112</b>	<b>342,843</b>
Payables	44,607	51,324	72,240	71,076	73,709	70,422	83,153
Other current liabilities	121,631	165,352	221,168	259,690	259,690	259,690	259,690
<b>Net Working Capital</b>	<b>275,389</b>	<b>302,657</b>	<b>310,080</b>	<b>270,777</b>	<b>230,566</b>	<b>173,836</b>	<b>146,132</b>
<b>Application of Funds</b>	<b>1,242,070</b>	<b>1,394,489</b>	<b>1,707,044</b>	<b>1,864,995</b>	<b>2,032,880</b>	<b>2,222,574</b>	<b>2,419,333</b>

E: MOSL Estimates

## Financials and Valuations

### Ratios

Y/E March	2012	2013	2014	2015	2016	2017E	2018E
<b>EPS</b>	<b>11.2</b>	<b>15.3</b>	<b>13.8</b>	<b>12.1</b>	<b>12.3</b>	<b>12.1</b>	<b>14.4</b>
Cash EPS	14.6	19.4	19.6	18.9	19.8	20.0	24.7
BV/Share	88.9	97.5	105.9	99.6	104.7	109.5	116.8
DPS	4.0	5.8	5.8	5.8	6.0	6.0	6.0
Payout (%)	35.8	37.6	41.6	47.4	48.7	49.8	41.6
<b>Valuation (x)</b>							
P/E				12.0	10.5	13.6	11.3
Cash P/E				7.7	6.6	8.2	6.6
P/BV				1.5	1.2	1.5	1.4
EV/EBITDA				12.0	10.9	11.3	9.3
Dividend Yield (%)				4.0	4.6	3.7	3.7
<b>Return Ratios (%)</b>							
RoE	13.1	16.4	13.6	11.8	12.1	11.3	12.8
RoIC (Post-tax)	15.9	16.0	13.7	11.2	12.7	11.3	11.5
RoCE (Post-tax)	9.0	9.7	9.4	7.4	7.3	7.0	8.2
<b>Working Capital Ratios</b>							
Debtor (Days)	34	30	31	42	42	35	35
Inventory (Days)	22	23	28	36	31	27	25
Payable (Days)	26	28	33	32	34	31	31
<b>Growth (%)</b>							
Sales	12.7	5.9	20.1	2.1	-2.4	5.2	17.3
EBITDA	14.6	24.3	15.5	-12.8	11.5	17.7	30.2
PAT	1.3	36.8	-9.6	-12.4	1.7	-2.2	19.7
<b>Leverage Ratio (x)</b>							
Current Ratio	2.7	2.4	2.1	1.8	1.7	1.5	1.4
Interest Cover Ratio	8.0	8.7	5.5	3.8	3.4	3.6	3.1
Net Debt/EBITDA	2.4	2.3	3.2	5.0	5.3	5.3	4.7
Net Debt/Equity	0.4	0.5	0.7	1.0	1.2	1.3	1.4

### Cash Flow Statement

(INR Million)

Y/E March	2012	2013	2014	2015	2016	2017E	2018E
Profit/(Loss) before Tax	123,262	165,786	144,858	104,562	101,035	127,022	149,337
Interest	39,697	19,021	31,643	35,286	41,513	48,595	71,692
Depreciation	27,917	33,968	47,700	55,646	61,534	65,397	84,229
(Inc)/Dec in WC	-23,494	-5,971	-13,109	-11,694	17,868	12,108	-5,070
Tax paid	-17,607	-28,956	-26,867	-20,100	589	-27,595	-30,296
others	-11,109	-28,896	-18,917	-16,242	-12,341	-15,426	-11,531
<b>CF from Operations</b>	<b>138,666</b>	<b>154,952</b>	<b>165,308</b>	<b>147,459</b>	<b>210,198</b>	<b>210,102</b>	<b>258,361</b>
Capex	-130,577	-162,912	-189,485	-191,772	-269,630	-311,821	-308,691
(Pur)/Sale of Investments	18,039	16,225	16,225	16,391			
Acquisition in subsidiaries	-6,847	-12,503	0	0	0	0	0
Int. & Dividend Income	9,019	19,021	18,166	17,037	12,341	15,426	11,531
Other investing activities	-1,938		18,851	145	11		
<b>CF from Investments</b>	<b>-112,304</b>	<b>-140,169</b>	<b>-136,243</b>	<b>-158,200</b>	<b>-257,278</b>	<b>-296,395</b>	<b>-297,161</b>
Inc/(Dec) in Debt	52,135	72,624	93,854	205,811	125,617	149,634	137,085
finance cost	-39,693	-39,461	-62,429	-72,371	-41,513	-48,595	-71,692
Dividend (incl. tax)	-41,146	-40,688	-58,719	-148,385	-59,367	-59,367	-59,367
Others	13	0	203	200			
<b>CF from Fin. Activity</b>	<b>-28,691</b>	<b>-7,524</b>	<b>-27,091</b>	<b>-14,745</b>	<b>24,737</b>	<b>41,672</b>	<b>6,026</b>
<b>Inc/Dec of Cash</b>	<b>-2,330</b>	<b>7,259</b>	<b>1,975</b>	<b>-25,486</b>	<b>-22,343</b>	<b>-44,622</b>	<b>-32,774</b>
Add: Beginning Balance	179,973	177,643	184,902	186,876	161,390	139,047	94,425
<b>Closing Balance</b>	<b>177,643</b>	<b>184,902</b>	<b>186,876</b>	<b>161,390</b>	<b>139,047</b>	<b>94,425</b>	<b>61,651</b>

E: MOSL Estimates

## Corporate profile

### Company description

NTPC is the largest power generator in India with installed capacity stands at 45GW and contribute ~30% of generation of the electricity in India. It aims to add 14GW in 12<sup>th</sup> plan v/s ~9GW addition in 11<sup>th</sup> plan period. It has also ventured into related areas like coal mining, distribution, transmission, and gas exploration

Exhibit 1: Sensex rebased

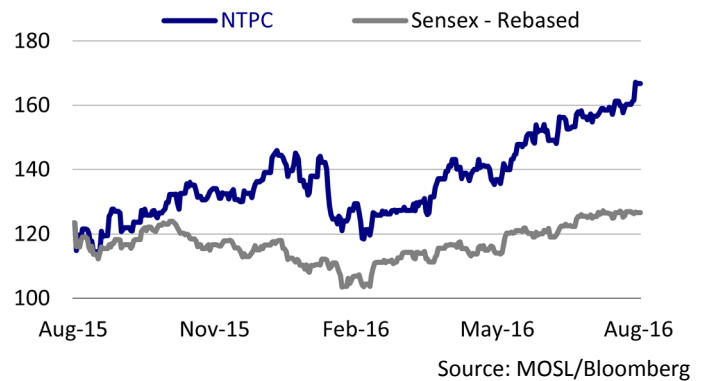


Exhibit 2: Shareholding pattern (%)

	Jun-16	Mar-16	Jun-15
Promoter	70.0	70.0	75.0
DII	16.9	17.0	12.7
FII	11.0	10.8	10.0
Others	2.2	2.3	2.3

Note: FII Includes depository receipts Source: Capitaline

Exhibit 3: Top holders

Holder Name	% Holding
LIC of India	13.0
ICICI Prudential Mutual Fund Schemes	1.0

Source: Capitaline

Exhibit 4: Top management

Name	Designation
Gurdeep Singh	Chairman & Managing Director
Kulamani Biswal	Director (Finance)
U P Pani	Director (Human Resources)
Anil Kumar Rastogi	Company Secretary

Source: Capitaline

Exhibit 5: Directors

Name	Name
A Didar Singh	K K Sharma
S C Pandey	A K Jha
Prashant Mehta	Aniruddha Kumar
Pradeep Kumar	Rajesh Jain

\*Independent

Exhibit 6: Auditors

Name	Type
PKF Sridhar & Santhanam	Statutory
K K Soni & Co	Statutory
O P Bagla & Co	Statutory
A R & Co	Statutory
V Sankar Aiyar & Co	Statutory
Ramesh C Agrawal & Co	Statutory

Source: Capitaline

Exhibit 7: MOSL forecast v/s consensus

EPS (INR)	MOSL forecast	Consensus forecast	Variation (%)
FY17	21.1	11.8	79.2
FY18	14.4	13.4	7.1

Source: Bloomberg



NOTES

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