

WEALTH WEEKLY

Weekly Alerts You Can Use!

Weekly View: Nifty, Bank Nifty:

| Indices | CMP | Support | Resistance | 50 DMA | 200 DMA | Range | Preferred Trade |
|------------|-------|---------|------------|--------|---------|-------------|--|
| NIFTY | 22213 | 21839 | 22501 | 21688 | 19973 | 21821-22421 | Buy at CMP. Targets at 22435/22551. Aggressive targets at 22751 zone. Stop at 21811. |
| BANK NIFTY | 46812 | 45651 | 48001 | 46789 | 45053 | 45751-47821 | Buy at CMP. Targets at 47821/48001/48921. Stop at 45499. |

Medium Term Pick:

| Stocks | CMP | Support | Resistance | 50 DMA | 200 DMA | Bias | Preferred Trade |
|--------|-----|---------|------------|--------|---------|----------|--|
| NTPC | 337 | 281 | 373 | 318 | 243 | Positive | Incorporated in the year 1975, NTPC is India's largest power generation company in India and contributes 25% of total power generation of India as of December 31, 2023. The focus will be more on renewable/clean energy. NTPC is likely to benefit from the upcoming investments in the power sector given its robust thermal portfolio. NTPC's Robust Thermal Assets also provide Cash Flow visibility. NTPC has also advantage as it can mobilise funds at a lower cost of debt to private peers puts it in a competitive position. Furthermore, Considering a thrust on renewables and simultaneous enhancement of thermal capacity. We believe NTPC is a good portfolio bet given its stable dividend yield, and a further rerating potential could be on cards as its annual revenue growth of 31.84% outperformed its 3-year CAGR of 16.39%. Net profit increases by 10% QoQ to ₹5,209 crore. Simply buy at CMP, and on dips between 295-300 zone, targeting 357/373 mark and then at 405 mark. Stop below 281. Holding Period: 9-12 Months. |

BUY NTPC at CMP 337. Target 373

| | |
|----------------------------|--------------------|
| CMP | 337 |
| Target Price | 373 |
| 52 Week H/L | 347.85/166.65 |
| P/E | 19.58 |
| EPS (TTM) | 17.25 |
| Promoter Holding/DIIs/FIIs | 51.1/45.9/17.1 |
| Book Value | 151.77 |
| Market Cap (INR) | 3,27,456.42 crores |

Incorporated in the year 1975, **NTPC** is India's largest power generation company in India and contributes 25% of total power generation of India as of December 31, 2023. NTPC also provides consultancy services to entities in the power domain and is engaged in power trading through its subsidiary.

As on 31 December 2023, the commercial capacity of NTPC stands at 57838 MW on a standalone basis and 73874 MW for the Group.

NTPC Group generated 315 Billion Units in 9M FY24 as compared to 295 Billion Units in 9M FY23, an increase of 7%. NTPC's standalone gross generation in 9M FY24 is 268 Billion Units as compared to 255 Billion Units in the corresponding previous period, an increase of 5%.

NTPC is India's largest integrated power utility, contributing 25% of the country's power requirement. The Indian government is targeting to double power generation capacities to 900 GW by 2030, which will require significant investments in power generation and transmission infrastructure.

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We believe NTPC is a good portfolio bet given its stable dividend yield, and a further rerating potential could be on cards as its annual revenue growth of 31.84% outperformed its 3-year CAGR of 16.39%. Net profit increases by 10% QoQ to ₹5,209 crore

Total Income for Q3 FY24 is ₹40,288 crore as against ₹42,149 crore in the corresponding quarter of the previous year. On a Nine-Month basis, the Total Income is ₹1,21,486 crore as compared to ₹1,24,685 crore in 9M FY23.

PAT for Q3 FY24 is ₹4,572 crore, as against ₹4,476 crore in the corresponding quarter of the previous year, registering an increase of 2.14%. On nine-month basis, PAT is ₹12,523 crore as against ₹11,524 crore in 9M FY23, registering an increase of 8.66%.

Total Income of the group for 9M FY24 is ₹1,32,349 crore as against ₹1,33,231 crore in the corresponding previous period. PAT of the group for 9M FY24 is ₹14,842 crore as against the corresponding previous period PAT of ₹12,250 crore, registering an increase of 21.16%.

During Q3 FY24 our subsidiaries earned a profit of ₹1,516 crore as compared to ₹1,290 crore in the corresponding period of the previous year, registering an increase of 17.45%. NTPC's share of profit in JVs has increased from ₹481 crore in 9M FY23 to ₹1,424 crore in 9M FY24.

During 9M FY24, we have accounted dividend income of ₹662 crore as against ₹1053 crore during 9M FY23.

The company had declared its first Interim dividend of Rs 2.25/sh for FY24 in Oct'23. NTPC also approved paying a second interim dividend of Rs 2.25 per share on the face value of paid-up equity shares of Rs 10 each for FY24. The dividend will be paid on February 22.

Regulated equity as of 31st Dec 2023 stood at Rs 82,094 Cr on a standalone basis and Rs 98,712 Cr on a consolidated basis.

Con-call Highlights:

- As on 31 December 2023, the commercial capacity of NTPC stands at 57838 MW on a standalone basis and 73874 MW for the Group.
- NTPC Group generated 315 Billion Units in 9M FY24 as compared to 295 Billion Units in 9M FY23, an increase of 7%.
- NTPC Group has registered the highest-ever coal production of 25.36 Million Metric Tonnes (MMT) in 9M FY24 with growth of over 74% as against 14.55 MMT in previous nine months. A cumulative expenditure of ₹10,612.52 crore has been incurred on the development of coal mines till 31 December 2023.
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Daily Chart of NTPC :

