

Sector update

- NTPC (BUY)
- Torrent Power (HOLD)

INDIA

Power

Solar tariffs continue to trend downwards

In the latest bids conducted by GUVNL (Gujarat discom) for procuring 500MW STU connected solar power, tariffs discovered a new record low at Rs1.99/kWh. This beats the previous low clocked in the bids conducted in Dec'20 by SECI for 1,070MW for Rajasthan, which discovered tariff of Rs2/kWh.

The winners of GUVNL's bid at Rs1.99/kWh are:

- NTPC – 200MW
- Torrent Power – 100MW
- Al Jomiah Energy and Water Company (Saudi Arabia) – 80MW
- Aditya Birla Renewables – 120MW

In Sep'20, GUVNL floated tenders for purchase of 500MW solar power. Successful bidder is expected to construct the project, including the transmission network up to the delivery point (which is the state grid). Technological scope is limited to photovoltaic, crystalline silicon, or thin film, with or without trackers installed. Prior to the latest bid, Gujarat had called for bids of 700MW in Aug'20 for Dholera Solar Park, wherein the discovered tariff was Rs2.78/kWh.

Our view: We believe such bids are a reflection of lower interest rates coupled with lower project risks on the back of assured PPAs from a financially strong discom/entity such as Gujarat (and SECI in the Nov'20 bid). All the winners of the bids have strong and deleveraged balance sheets as well as access to cheaper funds. This is especially true in case of NTPC and Torrent Power which have strong cashflow from other businesses, which will help compensate any increase in cost of debt in the future due to better refinancing capabilities. We continue to remain positive on NTPC as it is continuously showcasing its intent, competitiveness and aggression by participating in solar bids and leveraging its strong balance sheet to improve the projects' IRRs. In the past two months, NTPC has won bids of 670MW – Rajasthan (470MW) and Gujarat (200MW) at Rs1.99-2.01/kWh – and, in our view, will continue to be a formidable competitor in the renewable space going forward. We believe this is a good win for Torrent Power as well, which, after a long pause post its SECI-III & SECI-IV projects' cancellation, has surprised by going full on in this bid. We will continue to keenly watch the participation of especially the listed gencos in the upcoming bids.

- **NTPC (Renewables):** NTPC intends to continue to increase its RE portfolio at 2-3GW p.a. in the next decade in order to reach its target of 32GW by FY32. Currently, NTPC-owned operational RE capacity is 1,070MW, 2,404MW is under construction and 2,088MW is under various stages of tendering. For the 32GW target, several routes are being considered: 1) Participating in SECI and state tenders; 2) setting up capacity in UMREPPs [5GW in Gujarat is in final stages; discussion is on with other states including Maharashtra (2.5GW), Rajasthan (10GW) and Andhra Pradesh (5GW)]; 3) non-PPA projects, where NTPC will set up RE capacities regardless of PPAs being in place. In case of non-PPA projects, the post-commissioning plan is to: i) Blend with thermal/hybrid power; ii) substitute thermal power (alleviating high variable cost concerns of recently commissioned non-pithead plants); iii) sell through exchanges and/or tie up PPAs with discoms; and 4) inorganic expansion through acquisitions.
- **Torrent Power:** Due to booking of LNG cargos at lower prices earlier in CY20, TPW is currently insulated on increasing gas prices. Demand improvement at discoms is a positive. Current solar bid signals the company's intent to restart growth and we are keenly monitoring its renewables bidding patterns to understand its medium-term growth.

We maintain our **BUY** rating and target price of Rs165 on NTPC (on growth in renewables and cost plus business), and maintain **HOLD** on Torrent Power but increase our target price to Rs315 (vs Rs313 earlier) on account of reduction in net debt.

Table 1: Valuation summary

Company	Reco	TP (Rs/sh)	CMP (Rs/sh)	MCap (Rs bn)	P/BV (x)			P/E (x)			RoE (%)		
					FY20	FY21E	FY22E	FY20	FY21E	FY22E	FY20	FY21E	FY22E
NTPC	BUY	165	104	1,030	0.9	0.9	0.8	8.5	8.4	6.3	10.7	10.2	12.6
Torrent	HOLD	315	330	159	1.7	1.6	1.5	12.5	17.3	12.9	14.0	9.7	12.1

Source: I-Sec research, Bloomberg

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Table 2: Bidder details of the latest round of solar auctions by GUVNL*(Rs mn, year ending March 31)*

S. No.	Bidder's name	Tariff (Rs/unit)	Bid quantity (MW)
1	NTPC	1.99	200
2	Torrent Power	1.99	100
3	Aljomaih Energy and Water Co.	1.99	80
4	Aditya Birla Renewables	1.99	140*
5	Ayana Renewable Power Four Pvt Ltd	2.00	400
6	Taletutayi Solar Projects Nine Pvt Ltd.	2.08	100
7	SJVN	2.10	500
8	Sprng Natural Power Source Pvt Ltd	2.12	200
9	Adani Renewables	2.32	400
10	Avaada Energy Pvt. Ltd.	2.33	200
11	AMP Energy Green Pvt Ltd	2.35	40
12	Calpine Subsico Solar Energy Pvt. Ltd.	2.41	80

Source: Company, I-Sec research

* Aditya Birla Renewables bid for 140MW but as per the bucket system, it won 120MW

Valuation methodology and risks - NTPC

With adjusted EPS for standalone/consolidated entity at Rs7.4/Rs8 in H1FY21, we believe NTPC is on course to achieve FY21E target EPS of Rs12.3/Rs14. We maintain **BUY** with an unchanged target price of Rs165/share. The stock is currently trading at FY22E standalone P/BV of 0.8x (P/E of 6.3x) and consolidated P/E of 5.4x.

Table 3: Valuations based on P/BV

Constituent	Multiple (x)	Amount (Rs mn)	Value (Rs/share)
Standalone core business	1.8	1,409,073	142
Cash	1	25,000	3
JV & Subsidiaries	1.25	200,000	20
Total	1.90	1,634,073	165

Source: Company data, I-Sec research

Key risks to our call: i) Delay in capitalisation of assets, leading to lower capital efficiency, and ii) lower-than-expected utilisation due to weak demand, resulting in lower incentive income.

Valuation methodology and risks – Torrent Power

We maintain our **HOLD** rating on TPW but increase our target price to Rs315 (Rs313 earlier) due to lower net debt. Due to booking of LNG cargos at lower prices earlier in CY20, TPW is currently insulated on increasing gas prices. However, if the prices continue its upwards momentum into FY22, there may be some concerns for the medium-term. Demand improvement at discoms is a positive. Current solar bid signals the company's intent to restart growth and we are keenly monitoring its renewables bidding patterns to understand its medium-term growth.

Downside risks: 1) Negative regulatory orders impacting profitability of the company's regulated businesses, 2) inability to win new license areas and renewable projects profitably, 3) inability to secure offtake for DGEN and UNOSUGEN power, and 4) increase in global gas prices.

Table 4: SoTP valuation summary

Valuation for Torrent Power	Stake	Equity	Valuation	Multiple	Value (Rs mn)	Per share (FY22E)
Regulated businesses						
Ahmedabad & Surat & Dahej Distribution	100%	35,307	P/BV @ 14.5% RoE	1.58	55,903	116
SUGEN (1147.5MW)	100%	8,968	DCF	2.8	25,239	53
Sabarmati (422MW)	100%	4,301	P/BV	1.00	4,301	9
Torrent Power Grid	74%	900	P/BV	1.50	999	2
UNOSUGEN (382.5MW)	100%	5,389	DCF	1.1	6,000	12
DGEN (1200MW)	100%			-	0	-
Renewables	100%	15,184	8x EV/EBITDA	8.00	32,017	67
Distribution franchise						
Agra	100%		FCFE		18,018	37
Bhiwandi	100%		FCFE		8,929	19
Thane urban	100%		FCFE		1,804	4
Cash less non-core debt					(2,000)	(5)
Total value of Torrent Power		70,048		2.16	151,209	315

Source: Company data, I-Sec research

Financial summary - NTPC (standalone)

Table 5: Profit & loss statement

(Rs mn, year ending March 31)

	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Operating Income (Sales)	708,438	782,734	834,527	903,074	977,004	1,056,688	1,160,564	1,245,907
Operating Expenses	529,567	569,892	617,854	675,359	706,077	747,082	790,480	836,411
EBITDA	178,871	212,843	216,673	227,715	270,927	309,605	370,084	409,496
% margins	25.2	27.2	26.0	25.2	27.7	29.3	31.9	32.9
Depreciation & Amortisation	51,723	59,208	70,989	72,544	86,229	108,710	123,913	140,593
Gross Interest	32,964	35,972	39,843	47,167	67,820	65,659	66,039	66,419
Other Income	11,654	10,689	17,553	18,721	27,780	19,928	24,178	25,993
Recurring PBT	105,837	128,351	123,395	126,725	144,659	155,163	204,309	228,476
Add: Extraordinaries	121	(4,472)	5,530	(38,413)	48,288	-	-	-
Less: Taxes	(1,738)	30,026	25,493	(29,187)	91,820	33,360	40,862	45,695
Net Income (Reported)	107,696	93,853	103,432	117,499	101,128	121,803	163,448	182,781
Recurring Net Income	97,726	96,021	96,940	106,160	121,735	121,803	163,448	182,781

Source: Company data, I-Sec research

Table 6: Balance sheet

(Rs mn, year ending March 31)

	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Assets								
Total Current Assets	298,898	289,661	373,660	422,606	488,252	491,141	515,613	570,819
of which cash & cash eqv.	44,608	29,305	39,784	21,443	22,091	61,385	93,948	139,802
Total Current Liabilities & Provisions	241,732	271,527	301,520	328,824	335,212	345,212	345,212	345,212
Net Current Assets	57,166	18,134	72,140	93,781	153,040	145,929	170,401	225,608
Investments	83,930	89,524	100,475	131,459	264,009	274,009	284,009	294,009
of which								
Strategic/Group	83,930	89,524	100,475	131,459	264,009	274,009	284,009	294,009
Other Marketable	-	-	-	-	-	-	-	-
Net Fixed Assets	1,581,965	1,800,928	1,988,354	2,168,273	2,301,706	2,402,996	2,479,083	2,538,490
of which								
Capital Work-in-Progress	664,232	807,371	777,832	912,067	733,593	657,143	546,893	406,468
Goodwill & other LT assets	186,590	185,662	139,447	186,440	222,708	222,708	222,708	222,708
Total Assets	1,909,651	2,094,248	2,300,416	2,579,954	2,941,463	3,045,642	3,156,201	3,280,814
Liabilities								
Borrowings	931,272	1,068,402	1,216,046	1,429,334	1,685,881	1,727,881	1,737,881	1,747,881
Deferred Tax Liability	11,522	14,848	24,086	42,001	80,940	80,940	80,940	80,940
Equity Share Capital	82,455	82,455	82,455	98,946	98,946	98,946	98,946	98,946
Face Value per share (Rs)	10	10	10	10	10	10	10	10
Reserves & Surplus*	830,482	879,858	935,323	975,136	1,036,749	1,098,928	1,199,487	1,314,100
Net Worth	912,937	962,312	1,017,778	1,074,082	1,135,694	1,197,874	1,298,433	1,413,046
Other LT Liabilities	53,919	48,685	42,506	34,537	38,948	38,948	38,948	38,948
Total Liabilities	1,909,651	2,094,248	2,300,416	2,579,954	2,941,463	3,045,642	3,156,201	3,280,814

*excluding revaluation reserves

Source: Company data, I-Sec research

Table 7: Quarterly trend

(Rs mn, year ending March 31)

	Jun-18	Sep-18	Dec-18	Mar-19	Jun-19	Sept-19	Dec-19	Mar-20	Jun-20	Sep-20
Total Revenues	227,036	222,611	241,204	212,224	241,926	227,646	234,964	272,469	234,535	246,771
EBITDA	59,548	55,924	65,799	46,444	64,524	63,462	69,764	73,178	77,451	71,834
Margin (%)	26.23	25.12	27.28	21.88	26.67	27.88	29.69	26.86	33.0	29.1
Other income	1,364	2,249	1,877	13,232	3,262	8,937	5,263	10,319	5,675	13,462
Add: Extraordinaries	1,601	3,699	(3,100)	(63,759)	5,106	8,678	15,982	18,523	-	(2,136)
Net profit (reported)	25,881	24,260	23,854	43,503	26,028	32,624	29,951	12,524	24,702	35,048
Net profit (adjusted)	25,550	24,653	23,406	34,167	29,765	28,982	29,537	34,012	33,722	34,770

Source: Company data, I-Sec research

Table 8: Cashflow statement

(Rs mn, year ending March 31)

	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Operating Cashflow	29,129	177,534	246,414	166,145	221,719	276,245	329,222	363,801
Working Capital Changes	103,784	23,730	(43,528)	(39,982)	(58,611)	46,405	8,091	(9,353)
Capital Commitments	(281,612)	(278,172)	(258,415)	(252,462)	(219,661)	(210,000)	(200,000)	(200,000)
Free Cashflow	(148,699)	(76,908)	(55,528)	(126,299)	(56,553)	112,650	137,313	154,448
Cashflow from Investing Activities	(14,920)	(30,877)	(33,241)	(59,431)	(172,589)	(55,732)	(51,862)	(50,426)
Issue of Share Capital	(0)	-	-	16,491	-	-	-	-
Buyback of shares	-	-	-	-	-	-	-	-
Inc (Dec) in Borrowings	95,949	137,130	147,644	213,288	256,547	42,000	10,000	10,000
Dividend paid	(27,622)	(39,413)	(42,217)	(54,420)	(31,168)	(59,624)	(62,888)	(68,168)
Extraordinary Items	-	-	-	-	-	-	-	-
Chg. in Cash & Bank balance	(95,293)	(10,068)	16,658	(10,371)	(3,763)	39,294	32,563	45,854

Source: Company data, I-Sec research

Table 9: Key ratios

(Year ending March 31)

	FY16	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Per Share Data (Rs)								
EPS(Basic Recurring)	11.9	11.6	11.8	10.7	12.3	12.3	16.5	18.5
Diluted Recurring EPS	11.9	11.6	11.8	12.7	12.3	12.3	16.5	18.5
Recurring Cash EPS	19.3	18.6	21.2	19.2	18.9	23.3	29.0	32.7
Dividend per share (DPS)	3.4	4.8	5.1	5.5	3.2	6.0	6.4	6.9
Book Value per share (BV)	110.7	116.7	123.4	108.6	114.8	121.1	131.2	142.8
Growth Ratios (%)								
Operating Income	(3.3)	10.5	6.6	8.2	8.2	8.2	9.8	7.4
EBITDA	11.2	19.0	1.8	5.1	19.0	14.3	19.5	10.6
Recurring Net Income	9.8	(1.7)	1.0	9.5	14.7	0.1	34.2	11.8
Diluted Recurring EPS	9.8	(1.7)	1.0	7.7	(2.8)	0.1	34.2	11.8
Diluted Recurring CEPS	4.9	(4.0)	14.0	(9.2)	(1.4)	23.0	24.7	12.5
Valuation Ratios (x)								
P/E	8.8	8.9	8.8	9.7	8.5	8.4	6.3	5.6
P/CEPS	5.4	5.6	4.9	5.4	5.5	4.5	3.6	3.2
P/BV	0.9	0.9	0.8	1.0	0.9	0.9	0.8	0.7
EV / EBITDA	9.8	8.9	9.4	10.7	9.9	8.7	7.2	6.4
EV / Operating Income	2.5	2.4	2.4	2.7	2.8	2.6	2.3	2.1
EV / Operating FCF	(11.7)	(24.7)	(36.6)	(19.3)	(47.6)	23.9	19.5	17.1
Operating Ratios								
SG&A cost / Revenue	66.9	66.3	65.1	66.4	63.4	62.1	59.9	59.1
Other Income / PBT (%)	11.0	8.3	14.2	14.8	19.2	12.8	11.8	11.4
Effective Tax Rate (%)	(1.6)	24.2	19.8	(33.1)	47.6	21.5	20.0	20.0
NWC / Total Assets (%)	0.7	(0.5)	1.4	2.8	4.5	2.8	2.4	2.6
Inventory Turnover (days)	48.3	41.7	35.8	43.2	55.5	47.5	42.6	40.3
Receivables (days)	40.2	38.1	33.1	34.1	58.5	45.0	40.0	40.0
Payables (days)	116.9	119.9	127.5	137.6	134.7	132.2	124.9	118.1
Net D/E Ratio (x)	1.0	1.1	1.2	1.3	1.5	1.4	1.3	1.1
Profitability Ratios (%)								
Rec. Net Income Margins	13.8	12.3	11.6	11.8	12.5	11.5	14.1	14.7
RoCE	7.3	6.2	5.9	6.8	5.6	6.1	7.4	7.8
RoNW	10.7	10.0	9.5	9.9	10.7	10.2	12.6	12.9
Dividend Payout Ratio	0.3	0.4	0.4	0.4	0.3	0.5	0.4	0.4
Dividend Yield	3.2	4.6	4.9	5.3	3.0	5.8	6.1	6.6
EBITDA Margins	25.2	27.2	26.0	25.2	27.7	29.3	31.9	32.9

Source: Company data, I-Sec research

Financial summary – Torrent Power (consolidated)

Table 10: Profit and loss statement
(Rs mn, year ending Mar 31)

	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Operating Income (Sales)	100,001	115,121	131,510	136,406	131,703	128,047	132,408
Operating Expenses	75,398	83,950	99,515	100,846	100,486	94,094	97,133
EBITDA	24,603	31,171	31,995	35,561	31,217	33,953	35,275
% margins	24.6	27.1	24.3	26.1	23.7	26.5	26.6
Depreciation & Amortisation	10,059	11,315	12,265	13,043	12,893	11,922	12,109
Gross Interest	10,580	8,482	8,989	9,546	8,416	8,197	7,787
Other Income	1,909	2,636	1,896	1,776	1,750	1,850	2,000
Recurring PBT	5,873	14,010	12,636	14,748	11,657	15,684	17,379
Add: Extraordinaries	-	-	-	(10,000)	-	-	-
Less: Taxes	1,576	4,489	3,598	(7,040)	2,448	3,294	3,650
- Current tax	1,576	4,489	3,598	(7,040)	2,448	3,294	3,650
- Deferred tax	-	-	-	-	-	-	-
Less: Minority Interest	8	98	49	47	47	47	47
Net Income (Reported)	4,290	9,423	8,989	11,742	9,162	12,343	13,682
Recurring Net Income	4,290	7,558	9,730	12,692	9,162	12,343	13,682

Source: Company data, I-Sec research

Table 11: Balance sheet
(Rs mn, year ending Mar 31)

	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Assets							
Total Current Assets	23,545	27,524	40,116	42,161	32,034	35,025	39,873
of which cash & cash eqv.	2,693	3,176	3,280	2,803	2,399	6,987	11,221
Total Current Liabilities & Provisions	19,286	20,431	20,429	36,322	25,070	25,502	26,278
Net Current Assets	4,258	7,093	19,688	5,839	6,964	9,524	13,595
Investments	6,714	8,730	9,144	7,235	7,235	7,235	7,235
of which							
Strategic/Group	6,714	8,730	9,144	7,235	7,235	7,235	7,235
Other Marketable	-	-	-	-	-	-	-
Net Fixed Assets	171,356	182,632	183,732	181,369	184,475	188,553	192,444
of which							
Intangibles							
Capital Work-in-Progress	3,321	3,925	3,593	5,674	5,674	5,674	5,674
Goodwill & other long term assets	6,311	7,035	12,548	5,466	5,466	5,466	5,466
Total Assets	188,639	205,490	225,112	199,908	204,140	210,778	218,740
Liabilities							
Borrowings	87,681	92,981	97,152	88,705	86,899	84,319	81,724
Deferred Tax Liability	13,363	14,829	15,654	5,528	5,528	5,528	5,528
Equity Share Capital	4,806	4,806	4,806	4,806	4,806	4,806	4,806
Face Value per share (Rs)	10	10	10	10	10	10	10
Reserves & Surplus	64,115	72,389	84,896	86,729	92,719	101,890	112,400
Net Worth	68,921	77,195	89,702	91,535	97,525	106,696	117,206
Other long term liabilities	18,673	20,484	22,604	14,140	14,188	14,235	14,282
Total Liabilities	188,639	205,490	225,112	199,908	204,140	210,778	218,740

Source: Company data, I-Sec research

Table 12: Quarterly trend
(Rs mn, year ending March 31)

	Sep-18	Dec-18	Mar-19	Jun-19	Sep-19	Dec-19	Mar-20	Jun-20	Sep-20
Total Revenues	34,445	32,535	29,248	37,361	38,420	30,790	29,835	30,071	31,287
EBITDA	9,869	7,364	7,098	8,337	10,550	8,404	8,270	9,694	7,111
Margin (%)	28.65	22.63	24.27	22.31	27.46	27.29	27.72	32.24	22.73
Other income	441	533	399	545	493	365	373	347	374
Add: Extraordinaries	-	-	-	-	-	-	10,000	-	-
Net profit	4,122	2,370	240	2,753	7,544	4,194	3,291	1,017	3,007

Source: Company data, I-Sec research

Table 13: Cashflow statement

(Rs mn, year ending Mar 31)

	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Operating Cashflow	13,134	20,271	19,899	26,396	22,103	24,312	25,838
Working Capital Changes	92	(922)	(4,729)	1,258	(1,529)	2,029	162
Capital Commitments	(24,549)	(22,894)	(19,887)	(13,337)	(16,000)	(16,000)	(16,000)
Free Cashflow	(11,323)	(3,544)	(4,717)	14,317	4,574	10,341	10,001
Cashflow from Investing Activities	3,332	(1,290)	1,602	1,796	-	-	-
Issue of Share Capital							
Buyback of shares							
Inc (Dec) in Borrowings	3,621	6,482	5,835	(6,679)	(1,805)	(2,581)	(2,595)
Dividend paid	(29)	(1,310)	(2,925)	(9,683)	(3,172)	(3,172)	(3,172)
Extraordinary Items							
Chg. in Cash & Bank balance	(4,399)	337	(204)	(249)	(404)	4,588	4,234

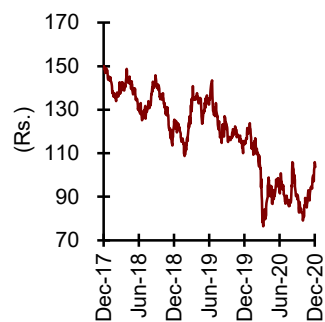
Source: Company data, I-Sec research

Table 14: Key ratios

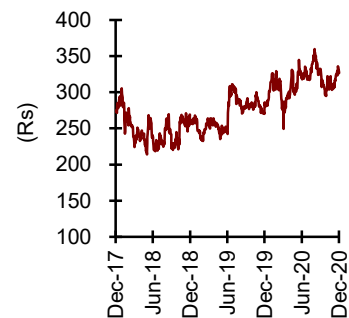
(Year ending Mar 31)

	FY17	FY18	FY19	FY20	FY21E	FY22E	FY23E
Per Share Data (Rs)							
EPS(Basic Recurring)	8.9	15.7	20.2	26.4	19.1	25.7	28.5
Diluted Recurring EPS	8.9	15.7	20.2	26.4	19.1	25.7	28.5
Recurring Cash EPS	29.9	39.3	45.8	53.5	45.9	50.5	53.7
Dividend per share (DPS)	2.2	5.0	5.0	11.6	6.6	6.6	6.6
Book Value per share (BV)	143.4	160.6	186.6	190.5	202.9	222.0	243.9
Growth Ratios (%)							
Operating Income	(14.6)	15.1	14.2	3.7	(3.4)	(2.8)	3.4
EBITDA	(19.6)	26.7	2.6	11.1	(12.2)	8.8	3.9
Recurring Net Income	(52.7)	76.2	28.7	30.4	(27.8)	34.7	10.8
Diluted Recurring EPS	(52.7)	76.2	28.7	30.4	(27.8)	34.7	10.8
Diluted Recurring CEPS	(21.3)	31.5	16.5	17.0	(14.3)	10.0	6.3
Valuation Ratios (x)							
P/E	37.0	21.0	16.3	12.5	17.3	12.9	11.6
P/CEPS	11.1	8.4	7.2	6.2	7.2	6.5	6.1
P/BV	2.3	2.1	1.8	1.7	1.6	1.5	1.4
EV / EBITDA	9.9	8.0	7.9	6.9	7.8	6.9	6.5
EV / Operating Income	2.4	2.2	1.9	1.8	1.8	1.8	1.7
EV / Operating FCF	(21.5)	(70.1)	(53.5)	17.1	53.2	22.8	22.9
Operating Ratios							
SG&A cost / Revenue	9.6	9.6	10.1	11.7	19.6	20.4	25.3
Operating expenses / Revenue	75.4	72.9	75.7	73.9	76.3	73.5	73.4
Other Income / PBT (%)	32.5	18.8	15.0	12.0	15.0	11.8	11.5
Effective Tax Rate (%)	26.8	32.0	28.5	(47.7)	21.0	21.0	21.0
NWC / Total Assets (%)	0.8	1.9	7.3	1.5	2.2	1.2	1.1
Inventory Turnover (days)	57.1	46.5	49.1	52.6	70.1	100.1	147.8
Receivables (days)	37.1	33.4	32.8	33.6	36.7	36.0	32.5
Payables (days)	73.8	70.9	64.2	90.0	86.7	71.2	68.7
Net D/E Ratio (x)	1.2	1.2	1.0	0.9	0.9	0.7	0.6
Return/Profitability Ratios (%)							
Recurring Net Income Margins	4.3	6.6	7.4	9.3	7.0	9.6	10.3
RoCE	7.8	8.0	8.8	15.1	8.7	10.2	10.6
RoNW	6.4	10.3	11.7	14.0	9.7	12.1	12.2
Dividend Payout Ratio	0.2	0.3	0.2	0.4	0.3	0.3	0.2
Dividend Yield	0.7	1.5	1.5	3.5	2.0	2.0	2.0
EBITDA Margins	24.6	27.1	24.3	26.1	23.7	26.5	26.6

Source: Company data, I-Sec research

Price charts**NTPC**

Source: Bloomberg

Torrent power

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