



# NTPC

## Q3FY11: FIRST CUT

- Adjusting for (one-time) prior period items of ~Rs 5 bn, adjusted PAT was at Rs 18.7 bn, which is ~4% below our estimates. However, tax rate was unusually high at ~30% vs. normalized trend of ~22% for which we would seek management's clarification in earnings call tomorrow.
- During 9MFY11, NTPC added ~1,500 MW but generation has remained flat at ~163 bn units. This points to the constantly declining PLF trend potentially due to lack of availability of coal.
- We currently have a **HOLD** rating with a target price of Rs 185. We will review our estimates post the conference call tomorrow at 16:30 IST, dial-in number: +91 22 66290311.

### Reported nos. vs. expectations

(Rs mn)	Reported	Forecast	Variance (%)
Revenue	129,239	133,940	(3.5)
EBITDA	32,604	30,061	8.5
PAT	18,687	19,528	(4.3)

Source: Company, ENAM Research

### Results update

(Rs mn)	Quarter ended				
	Dec-10	Dec-09	% Chg	Sep-10	% Chg
<b>Net Sales</b>	<b>129,239</b>	<b>108,910</b>	<b>18.7</b>	<b>128,986</b>	<b>0.2</b>
<b>EBIDTA</b>	<b>32,604</b>	<b>31,877</b>	<b>2.3</b>	<b>29,194</b>	<b>11.7</b>
Other income	6,694	7,791	(14.1)	6,147	8.9
<b>PBIDT</b>	<b>39,298</b>	<b>39,668</b>	<b>(0.9)</b>	<b>35,341</b>	<b>11.2</b>
Depreciation	7,443	6,614	12.5	6,127	21.5
Interest	4,932	4,241	16.3	5,479	(10.0)
<b>PBT</b>	<b>26,923</b>	<b>28,814</b>	<b>(6.6)</b>	<b>23,736</b>	<b>13.4</b>
Tax	8,237	7,745	6.3	5,210	58.1
<b>Adjusted PAT</b>	<b>18,687</b>	<b>21,068</b>	<b>(11.3)</b>	<b>18,526</b>	<b>0.9</b>
Extra ordinary income/ (exp.)	5,028	2,582	94.8	2,548	97.3
<b>Reported PAT</b>	<b>23,715</b>	<b>23,650</b>	<b>0.3</b>	<b>21,074</b>	<b>12.5</b>
No. of shares (mn)	8,245	8,246	-	8,245	-
EBIDTA margins (%)	25.2	29.3	-	22.6	-
PBIDT margins (%)	30.4	36.4	-	27.4	-
<b>EPS - annualized (Rs.)</b>	<b>9.1</b>	<b>10.2</b>	<b>(11.3)</b>	<b>9.0</b>	<b>0.9</b>

Source: Company, ENAM Research

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