

India

Overweight (no change)

Power

Monthly Tracker – Mar'25; NTPC 4QFY25F

- Power demand in Mar 2025 grew by 6.6% YoY to 149.37BU, but FY25 growth was just 4.2% (4.5% adjusted for FY24 leap year), below the expected 6-7%.
- Spot power prices rose to Rs4.5/kWh, up 14% YoY; peak demand hit 235GW in Mar 2025 (up 6% YoY), with a forecast of 273GW for FY26F.
- NTPC's 4QFY25 preview indicates a standalone regulated equity base of Rs. 912bn, with total consolidated generation up 3.88% YoY at 438.6BU in FY25.

Demand maintains its uptrend; full year falls short of expectations

Power demand in Mar 2025 grew by 6.6% YoY to 148BU, but still FY25 demand touched 1,695BU, up by just 4.2% YoY (4.5% adjusted for FY24 leap year), below the expected 6-7%. Summer peaks (May: +13.5%, Jun: +8.6%) were offset by declines in Aug (-5.2%), Sep (-0.8%) and Oct 2024 (-0.4%) due to milder weather and reduced industrial activity. This variability, alongside a high base effect from FY24, led to the shortfall, despite a late recovery in Feb 2025 (+6.7%) and Mar 2025 (+6.6%).

Supply gaps threaten summer reliability

Peak demand in Mar 2025 touched 235GW, up 6% YoY, with FY25 peaking at 250GW, a 2.7% YoY increase. The Central Electricity Authority (CEA) forecasts a rise to 273GW in FY26F, driven by the expected heatwaves in India. However, supply constraints are a concern—only 4,530MW of the targeted 15,360MW (FY25F) thermal capacity was added by Feb 2025. Projects like Uppur SCTPP (2x800MW) & Ennore expansion(1x660MW) remain on hold due to environmental norms, posing shortage risk as targeted capacities to come up in the second-half of FY26F.

Power generation mix and price dynamics

Hydro power generation surged by 24% YoY to 9.2BU in Mar 2025, reflecting strong water levels at reservoirs, while thermal generation grew by 4.6% to 136BU. Central sector plants operated at a Mar 2025 plant load factor or PLF of 79.21%, with NTPC at 81.5% & private sector plants at 72.96%. Spot power prices averaged Rs.4.5/kWh in Mar 2025, a 14% YoY rise from Rs3.9/kWh, reversing the softer trend seen in Jan-Feb 2025 (down 17% YoY). The widening gap between solar & non-solar hour prices underscore renewable energy's role in moderating daytime costs, while non-solar tightness drove evening price spikes.

NTPC's 4QFY25 results preview

NTPC is expected to report a standalone regulated equity base of Rs.912bn in 4QFY25F, reflecting its robust position in the regulated power sector. In FY25, NTPC recorded a total consolidated generation of 438.6BU, up 3.88% YoY, from 422.2BU in FY24. NTPC added 3.97GW of capacity in FY25, with a total capacity of 80GW, while an additional 32GW capacity, including 15GW of renewable capacity, is under construction. The company's coal dispatches also saw a significant 26% YoY rise to 37.8MMT, supporting its thermal operations, with FY25 standalone PLF at 76.96%. We expect NTPC's 4QFY25F results to reflect stable margin, aided by higher generation & improved coal supply, although softer spot prices in early 4Q may temper revenue growth. Key monitorable will be updates on renewable capacity addition and thermal project timeline.

Research Analyst(s)

**Ishan VERMA**

T (91) 22 4161 1565

E ishan.verma@incredresearch.com

Figure 1: NTPC - standalone estimates

(Rs m)	4QFY25F	4QFY24	YoY (%)	3QFY25	QoQ (%)
Net Sales	4,41,157	4,25,322	3.7%	4,13,523	6.7%
Fuel Cost	2,58,260	2,49,767	3.4%	2,44,893	5.5%
Employee Expenses	18,948	16,348	15.9%	13,923	36.1%
Other Expenses	45,160	45,614	-1.0%	38,703	16.7%
Total Expense	3,22,368	3,11,729	3.4%	2,97,518	8.4%
EBITDA	1,18,789	1,13,593	4.6%	1,16,005	2.4%
Other Income	14,096	16,887	-16.5%	9,507	48.3%
Depreciation	35,577	37,279	-4.6%	37,220	-4.4%
EBIT	97,308	93,201	4.4%	88,292	10.2%
Interest	24,203	24,880	-2.7%	22,029	9.9%
PBT	73,105	68,321	7.0%	66,263	10.3%
Tax expenses	21,852	21,102	3.6%	19,149	14.1%
PAT	51,253	47,219	8.5%	47,114	8.8%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

Key charts

Figure 2: 148BU of demand (up 6.6%) in Mar 2025, with the deficit at 0.02%

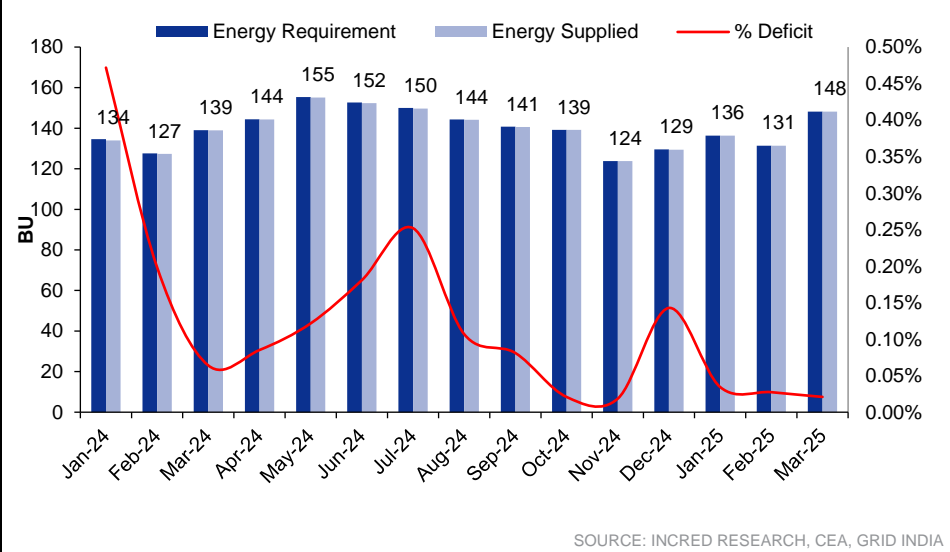


Figure 3: Peak demand up 6% YoY at 235GW in Mar 2025

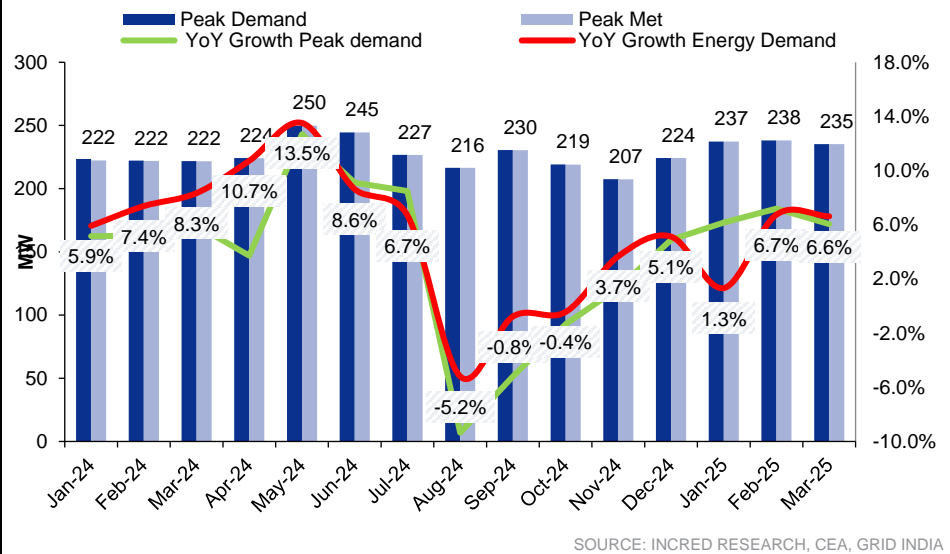
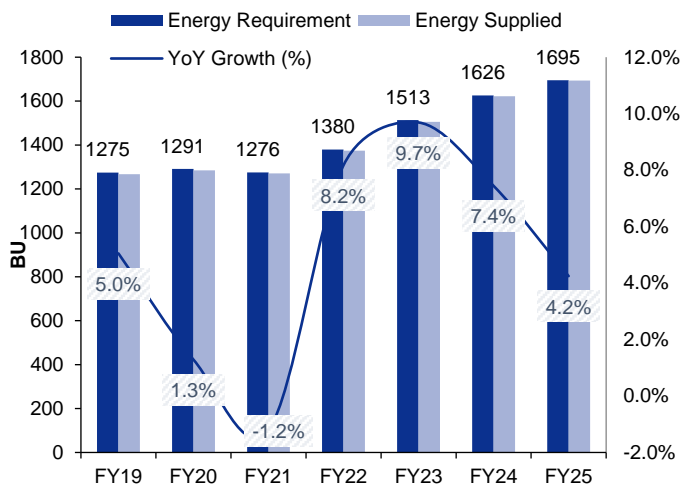
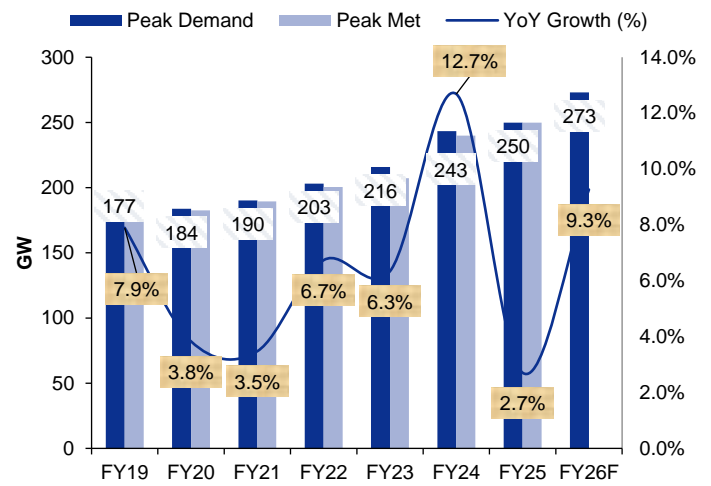


Figure 4: FY25 energy demand growth at 4.2%



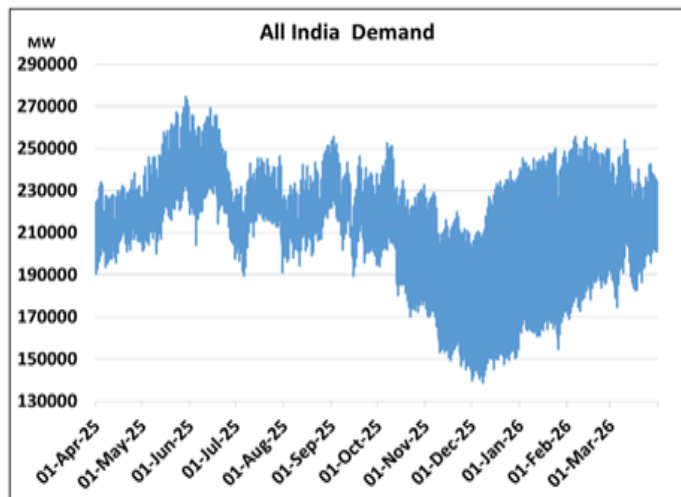
SOURCE: INCRED RESEARCH, CEA

Figure 5: FY25 peak demand with sluggish growth at 250GW



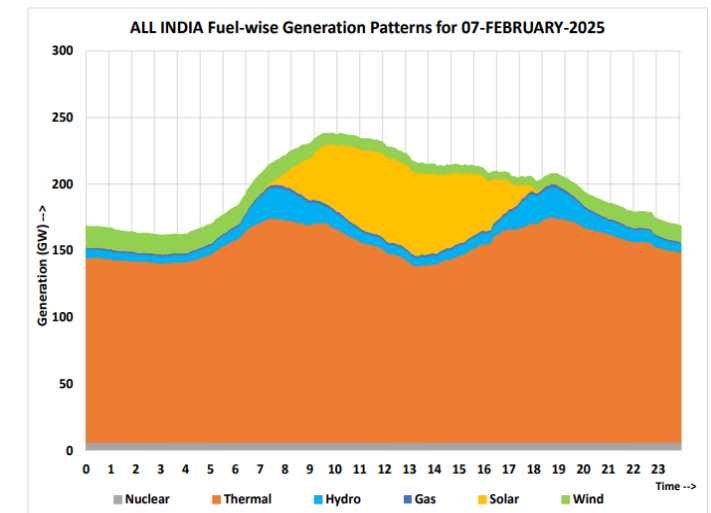
SOURCE: INCRED RESEARCH, CEA

Figure 6: Base profile of all India demand forecast for FY26F



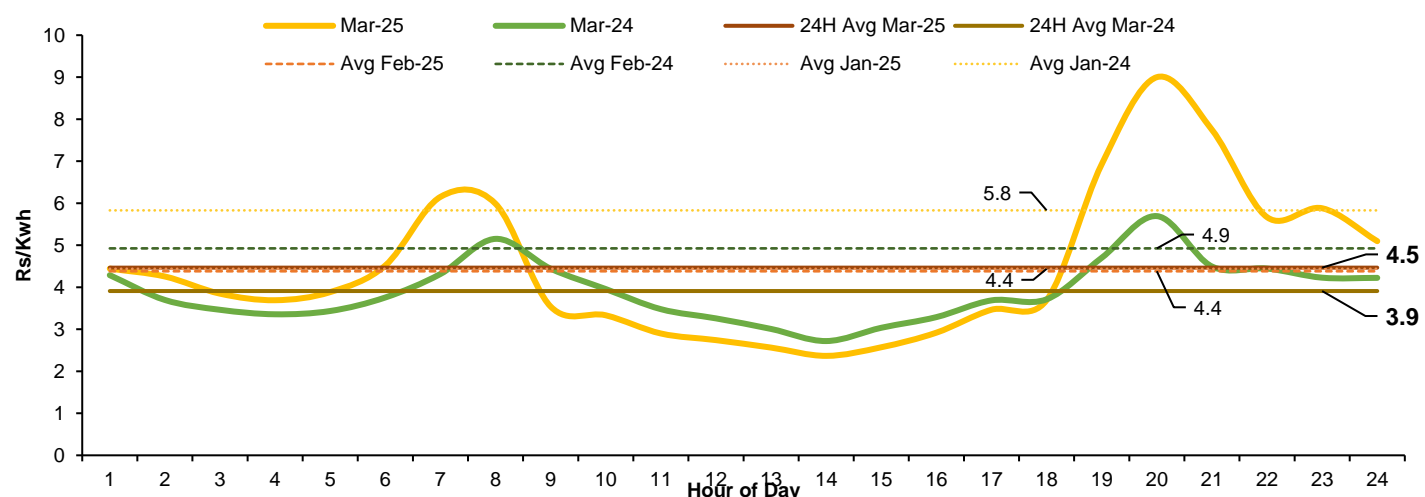
SOURCE: INCRED RESEARCH, GRID INDIA

Figure 7: Generation pattern during peak demand day in Feb 2025



SOURCE: INCRED RESEARCH, GRID INDIA

Figure 8: Time-of-Day price analysis shows an uptick in spot prices, up 14%, indicating the reversal of softening in the past two months



SOURCE: INCRED RESEARCH, IEX

Figure 9: Tentative year-wise target for thermal power capacity of 30GW under construction as of Feb 2025-end

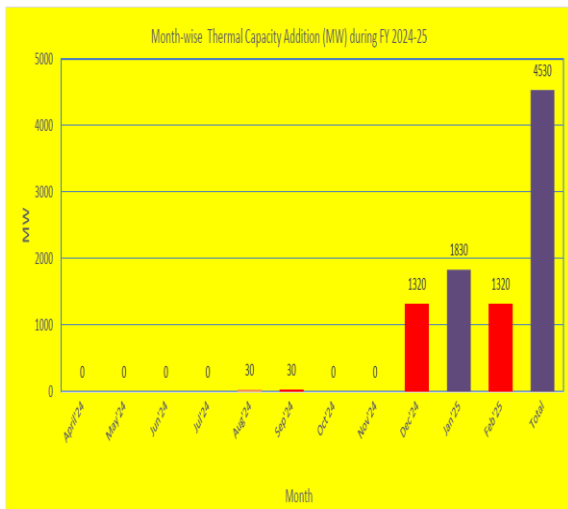
(as on 28.02.2025)

FY	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30	Total (MW)
Central	1320	4900	800	2120	3200	4000	16340
State	2260	4380	1320	0	0	800	8760
Private	0	0	800	3200	800	0	4800
Total	3580	9280	2920	5320	4000	4800	29900*

*Uppur SCTPP (2x800 MW) and Ennore Exp TPP (1x660 MW) have not been included in this capacity.

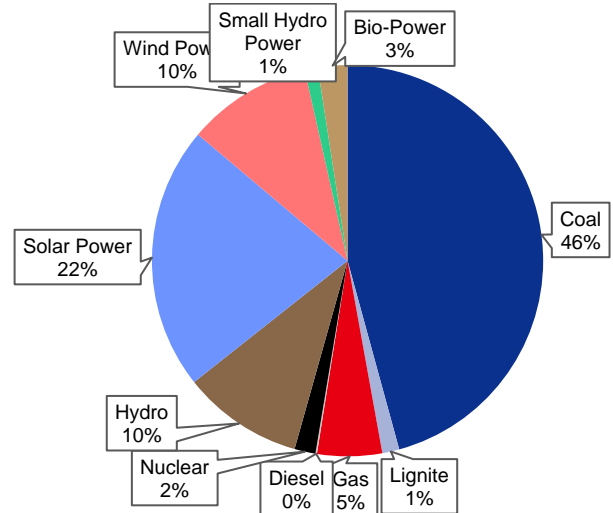
SOURCE: INCRED RESEARCH, BROAD STATUS REPORT CEA

Figure 10: 4,530MW capacity added in FY25 (as of Feb 2025-end)



SOURCE: COMPANY REPORTS, BROAD STATUS REPORT CEA

Figure 11: On all-India basis, there was 470GW of installed capacity as of Feb 2025-end



SOURCE: COMPANY REPORTS, CEA

Figure 12: NTPC's 4QFY25 results preview snapshot

Standalone est. (Rs m)	4QFY25F	4QFY24	YoY (%)	3QFY25	QoQ (%)	FY25F	FY24	YoY (%)
Net Sales	4,41,157	4,25,322	3.7%	4,13,523	6.7%	17,02,148	16,19,850	5.1%
Fuel Costs	2,58,260	2,49,767	3.4%	2,44,893	5.5%	10,14,772	9,79,192	3.6%
Employee Expenses	18,948	16,348	15.9%	13,923	36.1%	59,536	56,701	5.0%
Other Expenses	45,160	45,614	-1.0%	38,703	16.7%	1,55,730	1,40,792	10.6%
Total Expenses	3,22,368	3,11,729	3.4%	2,97,518	8.4%	12,30,038	11,76,684	4.5%
EBITDA	1,18,789	1,13,593	4.6%	1,16,005	2.4%	4,72,110	4,43,166	6.5%
Other Income	14,096	16,887	-16.5%	9,507	48.3%	39,114	37,222	5.1%
Depreciation	35,577	37,279	-4.6%	37,220	-4.4%	1,45,811	1,39,432	4.6%
EBIT	97,308	93,201	4.4%	88,292	10.2%	3,65,413	3,40,957	7.2%
Interest	24,203	24,880	-2.7%	22,029	9.9%	1,03,800	1,02,508	1.3%
PBT	73,105	68,321	7.0%	66,263	10.3%	2,61,612	2,38,449	9.7%
Tax Expenses	21,852	21,102	3.6%	19,149	14.1%	71,647	66,000	8.6%
PAT	51,253	47,219	8.5%	47,114	8.8%	1,89,966	1,72,448	10.2%

SOURCE: INCRED RESEARCH, COMPANY REPORTS

DISCLAIMER

This report (including the views and opinions expressed therein, and the information comprised therein) has been prepared by Incred Research Services Private Ltd. (formerly known as Earnest Innovation Partners Private Limited) (hereinafter referred to as "IRSPL"). IRSPL is registered with SEBI as a Research Analyst vide Registration No. INH000011024. Pursuant to a trademark agreement, IRSPL has adopted "Incred Equities" as its trademark for use in this report.

The term "IRSPL" shall, unless the context otherwise requires, mean IRSPL and its affiliates, subsidiaries and related companies. This report is not directed or intended for distribution to or use by any person or entity resident in a state, country or any jurisdiction, where such distribution, publication, availability or use would be contrary to law, regulation or which would subject IRSPL and its affiliates/group companies to registration or licensing requirements within such jurisdictions.

This report is being supplied to you strictly on the basis that it will remain confidential. No part of this report may be (i) copied, photocopied, duplicated, stored or reproduced in any form by any means; or (ii) redistributed or passed on, directly or indirectly, to any other person in whole or in part, for any purpose without the prior written consent of IRSPL.

The information contained in this report is prepared from data believed to be correct and reliable at the time of issue of this report.

IRSPL is not required to issue regular reports on the subject matter of this report at any frequency and it may cease to do so or change the periodicity of reports at any time. IRSPL is not under any obligation to update this report in the event of a material change to the information contained in this report. IRSPL has not any and will not accept any, obligation to (i) check or ensure that the contents of this report remain current, reliable or relevant; (ii) ensure that the content of this report constitutes all the information a prospective investor may require; (iii) ensure the adequacy, accuracy, completeness, reliability or fairness of any views, opinions and information, and accordingly, IRSPL and its affiliates/group companies (and their respective directors, associates, connected persons and/or employees) shall not be liable in any manner whatsoever for any consequences (including but not limited to any direct, indirect or consequential losses, loss of profits and damages) of any reliance thereon or usage thereof.

Unless otherwise specified, this report is based upon reasonable sources. Such sources will, unless otherwise specified, for market data, be market data and prices available from the main stock exchange or market where the relevant security is listed, or, where appropriate, any other market. Information on the accounts and business of company(ies) will generally be based on published statements of the company(ies), information disseminated by regulatory information services, other publicly available information and information resulting from our research. While every effort is made to ensure that statements of facts made in this report are accurate, all estimates, projections, forecasts, expressions of opinion and other subjective judgments contained in this report are based on assumptions considered to be reasonable as of the date of the document in which they are contained and must not be construed as a representation that the matters referred to therein will occur. Past performance is not a reliable indicator of future performance. The value of investments may go down as well as up and those investing may, depending on the investments in question, lose more than the initial investment. No report shall constitute an offer or an invitation by or on behalf of IRSPL and its affiliates/group companies to any person to buy or sell any investments.

The opinions expressed are based on information which is believed to be accurate and complete and obtained through reliable public or other non-confidential sources at the time made (information barriers and other arrangements may be established, where necessary, to prevent conflicts of interests arising. However, the analyst(s) may receive compensation that is based on his/their coverage of company(ies) in the performance of his/their duties or the performance of his/their recommendations. In reviewing this report, an investor should be aware that any or all of the foregoing, among other things, may give rise to real or potential conflicts of interest. Additional information is, subject to the duties of confidentiality, available on request.

The report is not a "prospectus" as defined under Indian Law, including the Companies Act, 2013, and is not, and shall not be, approved by, or filed or registered with, any Indian regulator, including any Registrar of Companies in India, SEBI, any Indian stock exchange, or the Reserve Bank of India. No offer, or invitation to offer, or solicitation of subscription with respect to any such securities listed or proposed to be listed in India is being made, or intended to be made, to the public, or to any member or section of the public in India, through or pursuant to this report.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

The research analysts, strategists or economists principally responsible for the preparation of this research report are segregated from the other activities of IRSPL. Information barriers and other arrangements have been established, as required, to prevent any conflicts of interests.

IRSPL may have issued other reports (based on technical analysis, event specific, short-term views, etc.) that are inconsistent with and reach a different conclusion from the information presented in this report.

Holding of Analysts/Relatives of Analysts, IRSPL and Associates of IRSPL in the covered securities, as on the date of publishing of this report

Research Analyst or his/her relative(s) or InCred Research Services Private Limited or our associate may have any financial interest in the subject company.

Research Analyst or his/her relatives or InCred Research Services Limited or our associates may have actual or beneficial ownership of 1% or more securities of the subject company(ies) at the end of the month immediately preceding the date of publication of the Research Report.

Research Analyst or his/her relative or InCred Research Services Private Limited or our associate entities may have any other material conflict of interest at the time of publication of the Research Report.

In the past 12 months, IRSPL or any of its associates may have:

- a) Received any compensation/other benefits from the subject company,
- b) Managed or co-managed public offering of securities for the subject company,
- c) Received compensation for investment banking or merchant banking or brokerage services from the subject company,
- d) Received compensation for products or services other than investment banking or merchant banking or brokerage services from the subject company

We or our associates may have received compensation or other benefits from the subject company(ies) or third party in connection with the research report.

Research Analyst may have served as director, officer, or employee in the subject company.

We or our research analyst may engage in market-making activity of the subject company.

Analyst declaration

- The analyst responsible for the production of this report hereby certifies that the views expressed herein accurately and exclusively reflect his or her personal views and opinions about any and all of the issuers or securities analysed in this report and were prepared independently and autonomously in an unbiased manner.
- No part of the compensation of the analyst(s) was, is, or will be directly or indirectly related to the inclusion of specific recommendations(s) or view(s) in this report or based on any specific investment banking transaction.
- The analyst(s) has(have) not had any serious disciplinary action taken against him/her(them).
- The analyst, strategist, or economist does not have any material conflict of interest at the time of publication of this report.
- The analyst(s) has(have) received compensation based upon various factors, including quality, accuracy and value of research, overall firm performance, client feedback and competitive factors.

IRSPL and/or its affiliates and/or its Directors/employees may own or have positions in securities of the company(ies) covered in this report or any securities related thereto and may from time to time add to or dispose of, or may be materially interested in, any such securities.

IRSPL and/or its affiliates and/or its Directors/employees may do and seek to do business with the company(ies) covered in this research report and may from time to time (a) buy/sell the securities covered in this report, from time to time and/or (b) act as market maker or have assumed an underwriting commitment in securities of such company(ies), and/or (c) may sell them to or buy them from customers on a principal basis and/or (d) may also perform or seek to perform significant investment banking, advisory, underwriting or placement services for or relating to such company(ies) and/or (e) solicit such investment, advisory or other services from any entity mentioned in this report and/or (f) act as a lender/borrower to such company and may earn brokerage or other compensation. However, Analysts are forbidden to acquire, on their own account or hold securities (physical or uncertificated, including derivatives) of companies in respect of which they are compiling and producing financial recommendations or in the result of which they play a key part.

Registration granted by SEBI, membership of a SEBI recognized supervisory body (if any) and certification from NISM in no way guarantee performance of the intermediary or provide any assurance of returns to investors.

InCred Research Services Private Limited

Research Analyst SEBI Registration Number: INH000011024

Registered Office: Unit No 1203, 12th Floor, B Wing, The Capital, C-70, G Block, BKC, Bandra (E), Mumbai – 400051

Phone: +91-22-6844-6100

Corporate Office: 05th floor, Laxmi Towers, Plot No. C-25, G Block, Bandra – Kurla Complex, Bandra (East), Mumbai – 400051

Phone: +91-22-4161-1500

Name of the Compliance Officer: Mr. Yogesh Kadam

Email ID: compliance@incredresearch.com, Phone No: +91-22-41611539

For any queries or grievances, you may contact the Grievance Officer.

Name of the Grievance Officer: Mr. Rajarshi Maitra

Phone no. +91-022-41611546

Email ID: rajarshi.maitra@incredresearch.com

CIN: U74999MH2016PTC287535

Recommendation Framework**Stock Ratings**

Definition:

- Add** The stock's total return is expected to exceed 10% over the next 12 months.
- Hold** The stock's total return is expected to be between 0% and positive 10% over the next 12 months.
- Reduce** The stock's total return is expected to fall below 0% or more over the next 12 months.

The total expected return of a stock is defined as the sum of the: (i) percentage difference between the target price and the current price and (ii) the forward net dividend yields of the stock. Stock price targets have an investment horizon of 12 months.

Sector Ratings

Definition:

- Overweight** An Overweight rating means stocks in the sector have, on a market cap-weighted basis, a positive absolute recommendation.
- Neutral** A Neutral rating means stocks in the sector have, on a market cap-weighted basis, a neutral absolute recommendation.
- Underweight** An Underweight rating means stocks in the sector have, on a market cap-weighted basis, a negative absolute recommendation.

Country Ratings

Definition:

- Overweight** An Overweight rating means investors should be positioned with an above-market weight in this country relative to benchmark.
- Neutral** A Neutral rating means investors should be positioned with a neutral weight in this country relative to benchmark.
- Underweight** An Underweight rating means investors should be positioned with a below-market weight in this country relative to benchmark.