



**NHPC Limited**  
(A Government of India Enterprise)  
India's Premier Hydro Power Utility  
ISO 9001:2015, ISO 14001:2015 & ISO  
45001:2018 Certified Company



**FIN2RESEARCH**  
Investment Advisor Pvt. Ltd.

Date : 18/07/24

## Techno Funda : Buy NHPC Limited.

Buy Range : @ 108 - 110

Target : 1st @ 117, 2nd @ 135

Stock Info	
Mkt Cap (cr)	109440.6
52-Weeks High/Low	₹118.45/45.35
Avg Volume	9,40,61,956
No. of eq shares (cr)	1,004.50
Face Values	10.00
Bse Code	533098
Nse Code	NHPC
Free Float (cr)	34276.80
Source : NSE/BSE	

**NHPC:** NHPC Ltd is an Indian electric utility company in which the Indian government holds the majority of shares. The company generates electricity through the operation of a portfolio of hydroelectric power plants located across India. The principal business activity of NHPC is electricity generation, including income from embedded finance and operating leases. The majority of its revenue comes from the sale of energy to state electricity boards, state energy departments, and their successor companies through long-term agreements. NHPC has been making efforts to expand its electric production capacity by incorporating thermal, wind, and solar power generating facilities. The company operates its power development and secondary consulting businesses exclusively in India.

### Key Highlights:

Tata Power Renewable Energy Ltd has announced a significant partnership with NHPC Renewable Energy Ltd (NHPC-REL). They have entered into a Memorandum of Understanding (MoU) to lead the installation of rooftop solar projects across government buildings belonging to Central ministries, states, and Union Territories.

Particulars	2023	2024
P/E	10.33	24.83
P/B	1.1	2.3
EV/EBITDA	10.5	19.5
Quick Ratio	1.32	1.10
Current Ratio	1.36	1.12
ROCE	7.69%	6.24%
ROIC	5.86%	5.09%
ROA	4.80%	4.05%
ROE	10.90%	9.70%
DSO	195	200
DPO	87	116
DIO	59	79
Interest Coverage	10.66	9.16

This collaboration aims to promote the use of renewable energy in government infrastructure, potentially contributing to sustainability goals and reducing energy costs in the long run.

Jakson Green has announced a major agreement with NHPC for the supply of 400 MW of solar power. This project, located in Rajasthan, will connect to the central grid and is expected to generate enough clean energy to power approximately 400,000 households annually.

Kannan Krishnan, Joint Managing Director of Jakson Green Pvt Ltd, expressed excitement about this milestone, highlighting it as the company's largest Power Purchase Agreement (PPA) to date. The project will significantly contribute to environmental sustainability by eliminating nearly 752,000 metric tons of CO2 emissions annually. Additionally, it will create valuable job opportunities during both the construction and operation phases.

This development represents a significant step in India's renewable energy transition, showcasing the growing collaboration between private and state-owned entities in advancing clean energy initiatives.

NHPC Limited, India's largest hydropower development organization, has signed a Memorandum of Understanding (MoU) with Ocean Sun, a Norwegian company specializing in floating solar technology. This collaboration aims to explore key areas of cooperation for demonstrating Ocean Sun's floating solar energy technology, which utilizes photovoltaic panels mounted on hydro-elastic membranes.

Particulars	2023	2024
Revenue op. Growth	16.00%	-9.19%
EBITDA Growth	54.65%	-21.56%
EBT Grwoth	61.98%	-3.22%
PAT Growth	12.22%	-4.89%
EPS	3.87	3.61

The panels will be installed at sites identified by NHPC, integrating this innovative technology into India's renewable energy landscape. This partnership highlights NHPC's commitment to expanding its renewable energy portfolio and leveraging advanced technologies to enhance sustainability and energy efficiency.

State-owned NHPC and energy solutions provider ENGIE have announced the signing of Power Purchase Agreements (PPAs) with Gujarat Urja Vikas Nigam Ltd (GUVNL) for two 200-MW solar projects. According to the statement, NHPC has signed a PPA with GUVNL for a 200 MW solar project within Gujarat State Electricity Corporation's renewable energy park in Khavda.

Source : Company, Fin2Research

Particulars	% of Total Shares
Promoters	67.40%
Mutual Funds/AIF	4.36%
Insurance co. & others	5.22%
Other DIIs	0.69%
FII	8.97%
Retails and Others	12.09%
Govt of India	1.28%
Total	100.00%

The project is anticipated to cost ₹846.66 Crore and is planned to be completed within 15 months from the date of PPA execution. This initiative is part of NHPC's ongoing efforts to expand its renewable energy portfolio and support India's transition to cleaner energy sources.

### Key Risk :

❑ **ESG:** NHPC generates power through renewable energy sources such as hydro, solar, and wind. This approach produces clean power and reduces greenhouse gas emissions compared to other conventional modes of power generation. All of its operational units comply with environmental regulations, and the necessary statutory approvals and permits have been granted by the authorities.

Buy Range : @ 109

Target : 1st @ 117, 2nd @135



**Price Trend:** The chart shows a series of higher highs and higher lows since late May, this is a classic bullish sign.

**Moving Averages:** The price is currently trading above its 10-day and 21-day moving averages, this can indicate that the short-term and long-term trends are both bullish.

**Support:** There's an apparent support level around ₹90 and the price is currently trading above it, this can be a bullish sign. A break below this level could signal a break in the uptrend.

**MACD:** A positive MACD value, along with a rising MACD line (blue line) above the signal line (orange line), is generally considered a bullish sign.

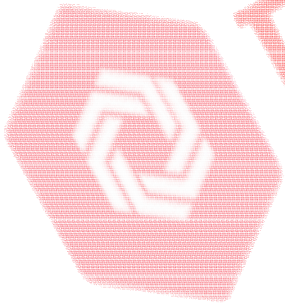
**Bollinger Bands:** If the Bollinger Bands are widening, it suggests increasing volatility. This could be a sign of an upcoming breakout, which can be bullish.

### GUIDELINES FOR THE REPORT

- It is recommended to enter in a staggered manner within the prescribed range provided in the report.
- Once the recommendation is executed, it is advisable to keep strict stop loss as provided in the report on a closing basis • The suggestion is valid for 3-5 months; if we want to carry subsequent positions, we will contact you via mail or other modes of communications.
- Once target1 is achieved, use a trailing stop loss of the recommended average price.

#### Portfolio Allocation:

- It is not recommended to allocate the entire corpus to a single stock or product without first understanding the risk and return associated with that stock or product.
- It is recommended to diversify the corpus in a proportionate manner among various tech-funda research reports and other reports as stated.





## **DISCLAIMER:**

### **ANALYST CERTIFICATION**

I Ashish Sanwariya Research Analyst, author, and the name subscribed to this report, hereby certify that all of the views expressed in this research report accurately reflect my views about the subject issuer(s) or securities. I also certify that no part of our compensation was, is, or will be directly or indirectly related to the specific recommendation(s) or view(s) in this report. It is also confirmed that above-mentioned Analyst of this report has not received any compensation from the companies mentioned in the report in the preceding twelve months and does not serve as an officer, director, or employee of the companies mentioned in the report.

### **Terms & conditions and other disclosures:**

**Investments in the securities market are subject to market risks. Read all the related documents carefully before investing.**

Registration granted by Sebi and certification from NISM in no way guarantee the performance of the intermediary or provide any assurance of returns to investors. None of the research recommendations promise or guarantee any assured, minimum, or risk-free return to the investors.

Technical and derivative analysis-based reports make recommendations based on charts showing a stock's price movement, open positions, trading activity, etc., rather than on the company's fundamentals. As a result, these recommendations may differ from those in fundamental reports.

Fin2research Investment Advisor Private Limited (FIA) is the source of information and opinions in this report, which may be subject to change at any time. Any and all content in this report is confidentially sourced only for that intended audience and may not be altered, transmitted (in whole or in part), copied into another medium, or reproduced elsewhere without the written permission of Fin2research Investment Advisor Private Limited (FIA). Although we will endeavor to update the information contained herein for reasonable reasons, Fin2research Investment Advisor Private Limited (FIA) has no obligation to update or keep this information current. Due to regulatory, compliance, or other reasons, Fin2research Investment Advisor Private Limited (FIA) may be unable to do so.

The accuracy of this report is not guaranteed and it relies on information from public sources that have not been independently verified. This report and the information contained in it are for informational purposes only and should not be used or considered as an offer document or as an invitation to buy, sell, or subscribe to securities or other financial instruments. Although it is distributed to all clients at the same time, not all clients can receive this report at the same time. Fin2research Investment Advisor Private Limited (FIA) will not treat recipients as customers by virtue of their receiving this report. Nothing in this report constitutes investment, legal, accounting, or tax advice or a representation that any investment or strategy is or would be appropriate for your particular circumstances.

The securities mentioned and opinions expressed in this document might not be appropriate for all investors, who have to make their very own investment decisions, primarily based totally on their very own investment objectives, economic positions, and needs of the particular recipient. This may not be taken in substitution for the exercising of independent judgment through any recipient. The recipient must independently compare the investment risks. Any number of factors, including fluctuations in interest rates and foreign exchange rates, could affect the value and return on investment. Fin2research Investment Advisor Private Limited (FIA) disclaims all responsibility for any form of loss or damage resulting from using this material. Future performance is not always predicted by past performance. Before making an investment in the securities markets, investors are recommended to review the Risk Disclosure Document to understand the risks involved. Actual results may differ materially from those set forth in projections. Statements that are deemed forward-looking are not guarantees and could change at any time.

As of the final day of the month before the research report was published, none of the following parties owned 1% or more of the equity securities of the company mentioned in the study: Fin2research Investment Advisor Private Limited (FIA), all of its subsidiaries, research analysts, or any family members of any of these parties.

The material contained in this study may not align with previous reports published by Fin2research Investment Advisor Private Limited (FIA) or reach a different conclusion. Fin2research Investment Advisor Private Limited (FIA) and its Research Analysts have not participated in any market-making activities on behalf of the firms listed in the report. We contend that no regulatory authority has taken any significant disciplinary action against Fin2research Investment Advisor Private Limited (FIA) that would have an impact on the company's ability to conduct equity research analysis.

The distribution, publication, availability, or use of this report by any person or entity that is a citizen or resident of, or located in, any locality, state, country, or other jurisdiction is not authorized or intended, as it may violate legal requirements or subject Fin2research Investment Advisor Private Limited (FIA) and affiliates to registration or licensing requirements in such jurisdictions. Certain groups of investors or all jurisdictions may not be able to purchase the securities covered here. It is expected of everyone who may come into possession of this material to become aware of and abide by these restrictions.

### **THANK YOU**

**Fin2Research Investment Advisor Pvt Ltd (FIA)**

CIN: U70200DL2023PTC413207IA

Registration No: INA000018425

Registered Office: Plot No A 2nd Floor, Street New Bungalow Road, Malka Ganj, Delhi North Delhi, 110007 Delhi

Phone no: 9711885801

Email id: [customercare@fin2research.com](mailto:customercare@fin2research.com)

Website: [www.fin2research.com](http://www.fin2research.com)

For Research Query- [researchdesk@fin2research.com](mailto:researchdesk@fin2research.com)