



TATA POWER

Financial Modelling & Valuation

**Tata Power Company Ltd.
(BSE: 500400 NSE: TATA POWER)**

Prepared By: Anjali Jain

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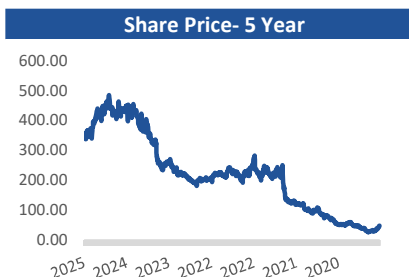
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TATA POWER COMPANY LTD - One Page Profile

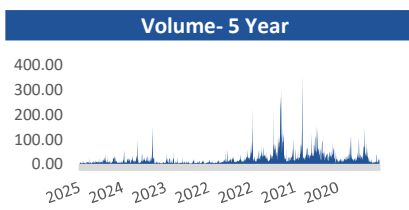


Tata Power Company Limited is an Indian electric utility and electricity generation company based in Mumbai, India and is part of the Tata Group. With an installed electricity generation capacity of 14,707 MW out of which 5847 MW is from Non-Conventional(Green Energy) sources rest from thermal, making it India's largest integrated power company. In February 2017, Tata Power became the first Indian company to ship over 1 GW solar modules.

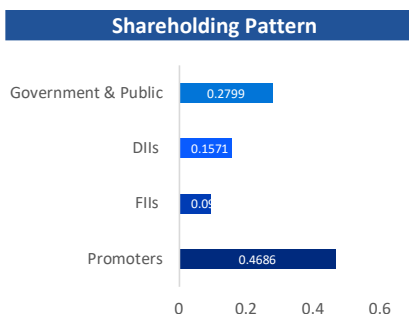
Key Financial Metrics	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Total Sales	29,136	32,703	42,816	55,109	61,449
Sales Growth (y-o-y)	-2.5%	12.2%	30.9%	28.7%	11.5%
Gross Profit Margin(%)	34.3%	31.0%	27.8%	24.4%	26.9%
EBITDA Margin(%)	23.4%	21.2%	16.4%	14.0%	17.5%
EBIT Margin(%)	68.0%	69.2%	70.3%	77.3%	107.4%
Net Profit Margin(%)	3.5%	3.4%	4.1%	6.1%	6.0%
Earnings Per Share(in Rs.)	4	4	5	10	12
EPS (y-o-y)	-56.8%	10.8%	54.5%	91.6%	10.8%
Dividend Per Share	1.55	1.55	1.75	2.00	2.00



Key Financial Ratios	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Price to Earnings	-	-	43.79x	18.22x	34.08x
EV/EBITDA	8.63x	10.67x	17.18x	13.26x	15.88x
EV/Sales	2.02x	2.26x	2.82x	1.86x	2.77x
Price/Book Value	0.45x	1.48x	3.40x	2.11x	3.89x
Return on Equity (%)	5.2%	5.1%	7.8%	11.6%	11.4%
Return on Capital Employed (%)	9.3%	8.5%	9.0%	12.7%	12.4%



Top 10 Shareholders	N. Shares (in Cr.)	% Holding	Market Value
Tata Sons Private Limited	1,444.5	45.2%	5,077.5
Life Insurance Corp Of India	100.0	3.1%	351.4
Nippon Life India Trustee Ltd-A/C Nipr	68.0	2.1%	239.1
Tata Steel Limited	39.1	1.2%	137.5
Mirae Asset Large & Midcap Fund	36.0	1.1%	126.6
Quant Mutual Fund-Quant Elss Tax Sa	33.8	1.1%	118.7
Investor Education and Protection Fur	12.4	0.4%	43.6
Tata Investment Corporation Limited	6.8	0.2%	24.1
Tata Industries Limited	4.5	0.1%	15.9
Ewart Investments Limited	2.2	0.1%	7.8



Managerial Remuneration	Designation	Remuneration	X of Median Salary
Dr. Praveer Sinha	MD & CEO	102,545,845.0	62.99

Capital Structure	
Share Price as on 2025	351.5
No. of shares o/s	319.5
Market Capitalisation	112,300.4
Less: Cash & Equivalents	(9,151.9)
Add: Debt	53,689.5
Add: Minority Interest	5,977.5
Enterprise Value	162,815

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
















- Tata Power Signs Landmark MoU with Assam Government to Develop and Tie up upto 5000 MW of Renewable and Clean Energy with ₹ 30,000 Crore Investment at Advantage Assam 2.0
- Tata Power All-Prepared to Meet Increased Power Demand in Mumbai amidst Heatwave Alert.
- Tata Power led Odisha Discoms Ranked among India's Best; Secure A+ Ratings among Indian Power Utilities for FY24.
- Tata Power partners with Amazon Web Services to Drive Smart & Consumer-Centric Energy Transition in India.
- Tata Power delivers strong performance in Q3FY25, PAT Rises by 10% to ₹1,188 crore, EBITDA grows 7 % to ₹ 3,481 crore.

Sources: Screener, Tata Power.com, Wikipedia

Years	Historical Statement - TATA POWER COMPANY LTD							Forecasting - TATA POWER COMPANY LTD				
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	Mar-26	Mar-27	Mar-28	Mar-29
# Income Statement												
	1	2	3	4	5	6	7	8	9	10	11	12
Sales	₹ 26,840.3	₹ 29,881.1	₹ 29,136.4	₹ 32,703.3	₹ 42,815.7	₹ 55,109.1	₹ 61,448.9	₹ 63,699.4	₹ 69,698.0	₹ 75,696.6	₹ 81,695.3	₹ 87,693.9
Sales Growth	-2.71%	11.33%	-2.49%	12.24%	30.92%	28.71%	11.50%	3.66%	9.42%	8.61%	7.92%	7.34%
Cost of Goods Sold	₹ 18,389.3	₹ 20,999.4	₹ 19,098.1	₹ 22,571.4	₹ 30,508.1	₹ 41,759.3	₹ 44,805.8	₹ 47,187.2	₹ 51,907.9	₹ 56,628.6	₹ 61,349.3	₹ 66,070.0
COGS % Sales	68.51%	70.28%	65.55%	69.02%	71.25%	75.78%	72.92%	5.32%	10.00%	9.09%	8.34%	7.69%
Gross Profit	₹ 8,451.0	₹ 8,881.69	₹ 10,038.30	₹ 10,131.91	₹ 12,307.59	₹ 13,349.78	₹ 16,643.12	₹ 16,512.19	₹ 17,790.12	₹ 19,068.04	₹ 20,345.97	₹ 21,623.90
Gross Margin	31.49%	29.72%	34.45%	30.98%	28.75%	24.22%	27.08%	25.92%	25.52%	25.19%	24.90%	24.66%
Selling & Administrative Expenses	₹ 6,156.1	₹ 5,811.8	₹ 3,233.2	₹ 3,211.0	₹ 5,276.7	₹ 5,622.0	₹ 5,907.8	₹ 5,162.54	₹ 5,195.37	₹ 5,228.20	₹ 5,261.02	₹ 5,293.85
S&G Expenses % Sales	22.94%	19.45%	11.10%	9.82%	12.32%	10.20%	9.61%	8.10%	7.45%	6.91%	6.44%	6.04%
EBITDA	₹ 2,294.8	₹ 3,069.9	₹ 6,805.1	₹ 6,920.9	₹ 7,030.9	₹ 7,727.8	₹ 10,735.3	₹ 11,349.6	₹ 12,594.7	₹ 13,839.8	₹ 15,085.0	₹ 16,330.1
EBITDA % Sales	8.55%	10.27%	23.36%	21.16%	16.42%	14.02%	17.47%	17.82%	18.07%	18.28%	18.46%	18.62%
Other Income	₹ 6,585.6	₹ 7,186.5	₹ 2,280.2	₹ 1,775.0	₹ 2,485.5	₹ 5,540.1	₹ 3,416.3	₹ 2,381.97	₹ 1,932.14	₹ 1,482.30	₹ 1,032.47	₹ 582.64
Income %Sales	24.54%	24.05%	7.83%	5.43%	5.81%	10.05%	5.56%	3.74%	2.77%	1.96%	1.26%	0.66%
Adjusted EBITDA	₹ 8,880.5	₹ 10,256.4	₹ 9,085.2	₹ 8,695.9	₹ 9,516.4	₹ 13,267.9	₹ 14,151.6	₹ 13,731.6	₹ 14,526.9	₹ 15,322.2	₹ 16,117.4	₹ 16,912.7
Adjusted EBITDA % Sales	33.09%	34.32%	31.18%	26.59%	22.23%	24.08%	23.03%	21.56%	20.84%	20.24%	19.73%	19.29%
Depreciation	₹ 2,346.2	₹ 2,393.1	₹ 2,633.6	₹ 2,744.9	₹ 3,122.2	₹ 3,439.2	₹ 3,786.4	₹ 3,909.56	₹ 4,156.04	₹ 4,402.52	₹ 4,649.00	₹ 4,895.48
Depreciation % Sales	8.74%	8.01%	9.04%	8.39%	7.29%	6.24%	6.16%	6.14%	5.96%	5.82%	5.69%	5.58%
EBIT	₹ 6,534.3	₹ 7,863.3	₹ 6,451.7	₹ 5,950.9	₹ 6,394.2	₹ 9,828.7	₹ 10,365.2	₹ 9,822.1	₹ 10,370.8	₹ 10,919.6	₹ 11,468.4	₹ 12,017.2
EBIT Growth	-	20.34%	-17.95%	-7.76%	7.45%	53.71%	5.46%	-5.24%	5.59%	5.29%	5.03%	4.79%
Interest	₹ 3,761.5	₹ 4,170.0	₹ 4,493.7	₹ 4,010.4	₹ 3,859.0	₹ 4,371.7	₹ 4,633.2	₹ 4,526.2	₹ 4,611.3	₹ 4,696.5	₹ 4,781.6	₹ 4,866.7
Interest % Sales	14.01%	13.96%	15.42%	12.26%	9.01%	7.93%	7.54%	7.11%	6.62%	6.20%	5.85%	5.55%
EBT	₹ 2,772.8	₹ 3,693.3	₹ 1,957.9	₹ 1,940.5	₹ 2,535.2	₹ 5,457.0	₹ 5,732.0	₹ 5,295.9	₹ 5,759.5	₹ 6,223.2	₹ 6,686.8	₹ 7,150.5
EBT % Sales	10.33%	12.36%	6.72%	5.93%	5.92%	9.90%	9.33%					
Tax	₹ 162.0	₹ 1,087.6	₹ 641.5	₹ 501.9	₹ 379.6	₹ 1,647.3	₹ 1,451.9	₹ 1,514.2	₹ 1,683.0	₹ 1,851.8	₹ 2,020.7	₹ 2,189.5
Effective Tax Rate	5.84%	29.45%	32.76%	25.86%	14.97%	30.19%	25.33%	28.59%	29.22%	29.76%	30.22%	30.62%
Net Profit	₹ 2,610.9	₹ 2,605.7	₹ 1,316.4	₹ 1,438.7	₹ 2,155.6	₹ 3,809.7	₹ 4,280.1	₹ 3,781.7	₹ 4,076.5	₹ 4,371.3	₹ 4,666.2	₹ 4,961.0
Net Margin	9.73%	8.72%	4.52%	4.40%	5.03%	6.91%	6.97%	5.94%	5.85%	5.77%	5.71%	5.66%
No. of Equity Shares	270.48	270.48	270.48	319.53	319.53	319.53	319.53					
Earning Per Share	₹ 9.7	₹ 9.6	₹ 4.9	₹ 4.5	₹ 6.7	₹ 11.9	₹ 13.4					
EPS Growth	-	-0.20%	-49.48%	-7.49%	49.84%	76.73%	12.35%					
Dividend Per Share	₹ 351.7	₹ 351.7	₹ 419.3	₹ 495.3	₹ 559.2	₹ 639.1	₹ 639.1					
Dividend Payout Ratio	3643.04%	3650.30%	8614.66%	11001.26%	8289.57%	5360.52%	4771.34%					
Retained Earnings	-	-	-	-	-	-	-					

[illegible]

	Historical Statement - TATA POWER COMPANY LTD							Forecasting -TATA POWER COMPANY LTD				
Years	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mar-25	Mar-26	Mar-27	Mar-28	Mar-29
#	Cash Flow Statement											
	1	2	3	4	5	6	7	8	9	10	11	12
Operating Activities												
Profit from operations	₹ 6,007.0	₹ 6,895.0	₹ 7,310.0	₹ 7,651.0	₹ 7,576.0	₹ 9,016.0	₹ 11,258.0	₹ 10,853.4	₹ 11,577.0	₹ 12,300.6	₹ 13,024.3	₹ 13,747.9
Receivables	₹ 715.0	₹ (1,649.0)	₹ (97.0)	₹ (1,104.0)	₹ (888.0)	₹ (1,070.0)	₹ (859.0)	₹ (1,329.6)	₹ (1,485.1)	₹ (1,640.6)	₹ (1,796.2)	₹ (1,951.7)
Inventory	₹ (147.0)	₹ (85.0)	₹ (21.0)	₹ (93.0)	₹ (2,308.0)	₹ 310.0	₹ (445.0)	₹ (740.0)	₹ (825.4)	₹ (910.8)	₹ (996.2)	₹ (1,081.6)
Payables	₹ 86.0	₹ (43.0)	₹ (797.0)	₹ 1,710.0	₹ 3,222.0	₹ (3,018.0)	₹ 1,896.0	₹ 936.4	₹ 1,061.4	₹ 1,186.4	₹ 1,311.3	₹ 1,436.3
Loans Advances	₹ (32.0)	₹ 22.0	₹ (5.0)	₹ (1.0)	₹ (1.0)	-	₹ 1.0	₹ 6.1	₹ 8.3	₹ 10.4	₹ 12.5	₹ 14.6
Operating investments	₹ 37.0	₹ 117.0	₹ (136.0)	₹ 158.0	-	-	-	₹ (4.7)	₹ (12.2)	₹ (19.6)	₹ (27.1)	₹ (34.6)
Deposits	-	-	-	-	-	-	-	-	-	-	-	-
Other WC items	₹ 299.0	₹ (177.0)	₹ 1,729.0	₹ 472.0	₹ (214.0)	₹ 2,799.0	₹ 1,334.0	₹ 1,908.0	₹ 2,162.1	₹ 2,416.1	₹ 2,670.2	₹ 2,924.3
Direct taxes	₹ (602.0)	₹ (506.0)	₹ (609.0)	₹ (447.0)	₹ (695.0)	₹ (871.0)	₹ (589.0)	₹ (728.0)	₹ (755.8)	₹ (783.5)	₹ (811.3)	₹ (839.0)
Cash From Operating Activities	₹ 6,363.0	₹ 4,574.0	₹ 7,374.0	₹ 8,346.0	₹ 6,692.0	₹ 7,166.0	₹ 12,596.0	₹ 10,901.7	₹ 11,730.3	₹ 12,558.9	₹ 13,387.5	₹ 14,216.1
Investing Activities												
Fixed assets purchased	₹ (3,560.0)	₹ (3,576.0)	₹ (2,226.0)	₹ (3,336.0)	₹ (7,268.0)	₹ (7,656.0)	₹ (13,333.0)	₹ (11,925.1)	₹ (13,443.8)	₹ (14,962.4)	₹ (16,481.0)	₹ (17,999.6)
Fixed assets sold	₹ 56.0	₹ 43.0	₹ 36.0	₹ 1,549.0	₹ 35.0	₹ 50.0	₹ 146.0	₹ 314.0	₹ 324.1	₹ 334.2	₹ 344.3	₹ 354.4
Investments purchased	₹ (20,055.0)	₹ (20,777.0)	₹ (15,594.0)	₹ (80.0)	₹ (585.0)	₹ (973.0)	₹ (300.0)	₹ 7,931.1	₹ 11,998.4	₹ 16,065.6	₹ 20,132.8	₹ 24,200.0
Investments sold	₹ 20,948.0	₹ 23,444.0	₹ 15,251.0	₹ 928.0	₹ 360.0	₹ 879.0	₹ 342.0	₹ (8,526.7)	₹ (12,878.1)	₹ (17,229.5)	₹ (21,580.9)	₹ (25,932.3)
Interest received	₹ 124.0	₹ 139.0	₹ 165.0	₹ 161.0	₹ 151.0	₹ 315.0	₹ 661.0	₹ 523.6	₹ 593.2	₹ 662.8	₹ 732.4	₹ 802.0
Dividends received	₹ 1,002.0	₹ 309.0	₹ 1,895.0	₹ 1,846.0	₹ 1,856.0	₹ 3,310.0	₹ 2,317.0	₹ 3,206.1	₹ 3,560.0	₹ 3,913.9	₹ 4,267.7	₹ 4,621.6
Investment in group cos	₹ (106.0)	-	-	-	-	-	-	₹ 30.3	₹ 41.6	₹ 53.0	₹ 64.4	₹ 75.7
Redemp n Canc of Shares	₹ 57.0	-	-	-	-	-	-	₹ (16.3)	₹ (22.4)	₹ (28.5)	₹ (34.6)	₹ (40.7)
Acquisition of companies	-	-	-	-	-	-	-	-	-	-	-	-
Inter corporate deposits	₹ (50.0)	₹ 84.0	-	₹ 5.0	-	₹ (2.0)	₹ 16.0	₹ 11.3	₹ 12.2	₹ 13.1	₹ 14.1	₹ 15.0
Other investing items	₹ 73.0	₹ 62.0	₹ (20.0)	₹ (80.0)	₹ (799.0)	₹ (3,187.0)	₹ 1,125.0	₹ (992.4)	₹ (1,139.6)	₹ (1,286.8)	₹ (1,434.0)	₹ (1,581.1)
Cash from Investing Activity	₹ (1,511.0)	₹ (272.0)	₹ (493.0)	₹ 993.0	₹ (6,250.0)	₹ (7,264.0)	₹ (9,026.0)	₹ (9,444.1)	₹ (10,954.4)	₹ (12,464.6)	₹ (13,974.8)	₹ (15,485.0)
Financing Activities												
Proceeds from shares	₹ 85.0	₹ 97.0	₹ 100.0	₹ 2,996.0	₹ 11.0	₹ 4,008.0	₹ 114.0	₹ 2,175.9	₹ 2,455.1	₹ 2,734.4	₹ 3,013.7	₹ 3,293.0
Proceeds from borrowings	₹ 34,330.0	₹ 45,714.0	₹ 49,600.0	₹ 5,602.0	₹ 11,474.0	₹ 75,571.0	₹ 68,889.0	₹ 59,492.1	₹ 63,965.9	₹ 68,439.6	₹ 72,913.4	₹ 77,387.1
Repayment of borrowings	₹ (33,893.0)	₹ (46,355.0)	₹ (49,707.0)	₹ (11,576.0)	₹ (8,817.0)	₹ (74,402.0)	₹ (68,376.0)	₹ (58,825.6)	₹ (63,063.2)	₹ (67,300.8)	₹ (71,538.4)	₹ (75,776.0)
Interest paid fin	₹ (4,570.0)	₹ (3,976.0)	₹ (4,002.0)	₹ (3,731.0)	₹ (3,555.0)	₹ (4,108.0)	₹ (4,777.0)	₹ (4,165.3)	₹ (4,180.9)	₹ (4,196.6)	₹ (4,212.2)	₹ (4,227.9)
Dividends paid	₹ (417.0)	₹ (410.0)	₹ (501.0)	₹ (526.0)	₹ (559.0)	₹ (787.0)	₹ (887.0)	₹ (901.3)	₹ (980.6)	₹ (1,060.0)	₹ (1,139.4)	₹ (1,218.7)
Financial liabilities	-	-	₹ (330.0)	₹ (352.0)	₹ (384.0)	₹ (394.0)	₹ (465.0)	₹ (594.6)	₹ (674.5)	₹ (754.4)	₹ (834.3)	₹ (914.1)
Other financing items	₹ (261.0)	₹ (253.0)	₹ (270.0)	₹ (16.0)	₹ 646.0	₹ 1,452.0	₹ 1,004.0	₹ 1,489.0	₹ 1,779.0	₹ 2,069.1	₹ 2,359.1	₹ 2,649.1
Cash from Financing Activity	₹ (4,726.0)	₹ (5,183.0)	₹ (5,110.0)	₹ (7,603.0)	₹ (1,184.0)	₹ 1,340.0	₹ (4,498.0)	₹ (1,329.7)	₹ (699.1)	₹ (68.6)	₹ 562.0	₹ 1,192.6
Net Cash Flow	₹ 126.0	₹ (881.0)	₹ 1,771.0	₹ 1,736.0	₹ (742.0)	₹ 1,242.0	₹ (928.0)	₹ 127.9	₹ 76.8	₹ 25.8	₹ (25.2)	₹ (76.3)

Historical Statement - TATA POWER COMPANY LTD										
Years	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24	Mean	Median	
Cash Flow Statement										
Sales Growth	-2.71%	11.33%	-2.49%	12.24%	30.92%	28.71%	11.50%		15.37%	11.50%
EBITDA Growth	-	15.49%	-11.42%	-4.29%	9.44%	39.42%	6.66%		9.22%	8.05%
EBIT Growth	-	20.34%	-17.95%	-7.76%	7.45%	53.71%	5.46%		10.21%	6.45%
Net Profit Growth	-	-0.20%	-49.48%	9.28%	49.84%	76.73%	12.35%		16.42%	10.82%
Gross Margin	31.49%	29.72%	34.45%	30.98%	28.75%	24.22%	27.08%		29.53%	29.72%
EBITDA Margin	8.55%	10.27%	23.36%	21.16%	16.42%	14.02%	17.47%		15.89%	16.42%
EBIT Margin	24.35%	26.32%	22.14%	18.20%	14.93%	17.83%	16.87%		20.09%	18.20%
EBT Margin	10.33%	12.36%	6.72%	5.93%	5.92%	9.90%	9.33%		8.64%	9.33%
Net Profit Margin	9.73%	8.72%	4.52%	4.40%	5.03%	6.91%	6.97%		6.61%	6.91%
SalesExpense%Sales	22.94%	19.45%	11.10%	9.82%	12.32%	10.20%	9.61%		13.63%	11.10%
Depreciation%Sales	8.74%	8.01%	9.04%	8.39%	7.29%	6.24%	6.16%		7.70%	8.01%
Operatingincome%Sales	-	20.34%	-17.95%	-7.76%	7.45%	53.71%	5.46%		10.21%	6.45%
Return on Capital Employed	10.05%	11.77%	9.02%	8.62%	8.68%	12.03%	12.05%		10.32%	10.05%
Retained Earnings%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%
Return on Equity%	15.92%	14.23%	6.73%	6.44%	9.61%	13.23%	13.23%		11.34%	13.23%
Self Sustained Growth	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%		0.00%	0.00%
Interest Coverage Ratio	1.74x	1.89x	1.44x	1.48x	1.66x	2.25x	2.24x		1.81x	1.74x
Debtor Turnover Ratio	9.62x	6.72x	6.58x	6.29x	7.16x	7.93x	8.30x		7.52x	7.16x
Credit Turnover Ratio	1.59x	1.73x	1.60x	1.10x	1.10x	1.19x	1.16x		1.35x	1.19x
Inventory Turnover Ratio	16.54x	17.51x	16.63x	17.34x	10.12x	13.98x	13.90x		15.15x	16.54x
Fixed Asset Turnover	0.60x	0.67x	0.61x	0.63x	0.75x	0.89x	0.91x		0.72x	0.67x
Capital Turnover Ratio	1.64x	1.63x	1.49x	1.47x	1.91x	1.91x	1.90x		1.71x	1.64x
Debtor Days	38 days	54 days	55 days	58 days	51 days	46 days	44 days		50 days	51 days
Payable Days	230 days	211 days	228 days	331 days	332 days	307 days	315 days		279 days	307 days
Inventory Days	22 days	21 days	22 days	21 days	36 days	26 days	26 days		25 days	22 days
Cash Conversion Cycle (in days)	-170 days	-136 days	-150 days	-252 days	-245 days	-235 days	-245 days		-205 days	-235 days
CFO/Sales	23.71%	15.31%	25.31%	25.52%	15.63%	13.00%	20.50%		19.85%	20.50%
CFO/Total Assets	7.77%	5.44%	8.22%	8.46%	5.95%	5.59%	9.06%		7.21%	7.77%
CFO/Total Debt	13.10%	9.43%	14.20%	17.87%	13.07%	13.54%	23.46%		14.95%	13.54%

Risk Market Premium

Year	Annual		
2000	-14.65%	Average Return	15.33%
2001	-16.18%	Dividend Yield	1.27% ¹
2002	3.25%	Total Market Return	15.33%
2003	71.90%		
2004	10.68%		
2005	36.34%		
2006	39.83%		
2007	54.77%		
2008	-51.79%		
2009	75.76%		
2010	17.95%		
2011	-24.62%		
2012	27.70%		
2013	6.76%		
2014	31.39%		
2015	-4.06%		
2016	3.01%		
2017	28.65%		
2018	3.15%		
2019	12.02%		
2020	14.90%		
2021	24.12%		
2022	4.32%		
2023	19.42%		
2024	8.75%		

Weighted average Cost of Capital

All figures are in INR unless stated otherwise

Peer Comps

Name	Country	Total Debt	Total Equity	Tax Rate ¹	Debt/ Equity	Debt/ Capital	Levered Beta ²	Unlevered Beta ³
Tata Power Co.	India	58,313.9	114,136.1	30.00%	51.09%	33.81%	1.22	1.58
NTPC	India	242,009.5	316,354.8	30.00%	76.50%	43.34%	0.88	1.42
Power Grid Corpn	India	122,567.5	243,582.7	30.00%	50.32%	33.47%	0.76	1.11
Adani Power	India	37,705.0	184,610.5	30.00%	20.42%	16.96%	-0.15	-0.01
Adani Green	India	67,430.0	134,537.0	30.00%	50.12%	33.39%	-0.44	-0.09
Average				30.00%	49.69%	32.20%	0.45	0.80
Median				30.00%	49.34%	31.79%	0.26	0.61

Cost of Debt

Pre tax cost of debt	7.94%
Tax	30.00%
Post tax cost of debt	5.56%

Cost of Equity

Risk free rate	6.77%
Market Risk Premium	8.56%
Levered Beta ⁴	0.74
Cost of Equity	13.14%

Capital Structure

		Current	Target
Total Debt	58,313.9	33.81%	32.20%
Market Capitalisation	114,136.1	66.19%	67.80%
Total Capitalisation	172,450.1	100.00%	100.00%

Levered Beta

Comps median Unlevered	0.61
Target Debt/Equity	32.20%
Tax Rate	30.00%
Levered Beta	0.74

Debt/Equity	51.09%	47.48%
-------------	--------	--------

1. Tax Rate considered as Marginal Tax Rate for the country
2. Levered Beta is based on 5 year monthly data
3. Unlevered Beta= Levered Beta/(1+(1-tax rate)*Debt/Equity)
4. Levered Beta= Unlevered Beta*(1+(1-tax rate)*Debt/Equity)

Weighted Average Cost of Capital

Cost of Equity	13.14%
Equity Weight	67.80%
Cost of Debt	5.56%
Debt Weight	32.20%
WACC	10.70%

Calculation of ROIC	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
	1	2	3	4	5
Current Assets					
Inventories	1,752.0	1,886.0	4,232.0	3,943.0	4,420.0
Trade Receivables	4,426.0	5,200.0	5,980.0	6,952.0	7,402.0
Loans & Advances	552.0	609.0	887.0	1,079.0	1,126.0
Other Asset items	17,037.0	16,491.0	18,627.0	21,123.0	21,868.0
Total Current Assets	23,767.0	24,186.0	29,726.0	33,097.0	34,816.0
Current Liabilities					
Trade Payables	5,095.0	7,146.0	10,460.0	7,407.0	9,321.0
Advance from Customers	782.0	1,209.0	1,180.0	2,458.0	2,197.0
Other liability items	9,962.0	18,342.0	23,687.0	31,104.0	35,514.0
Total Current Liabilities	15,839.0	26,697.0	35,327.0	40,969.0	47,032.0
# Net Working Capital	7,928.0	(2,511.0)	(5,601.0)	(7,872.0)	(12,216.0)
Non-Current Assets					
Land	2,071.0	2,186.0	2,284.0	2,672.0	3,352.0
Building	3,058.0	3,826.0	4,043.0	4,432.0	4,503.0
Plant Machinery	47,425.0	48,607.0	52,664.0	55,799.0	59,919.0
Equipments	6,967.0	11,790.0	15,200.0	18,485.0	22,097.0
Furniture n fittings	118.0	134.0	144.0	167.0	187.0
Railway Sidings	104.0	-	-	-	-
Vehicles	235.0	228.0	225.0	247.0	300.0
Intangible Assets	1,646.0	1,800.0	1,864.0	1,865.0	1,803.0
Other fixed assets	5,441.0	5,584.0	5,876.0	6,229.0	6,519.0
Gross Block	67,065.0	74,155.0	82,300.0	89,896.0	98,680.0
Accumulated Depreciation	19,398.0	21,976.0	24,911.0	28,150.0	31,470.0
# Net Non-Current Assets	47,667.0	52,179.0	57,389.0	61,746.0	67,210.0
# Invested Capital	55,595.0	49,668.0	51,788.0	53,874.0	54,994.0
EBIT	6,451.7	5,950.9	6,394.2	9,828.7	10,365.2
# ROIC	12%	12%	12%	18%	19%

Calculation of Reinvestment Rate	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Capex	2,533.0	939.0	7,458.0	7,700.0	13,145.0
Change in Working Capital	-	(10,439.0)	(3,090.0)	(2,271.0)	(4,344.0)
EBIT	6,451.7	5,950.9	6,394.2	9,828.7	10,365.2
Marginal Rate	25.00%	25.00%	25.00%	25.00%	25.00%
EBIT(1-t)	4,838.7	4,463.2	4,795.6	7,371.5	7,773.9
Reinvestment		(9,500.0)	4,368.0	5,429.0	8,801.0
Reinvestment Rate		-212.85%	91.08%	73.65%	113.21%

4 Year Average 16.27%
4 Year Median 82.37%

Calculation of Intrinsic Growth	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Reinvestment Rate	-212.85%	91.08%	73.65%	113.21%	
ROIC	11.98%	12.35%	18.24%	18.85%	
Intrinsic Growth	-25.50%	11.25%	13.44%	21.34%	

4 Year Average 5.13%
4 Year Median 12.34%

Calculation of PV of FCFF	Mar-24A	Mar-25F	Mar-26F	Mar-27F	Feb-28F	Feb-29F
EBIT	10,365.2	11,644.4	13,081.5	14,695.9	16,509.5	18,546.9
Tax Rate	25.00%	25.00%	25.00%	25.00%	25.00%	25.00%
EBIT(1-t)	7,773.9	8,733.3	9,811.1	11,021.9	12,382.1	13,910.2
Add: D&A	3,786.4	3,909.6	4,156.0	4,402.5	4,649.0	4,895.5
Add: Capex	13,333.0	11,925.1	13,443.8	14,962.4	16,481.0	17,999.6
Less: Change in NWC	(4,344.0)	(5,533.1)	(4,564.9)	(4,564.9)	(4,564.9)	(4,564.9)
Free Cash Flow to Firm(FCFF)	20,549.3	19,034.9	22,846.0	25,821.9	28,947.2	32,240.3
Mid Year Convention		0.5	1.5	2.5	3.5	4.5
Discounting Factor		1.0	0.9	0.8	0.7	0.6
PV of FCFF		18,091.6	19,614.9	20,027.0	20,280.8	20,404.7

Expected Growth	12.34%
Terminal Growth	6.60%
WACC	10.70%

Calculation of PV of FCFF	
FCFF(n+1)	3,978.80
WACC	10.70%
Terminal Growth Rate	6.60%
Terminal Value	103,442.7

Sensitivity Analysis	8.45%	9.01%	10.70%	16.35%
4.00%	365.93	345.34	304.08	248.13
5.90%	509.01	450.09	355.62	261.62
6.60%	635.81	530.31	386.64	267.92
7.89%	1,699.86	940.82	484.31	282.26

Equity Value Per Share	
PV of FCFF	98,419.15
PV of Terminal Value	65,468.29
Value of Operating Assets	163,887.44
Add: Cash	9,151.91
Less: Debt	49,480.00
Value of Equity	123,559.35
No. of Shares	319.58
Equity Value Per Share	386.6

Share Price	357
Discount/Premium	1x

Amount in Crores

Comparable Company Valuation

Company	Ticker	Market Data					Financials			Valuation		
		Shares Price	Shares Outstanding	Equity Value	Net Debt	Enterprise Value	Revenue	EBITDA	Net Income	EV/Revenue	EV/EBITDA	P/E
Tata Power Co.	TATA POWER	355	319.53	113,513	49,162	162,675	64,229	15,035	4,515	2.5x	10.8x	25.1x
NTPC	NTPC	322	969.67	311,943	235,162	547,105	185,892	59,275	22,546	2.9x	9.2x	13.8x
Power Grid Corpn	POWERGRID	261	930.06	242,560	115,072	357,632	45,495	40,779	15,545	7.9x	8.8x	15.6x
Adani Power	ADANIPOWER	474	385.69	182,701	30,493	213,195	55,329	24,144	12,888	3.9x	8.8x	14.2x
Adani Green	ADANIGREEN	835	158.40	132,256	58,666	190,922	10,782	9,092	1,928	17.7x	21.0x	68.6x
JSW Energy	JSWENERGY	487	174.78	85,179	26,646	111,825	11,312	5,904	1,914	9.9x	18.9x	44.5x
NTPC Green	NTPCGREEN	98	842.63	82,915	13,384	96,299	1,963	1,825	345	49.1x	52.8x	240.5x
Adani Energy Sol	ADANIENSOL	674	120.13	80,938	36,781	117,718	22,099	7,488	589	5.3x	15.7x	137.3x
NHPC Ltd	NHPC	77	1,004.50	77,708	30,588	108,296	9,921	7,129	3,110	10.9x	15.2x	25.0x
Torrent Power	TORNTPOWER	1,293	50.39	65,154	11,149	76,303	29,238	5,754	2,428	2.6x	13.3x	26.8x

High	49.1x	52.8x	240.5x
75th Percentile	10.9x	18.9x	68.6x
Average	12.2x	18.2x	65.2x
Median	7.9x	15.2x	26.8x
25th Percentile	3.9x	9.2x	15.6x
Low	5.0x	8.8x	13.8x

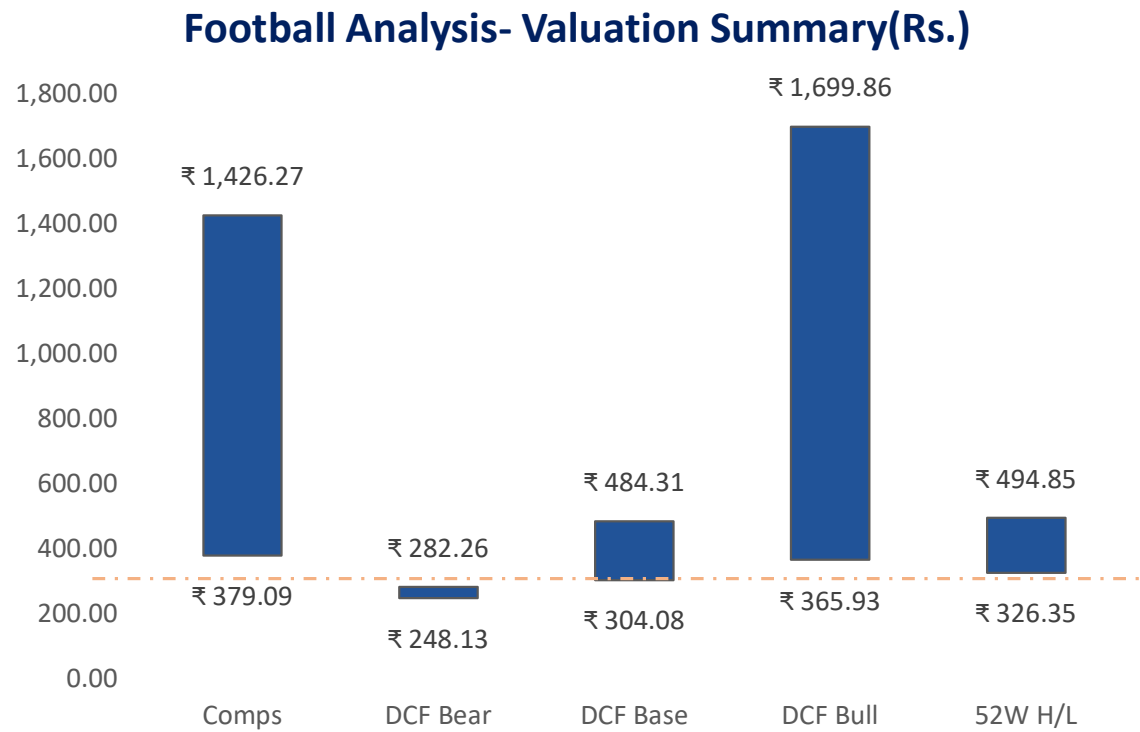
Zomato Comparable Valuation

Implied Enterprise Value	504,897	228,377	170,294
Net Debt	49,162	49,162	49,162
Implied Market Value	455,735	179,215	121,132
No. of Shares outstanding	320	320	320
Implied Value per Share	1,426.3	560.9	379.1

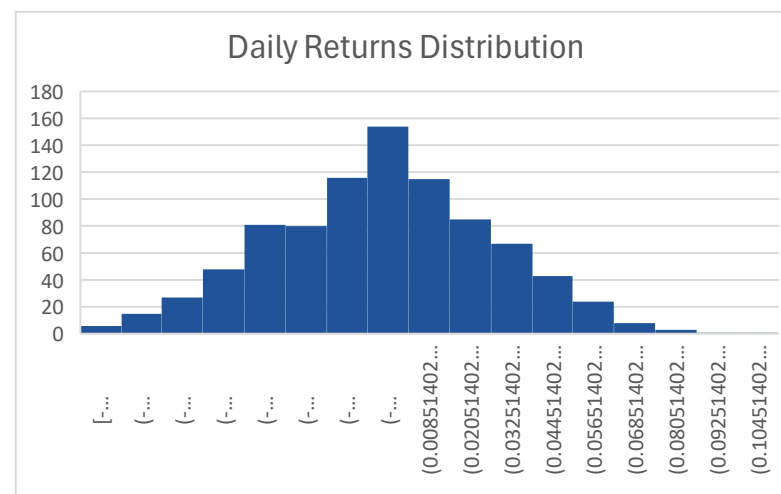
Source: The Valuation School, Screener

Undervalued Undervalued Undervalued

Football Field Analysis- Data				
	Open	Low	High	High
Comps	379.09	379.09	1426.27	1426.27
DCF Bear	248.13	248.13	282.26	282.26
DCF Base	304.08	304.08	484.31	484.31
DCF Bull	365.93	365.93	1699.86	1699.86
52W H/L	326.35	326.35	494.85	494.85



Date	Adj Close	Return	Sorted Return	Replication	Simulated Returns	Calculation of Value at Risk - ZOMATO LTD
2-Aug-22	55.55	-0.21816	0.199784017	1	-0.049230612	Historical Approach
30-May-22	71.05	0.093918	0.145044319	2	0.009320382	Mean 0.12%
24-May-22	64.95	-0.10783	0.138475022	3	-0.043414652	Std. Deviation 3.23%
11-Nov-22	72.80	-0.7225	0.138389367	4	-0.003777611	Min -19.62%
2-Aug-24	262.34	0.865197	0.12068008	5	0.013027667	Max 19.98%
26-Jul-21	140.65	0.474319	0.116269841	6	-0.018883587	CMP 236.3
4-Aug-23	95.40	0.756906	0.102253033	7	0.036018292	
8-Feb-23	54.30	-0.45943	0.100303951	8	0.023653096	Monte Carlo Simulation
25-Jan-22	100.45	0.766931	0.099616858	9	0.061166474	Mean 0.11%
13-May-22	56.85	-0.62037	0.094321463	10	0.004715675	Std. Deviation 3.23%
3-Sep-21	149.75	0.760729	0.088299419	11	-0.019486779	Min -8.75%
30-Mar-22	85.05	-0.44412	0.087595908	12	0.003937155	Max 11.03%
12-Nov-21	153.00	1.631126	0.085876508	13	0.025865894	CMP 236.3
26-Dec-22	58.15	-0.57132	0.08387698	14	0.040290941	
11-Aug-21	135.65	0.164378	0.083466454	15	-0.00238764	Percentile Confidence VAR% Stock Price VAR(INR)
3-Nov-23	116.50	-0.17697	0.083217108	16	0.026251736	5.0% 95.0% -5.32% 248.9 -12.6
29-Jul-21	141.55	1.266613	0.078887195	17	0.000661169	1.0% 99.0% -7.10% 253.1 -16.8
1-Sep-22	62.45	-0.73574	0.077653149	18	-0.048624008	0.5% 99.5% -7.76% 254.6 -18.3
1-Feb-25	236.32	0.769525	0.072475607	19	-0.000461261	10.0% 90.0% -4.19% 246.2 -9.9
30-Aug-21	133.55	1.057781	0.070970329	20	0.066094019	
28-Apr-23	64.90	-0.70831	0.069192751	21	-0.016761132	
29-Jan-25	222.50	0.210555	0.068683958	22	-0.032627003	
5-Jun-24	183.80	0.275946	0.068604651	23	-0.052945005	
18-Oct-21	144.05	-0.45779	0.067037037	24	0.035770048	
7-Aug-24	265.67	3.302348	0.066605107	25	-0.011686768	
12-Aug-22	61.75	-0.23624	0.066493955	26	0.055995315	
17-Mar-22	80.85	0.162473	0.064516129	27	-0.054144115	
7-Oct-22	69.55	-0.15389	0.061022121	28	0.047666307	
13-Jul-23	82.20	-0.33333	0.060645161	29	0.061723665	
6-Nov-23	123.30	0.465241	0.058369099	30	-0.036686283	
23-Feb-22	84.15	-0.42988	0.055834379	31	0.040265531	
8-Dec-21	147.60	2.358362	0.055793991	32	0.02804105	
27-Jul-22	43.95	-0.28186	0.055222089	33	0.009746043	



TATA POWER COMPANY LTD

(TATAPOWER | BSE Code: 500400)

INR 242.95

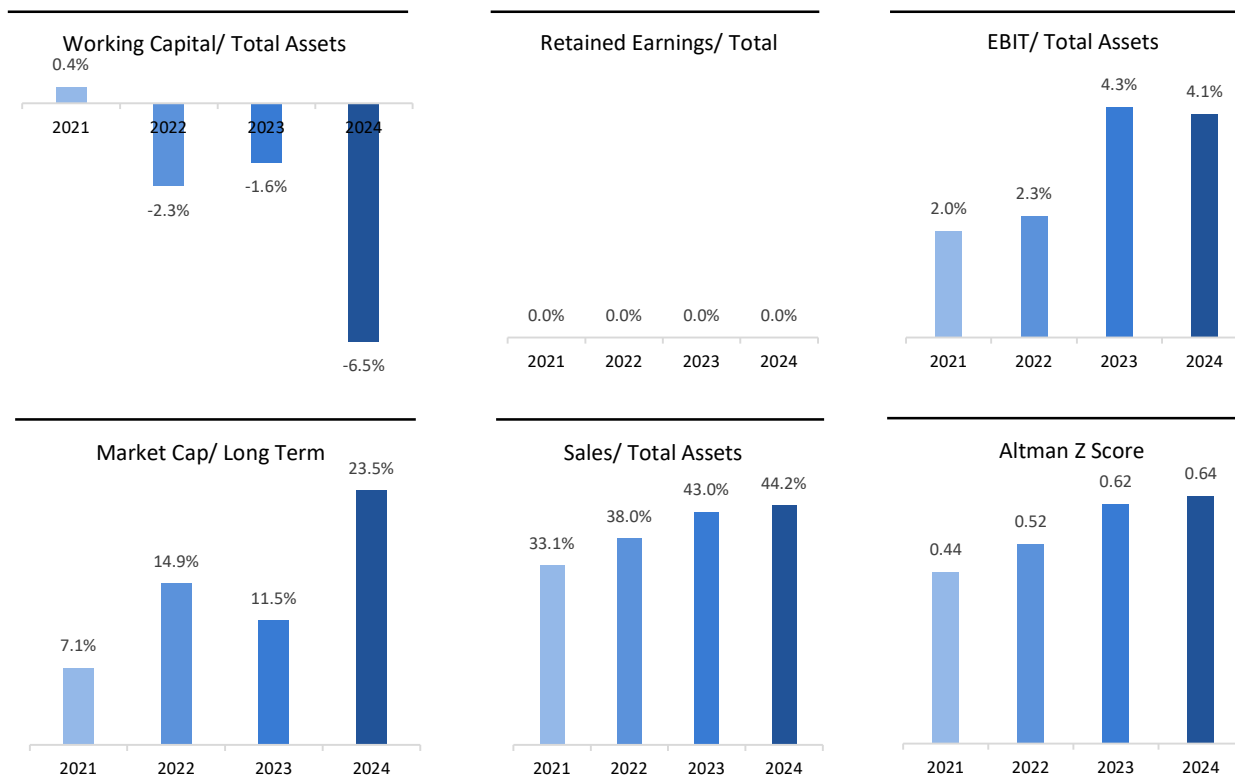
52 Week (High- INR 304.70 & Low- INR 139.00)



Altman's Z Score Analysis

Tata Power Company Ltd is primarily involved in the business of the generation, transmission and distribution of electricity. It aims to produce electricity completely through renewable sources. It also manufactures solar roofs and plans to build 1 lakh ev charging stations by 2025. The company is India's largest vertically-integrated power company.

Financial Summary



Recent Updates

- Tata Power Renewable Energy reported a 38% YoY rise in 3QFY25 EBITDA, driven by strong PLFs (Plant Load Factor), regulatory gains, and renewables growth.
- TPWR commissioned 865MW in 9MFY25, with 2GW cell lines operational and plans to add 2-2.5GW annually in FY26-27.
- Tata Power has a higher ROE than the average (7.7%) in the Electric Utilities Industry.
- TPWR's solar module and cell manufacturing business is ramping up nicely, with the company generating H1 profit and Q3FY25 already reaching 17% EBITDA margin.
- Tata Power has delivered a EPS growth of 51.52% & a revenue growth of 23.70% in the last 3 years.

Altman Z Score Calculation

Working Capital/ Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Working Capital	6,251.3	6,389.1	7,689.5	431.8	-2,548.2	-2,082.3	-9,042.1
Total Assets	81,891.8	84,073.4	89,673.9	98,654.8	112,550.0	128,096.1	139,054.4
Working Capital/ Total Assets	7.6%	7.6%	8.6%	0.4%	-2.3%	-1.6%	-6.5%

Retained Earnings/ Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Retained Earnings	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Total Assets	81,891.8	84,073.4	89,673.9	98,654.8	112,550.0	128,096.1	139,054.4
Retained Earnings/ Total Assets	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

EBIT/ Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
EBIT	2,772.8	3,693.3	1,957.9	1,940.5	2,535.2	5,457.0	5,732.0
Total Assets	81,891.8	84,073.4	89,673.9	98,654.8	112,550.0	128,096.1	139,054.4
EBIT/ Total Assets	3.4%	4.4%	2.2%	2.0%	2.3%	4.3%	4.1%

Market Cap/ Long Term Liabilities							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Market Cap	2,138.1	1,997.3	889.1	3,300.9	7,629.6	6,082.3	12,602.5
Long Term Liabilities	48,589.2	48,506.0	51,936.2	46,708.0	51,195.1	52,923.0	53,689.5
Market Cap/ Long Term Liabilities	4.4%	4.1%	1.7%	7.1%	14.9%	11.5%	23.5%

Sales/ Total Assets							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Sales	26,840.3	29,881.1	29,136.4	32,703.3	42,815.7	55,109.1	61,448.9
Total Assets	81,891.8	84,073.4	89,673.9	98,654.8	112,550.0	128,096.1	139,054.4
Sales/ Total Assets	32.8%	35.5%	32.5%	33.1%	38.0%	43.0%	44.2%

Altman Z Score							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Final Score	0.56	0.62	0.51	0.44	0.52	0.62	0.64
Financial Stability	<i>Distressec Distressec Distressec Distressec Distressed Distressed Distressed</i>						

Disclaimer : This report is made as part of educational assignment and is meant for educational purpose only. The author of the report is not liable for any losses due to action taken on the basis of this report. It is advisable to consult SEBI registered research analyst before making any investments.

TATA POWER COMPANY LTD

(TATAPOWER | BSE Code: 500400)

INR 357.95

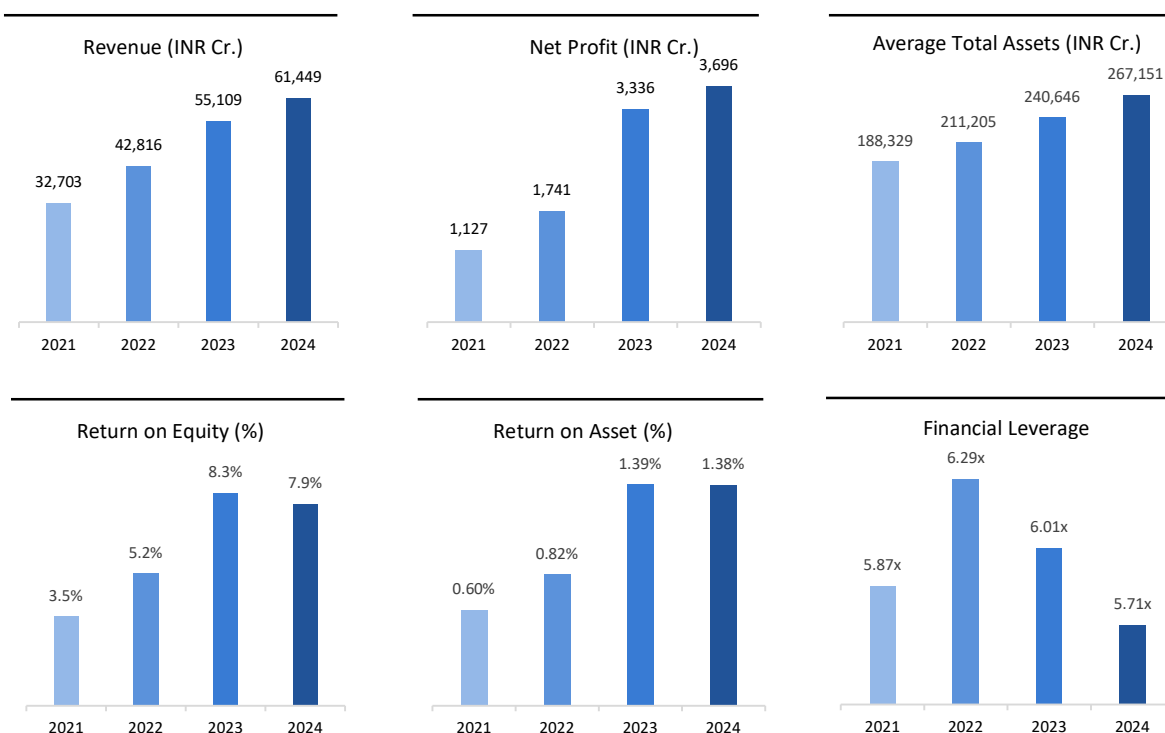
52 Week (High- INR 494.85 & Low- INR 326.35)



About the Company

Tata Power Company Ltd is primarily involved in the business of the generation, transmission and distribution of electricity. It aims to produce electricity completely through renewable sources. It also manufactures solar roofs and plans to build 1 lakh ev charging stations by 2025. The company is India's largest vertically-integrated power company.

Financial Summary



Recent Updates

- Tata Power Renewable Energy reported a 38% YoY rise in 3QFY25 EBITDA, driven by strong PLFs (Plant Load Factor), regulatory gains, and renewables growth.
- TPWR commissioned 865MW in 9MFY25, with 2GW cell lines operational and plans to add 2-2.5GW annually in FY26-27.
- Tata Power has a higher ROE than the average (7.7%) in the Electric Utilities Industry.
- TPWR's solar module and cell manufacturing business is ramping up nicely, with the company generating H1 profit and Q3FY25 already reaching 17% EBITDA margin.
- Tata Power has delivered a EPS growth of 51.52% & a revenue growth of 23.70% in the last 3 years.

Dupont Analysis - Return on Equity & Return on Asset

Return on Equity							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	2,408.3	2,356.2	1,017.4	1,127.4	1,741.5	3,336.4	3,696.3
Average Shareholder Equity	23,007.2	26,505.5	28,718.8	32,105.3	33,602.7	40,008.2	46,749.0
Retrn on Equity	10.5%	8.9%	3.5%	3.5%	5.2%	8.3%	7.9%

ROE- Dupont Equation							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	2,408.3	2,356.2	1,017.4	1,127.4	1,741.5	3,336.4	3,696.3
Revenue	26,840.3	29,881.1	29,136.4	32,703.3	42,815.7	55,109.1	61,448.9
Net Profit Margin(A)	9.0%	7.9%	3.5%	3.4%	4.1%	6.1%	6.0%
Revenue	26,840.3	29,881.1	29,136.4	32,703.3	42,815.7	55,109.1	61,448.9
Average Total Assets	164,721.1	165,965.2	173,747.4	188,328.8	211,204.8	240,646.1	267,150.5
Asset Turnover Ratio(B)	0.16x	0.18x	0.17x	0.17x	0.20x	0.23x	0.23x

Average Total Asset	164,721.1	165,965.2	173,747.4	188,328.8	211,204.8	240,646.1	267,150.5
Average Shareholder Equity	23,007.2	26,505.5	28,718.8	32,105.3	33,602.7	40,008.2	46,749.0
Equity Multiplier	7.16x	6.26x	6.05x	5.87x	6.29x	6.01x	5.71x
Return on Equity	10.5%	8.9%	3.5%	3.5%	5.2%	8.3%	7.9%

Return on Asset							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	2,408.3	2,356.2	1,017.4	1,127.4	1,741.5	3,336.4	3,696.3
Average Total Asset	164,721.1	165,965.2	173,747.4	188,328.8	211,204.8	240,646.1	267,150.5
Retrn on Asset	1.46%	1.42%	0.59%	0.60%	0.82%	1.39%	1.38%

ROA- Dupont Equation							
	Mar-18	Mar-19	Mar-20	Mar-21	Mar-22	Mar-23	Mar-24
Net Profit	2,408.3	2,356.2	1,017.4	1,127.4	1,741.5	3,336.4	3,696.3
Revenue	26,840.3	29,881.1	29,136.4	32,703.3	42,815.7	55,109.1	61,448.9
Net Profit Margin(A)	9.0%	7.9%	3.5%	3.4%	4.1%	6.1%	6.0%
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Average Total Assets	164,721.1	165,965.2	173,747.4	188,328.8	211,204.8	240,646.1	267,150.5
Asset Turnover Ratio(B)	0.16x	0.18x	0.17x	0.17x	0.20x	0.23x	0.23x
Return on Asset (A*B)	1.46%	1.42%	0.59%	0.60%	0.82%	1.39%	1.38%

Dupont Summary

- Net Profit Margin: Fluctuated from 9.0% (Mar-18) to 3.4% (Mar-21), then increased to 6.0% (Mar-24).
- Asset Turnover Ratio: Improved from 0.16x (Mar-18) to 0.23x (Mar-23 & Mar-24).
- Equity Multiplier: Decreased from 7.16x (Mar-18) to 5.71x (Mar-24).
- Return on Equity (ROE): Varied significantly, peaking at 10.5% (Mar-18) and bottoming at 3.5% (Mar-20 & Mar-21).

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