



EQUITY RESEARCH TEMPLATE ()



1. INDUSTRY RESEARCH

Industry Name: _____

Company Name: _____

Industry Stage:

Innovation Growth Maturity Decline

1. Market size of the industry: _____

2. Is market size at least 5x company sales? Yes No

3. Can industry players increase prices every year? Yes No

4. Key success factors in this industry:

o

o

5. Entry barriers (what prevents new players from entering?):

o

6. Do industry leaders remain same over years? Yes No

7. Are most companies doing well or struggling? _____

8. Bargaining power:

o Customers: High Medium Low

o Suppliers: High Medium Low

o Competitors: High Medium Low

9. Major risks in the industry:

o

10. Regulation: Strict Moderate Lenient



2. BUSINESS MODEL

1. Products / Services sold:

- o _____

2. Revenue model (how money is made):

Subscriptions Ads Product Sales Licensing Other: _____

3. Is the product/service unique? Why?

4. Will it remain relevant after 10 years? Yes No

Reason: _____

5. Substitutes available:

- o _____

Are customers switching? Yes No

6. Is company gaining market share? Yes No

7. Major costs involved:

- o _____

8. Cost type: Fixed Variable Both

9. Unique assets vs competitors (brand, tech, license, network):

- o _____



3. KNOWING THE COMPANY

1. Industry rank (competitive position): _____

2. Years in existence: _____

3. Same core business for 10 years? Yes No

4. Is core business expected to grow in next decade? Yes No

5. Pros vs competitors:

- o _____

6. Cons vs competitors:

- o _____

7. Competitive advantages:

- o _____

8. Competitive disadvantages:

- o _____

9. Growth type: Organic Acquisition Both



4. MANAGEMENT

1. Top management names:

- o _____

2. Past performance under same management:

3. Compensation structure:

4. Promises made vs fulfilled:

5. Promoter shares pledged? Yes No

% pledged: _____

6. Promoter holding %: _____

7. % of management net worth in this company: _____

8. Board of Directors:

- o _____
-



5. ANNUAL REPORT (MANAGEMENT VIEW)

1. Chairman / CEO goals:

2. Management tone:

- Honest
- Transparent
- Ethical
- Secretive

3. Future goals realistic? Yes No

Why: _____

4. Key foreseeable risks mentioned:

- o _____

5. Special resolutions passed:

- o _____

6. INCOME STATEMENT ANALYSIS

Revenue

1. Major revenue sources:

- o _____

2. Revenue growth trend:

- Rising
- Flat
- Falling

3. Growing product lines:

- o _____

Cost of Goods

4. Gross margin: _____ %

5. Major raw materials:

- o _____

6. Economies of scale benefit? Yes No

Expenses

7. Largest expense items:

- o _____

8. Costs vs peers: Higher Same Lower

9. Notes to accounts reviewed? Yes No

Profitability

10. Fixed costs too high? Yes No

11. Margins trend: Increasing Stable Decreasing

12. Reason for margin change:

13. ROE > 15%? Yes No



7. BALANCE SHEET

1. Debt to equity ratio: _____

2. Fixed asset turnover: _____

3. Working capital turnover: _____

4. Biggest balance sheet items:

- o _____

5. How are they changing over time?



8. CASH FLOW STATEMENT

1. CFO vs PAT consistency? Yes No

2. Capital usage:

- o Capex: _____
- o Acquisitions: _____
- o Dividends: _____

- Buybacks: -----

3. Free cash flow consistent? Yes No



9. FINANCIAL RATIOS (10 YEARS)

Ratio	Trend
Gross Margin	-----
EBITDA Margin	-----
EBIT Margin	-----
Return on Equity	-----
ROCE	-----
ROA	-----



FINAL VERDICT

Strengths:

Weaknesses:

Risks:

Investment View:

- Strong Buy Buy Hold Avoid

Reason:
