

Decoding India and US Corporate Landscape: Cross-Sector Fundamentals and Outlook to 2030

Author: Akshat Gupta

Period covered: 2020-2030

Regions: India & United States

Scope: 122 Companies; 11 Sectors; 260-page research study

Independent Research

SSRN: Under Review

Portfolio Profile

1. Executive Summary

This research compares the **corporate, sectoral, and capital productivity dynamics** of India and the U.S. across **122 companies and 11 major sectors**.

Using a multi-model analytical framework (ROCE, RAPI, CAS, DCF logic, Valuation Relativity, Sector Heatmaps), this study identifies long-term structural strengths, weaknesses, and mispricing opportunities across both markets up to 2030.

Key finding:

India's corporate ecosystem demonstrates **sharper ROCE expansion, reinvestment efficiency, and long-term profitability momentum**, while the U.S. remains dominant in **stable compounding, innovation-driven sectors, and valuation resilience**.

2. Scope of the Study

➤ 122 Companies

➤ 11 Sectors (India & U.S.)

- BFSI
- IT
- Auto
- Basic Materials
- Defence
- Energy
- FMCG & Retail
- Infrastructure
- Oil & Gas
- Pharmaceuticals
- Telecom

➤ Timeline: FY2020–2030

➤ Models Used

- ROCE–Valuation Scatter
- Sector Heatmaps
- CAS (Capital Allocation Scorecard)
- RAPI (Reinvestment & Profitability Index)
- Relative Valuation Clusters

- Macro → Sector → Company Framework
- Excel-based cashflow forecasting

Core Insights

India's Long-Term Advantage

- Higher **ROCE trajectory** across Defences, Auto, and FMCG
- Better **reinvestment efficiency**, driving sustained growth
- Stronger demand growth in consumption-heavy sectors
- Policy-driven tailwinds (PLI, capex cycle, infra build-out)

U.S. Market Strengths

- Strong **cashflow stability**
- Higher **innovation-led ROCE durability** (Tech, Pharma)
- Mature profit pools with valuation stability
- Better corporate governance & disclosure depth

Cross-Market Comparison

India outperforms in:

- ROCE expansion
- Revenue growth
- Reinvestment efficiency

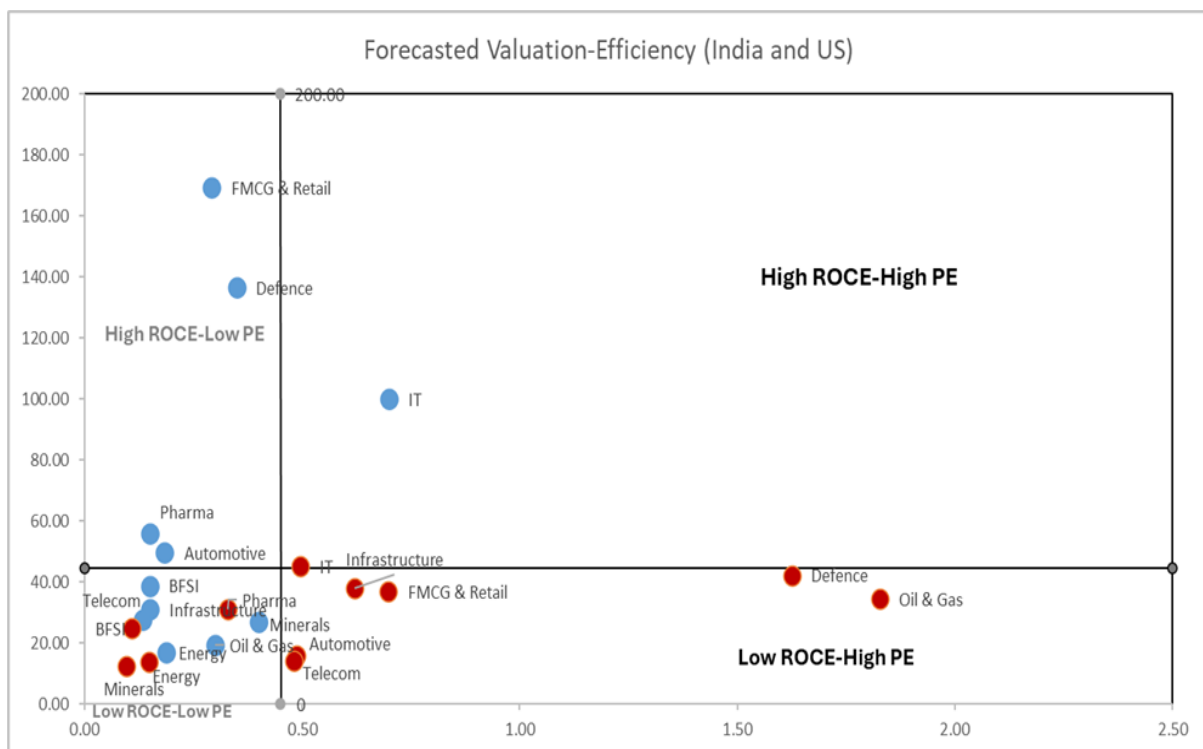
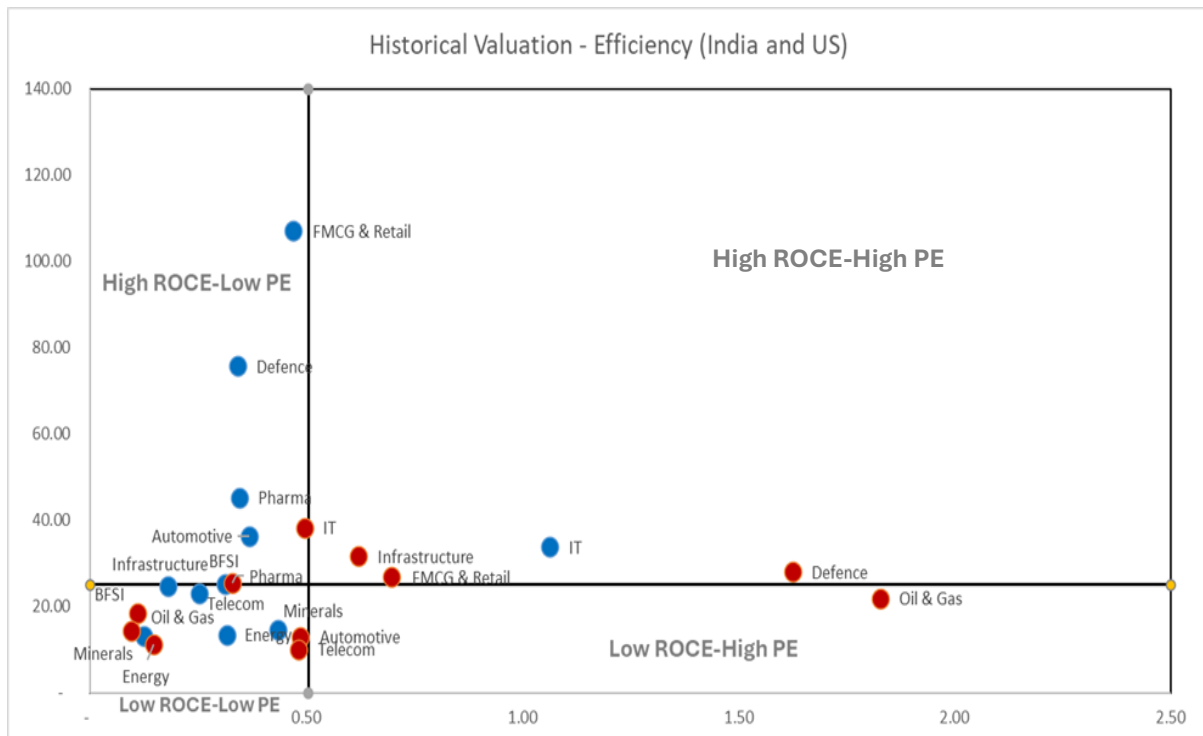
U.S. outperforms in:

- Cashflow stability
- Moats & innovation
- Capital intensity and scale

Visual Insights

ROCE-P/E Scatter chart (India vs US)

Insight: What sectors fall in High-ROCE-Low-PE mispricing territory?



Sector Fundamental Heatmaps (India & US)

Insight: Show comparative profitability, leverage, growth ranking

Sector-India	Profitability	Efficiency	Leverage	Growth	Valuation	India Score
Auto	15.82	54.84	45.10	58.48	33.01	41.45
BFSI	84.16	-	51.78	95.69	5.60	47.45
IT	50.56	5.59	4.37	36.57	22.17	23.85
Minerals	-	100.00	21.26	22.49	-	28.75
Defence	59.10	7.71	-	100.00	76.61	48.68
Energy	41.38	40.55	70.96	47.77	2.12	40.56
FMCG	83.50	36.90	12.57	84.41	100.00	63.48
Infrastructure	70.59	66.53	38.92	49.57	12.89	47.70
Oil & Gas	22.69	62.45	30.84	-	7.75	24.74
Pharma	100.00	10.85	7.49	10.42	38.09	33.37
Telecom	80.87	0.45	100.00	90.45	10.26	56.41
Average	55.33	35.08	34.84	54.17	28.04	41.49

Sector-US	Profitability	Efficiency	Leverage	Growth	Valuation	US Score
Auto	10.96	68.00	18.82	56.36	2.26	31.28
BFSI	2.73	-	30.11	100.00	29.96	32.56
IT	80.84	8.00	19.62	0.83	92.78	40.42
Minerals	21.16	48.89	0.27	35.68	-	21.20
Defence	30.00	48.44	17.20	46.47	68.06	42.04
Energy	19.40	29.78	29.03	0.35	69.07	29.52
FMCG	24.81	100.00	100.00	49.47	100.00	74.86
Infrastructure	-	4.44	9.41	40.38	22.57	15.36
Oil & Gas	100.00	40.00	-	89.30	47.27	55.31
Pharma	15.41	53.33	71.77	42.91	84.00	53.49
Telecom	33.97	40.00	42.47	-	2.49	23.79
Average	30.84	40.08	30.79	41.98	47.13	38.17

CAS Scorecard (Macroeconomic Capital Allocation Spread)

Insight: Which regions have superior reinvestment quality?

Sector-India	GDP	Rates	Capex	ESG	Digital	Consumer	Geopolitical	Commodity	CAS-Macro
Auto	1	2	1	3	1	1	2	3	1.70
BFSI	1	1	4	2	1	1	1	1	1.75
IT	1	1	1	4	4	1	1	1	1.90
Minerals	1	1	1	3	1	1	2	4	1.70
Defence	1	1	1	3	4	1	4	2	2.15
Energy	1	1	1	3	1	1	3	4	1.80
FMCG	1	1	2	3	1	1	1	2	1.60
Infrastructure	1	1	2	3	3	1	2	3	2.10
Oil & Gas	1	1	1	2	1	1	3	4	1.65
Pharma	1	1	3	2	1	1	1	2	1.65
Telecom	1	1	4	2	4	1	3	2	2.50

Sector	GDP	Rates	Capex	ESG	Digital	Consumer	Geopolitical	Commodity	CAS-Macro
Auto	1	1	2	3	2	1	3	3	2.05
BFSI	1	1	1	4	3	1	2	2	1.95
IT	1	1	3	4	4	1	3	2	2.60
Minerals	1	1	1	2	1	1	4	4	1.75
Defence	2	2	1	3	2	1	4	3	2.15
Energy	1	1	4	2	2	1	4	4	2.50
FMCG	1	1	2	4	1	1	2	2	1.85
Infrastructure	1	1	1	3	2	1	2	2	1.65
Oil & Gas	1	1	2	2	2	1	4	4	2.10
Pharma	3	2	1	4	2	1	2	2	2.10
Telecom	2	3	1	3	2	1	3	2	2.05

RAPI (Risk-Adjusted Performance Index)

Sectors	RAPI (India)	RAPI (US)	Rank (India)	Rank (US)
Auto	45.45	56.0	5	8
BFSI	26.50	68.3	9	6
IT	-	81.0	11	3
Minerals	37.71	16.7	7	10
Defence	111.46	94.7	1	2
Energy	68.06	21.6	4	9
FMCG	29.95	65.8	8	7
Infrastructure	44.12	79.3	6	4
Oil & Gas	21.19	70.9	10	5
Pharma	76.58	95.8	3	1
Telecom	78.31	-	2	11

Cross-Market Insights

Who leads what!

Category	India Leads	US Leads
Growth	Auto, Pharma, FMCG	IT, Energy
Profitability	Pharma, BFSI	IT, FMCG
Valuation Comfort	FMCG, Telecom	Defence, IT
Macro Strength	Infrastructure, Defence	IT, Energy
Risk-Adjusted Performance Index	Defence, Telecom, Energy	Auto, BFSI, IT, FMCG, Infrastructure, Oil & Gas, Pharma

Key Conclusions

1. **Defence is the strongest sector in both India & the US.**
Highest fundamentals + Highest RAPI + Strong macro tailwinds
2. **US IT remains globally unmatched.**
India IT faces margin pressure, competitiveness gap, global slowdown.
3. **India is entering a capex-driven cycle – Infra, Auto, Energy gain macro tailwind.**
4. **FMCG is a stable value builder in both markets.**
5. **Minerals, Telecom (US), Oil & Gas (India) are structural weak links.**

What this means for the Investors

- **Long-term structural portfolios** – US IT, US Pharmaceuticals, India Defence, India Telecom
- **Tactical opportunities** – India Energy, US Oil & Gas
- **Cyclical plays** – India Infrastructure, US Energy
- **Avoid Structurally weak sectors** – Minerals (both markets)

Appendix

- ⇒ Fundamental Heatmaps (India & US)
- ⇒ CAS-Macro Heatmaps (India & US)
- ⇒ RAPI Comparison
- ⇒ Structural Cluster Classification