



FUNDAMENTAL ANALYSIS.

INVEST

STRATEGISE

INNOVATE



DATE: 18TH JAN



NLHC G7, G8



TIME: 4 PM



WHAT IS FUNDAMENTAL ANALYSIS?

- Interesting than Python Workshop (copium)



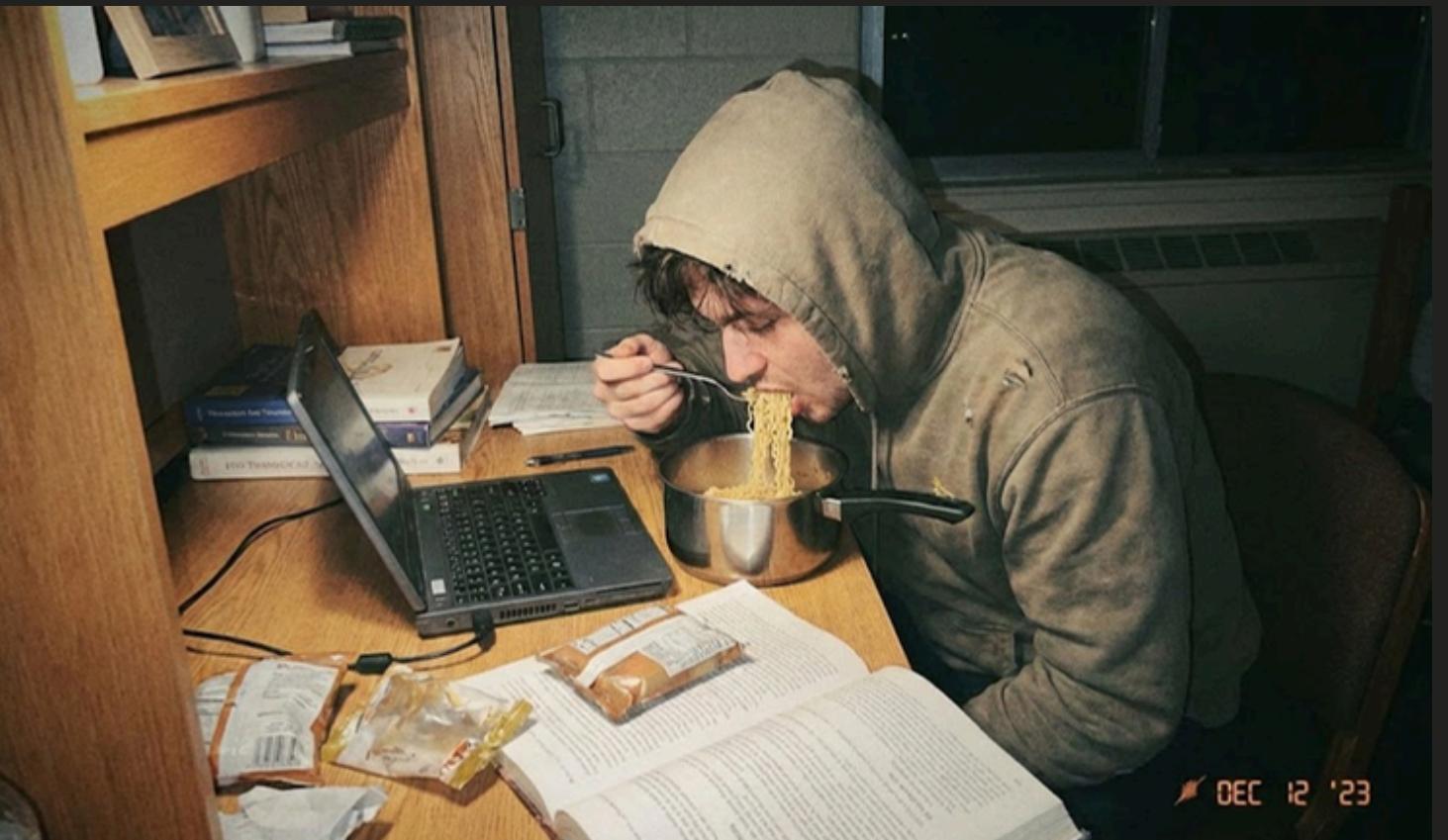
> WHAT IS FUNDAMENTAL ANALYSIS?

Fundamental Analysis is the process of finding a company's **true (intrinsic) value** by understanding its **financial performance, business model, industry position, and economic conditions**.



Fundamental analysis focuses on **why a stock should grow**, not just **when its price will move**.

INDEX, STOCK



YOU AFTER WATCHING ONE REEL ON
INTRADAY TRADING! LOL!

➤ INDEX, STOCK

A stock index is a number that shows the overall performance of a group of selected stocks in the stock market. It tells us whether the market (or a part of it) is going up or down.

A **stock**, also called a **share**, represents **partial ownership in a company**.

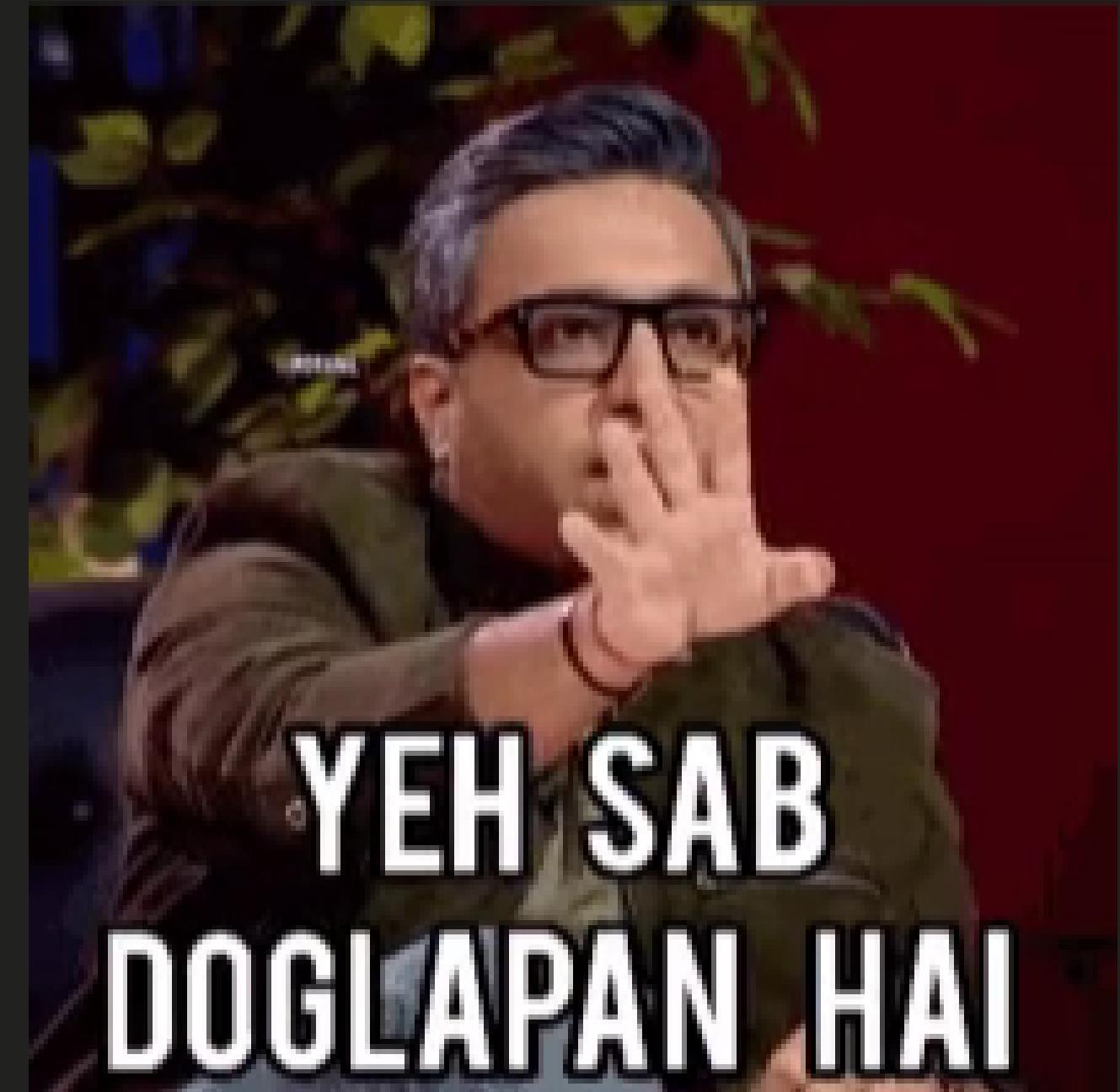
When an individual buys a stock, they become a **shareholder**, meaning they own a small portion of that company.

When a **private company sells its shares to the public for the first time** and gets listed on a stock exchange.

Companies issue stocks to **raise capital** for expanding business operations, investing in new projects, or reducing debt. These stocks are bought and sold on **stock exchanges**, such as the **Bombay Stock Exchange (BSE)** and the **National Stock Exchange (NSE)**.



EQUITY, IPO



SOME COMPANIES INFLATE THEIR
VALUATION BEFORE THEIR IPO!

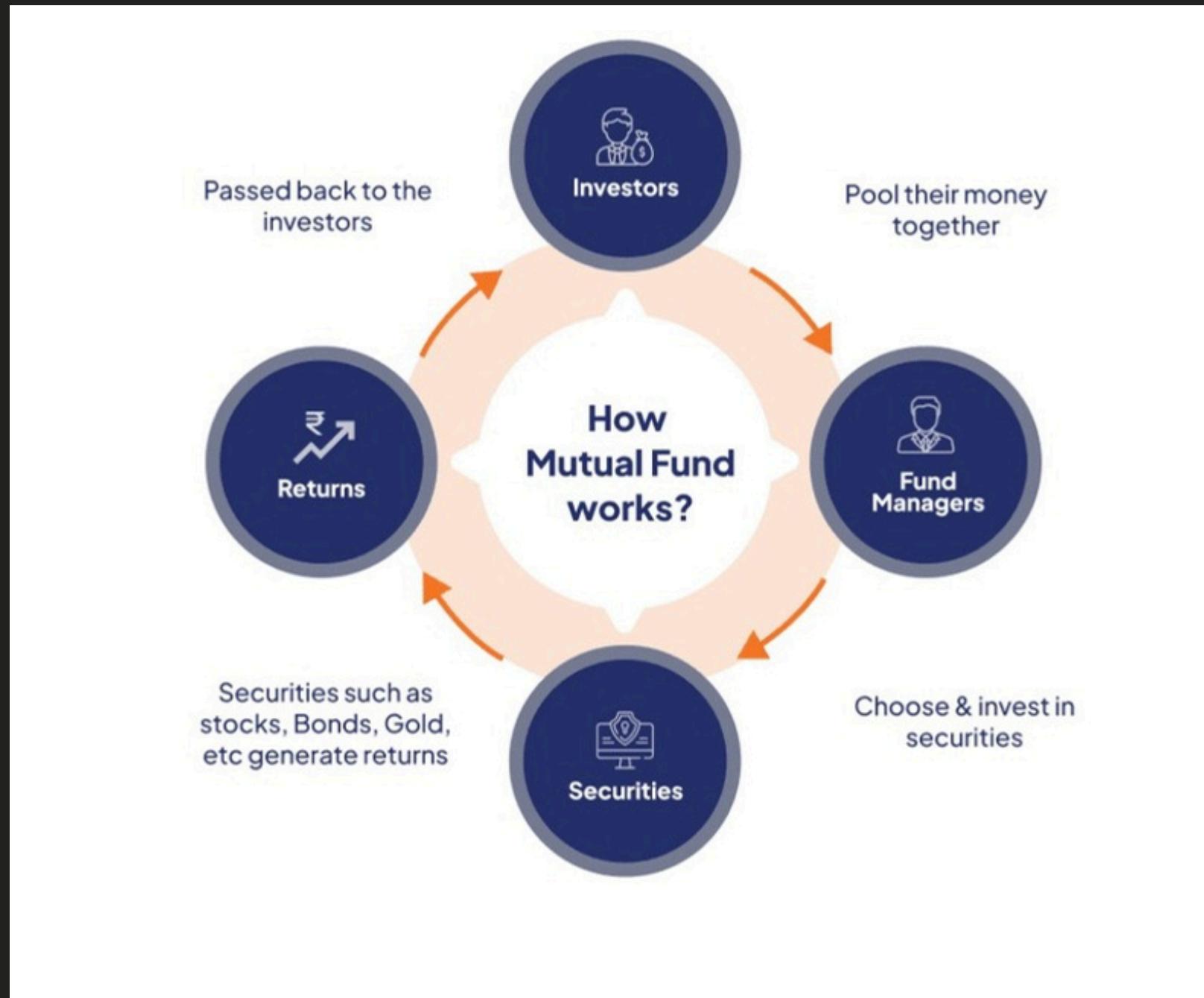
EQUITY, IPO

Equity represents the ownership stake in a company, property, or asset after all associated debts and liabilities are paid off. It is essentially the net worth of a business or asset, calculated using the formula:

$$\text{Equity} = \text{Total Assets} - \text{Total Liabilities}$$

An IPO, or Initial Public Offering, is the process by which a privately held company sells its shares to the public for the first time to raise equity capital, transforming into a publicly traded company. Once listed, these shares can be freely traded on a stock exchange by general investors.

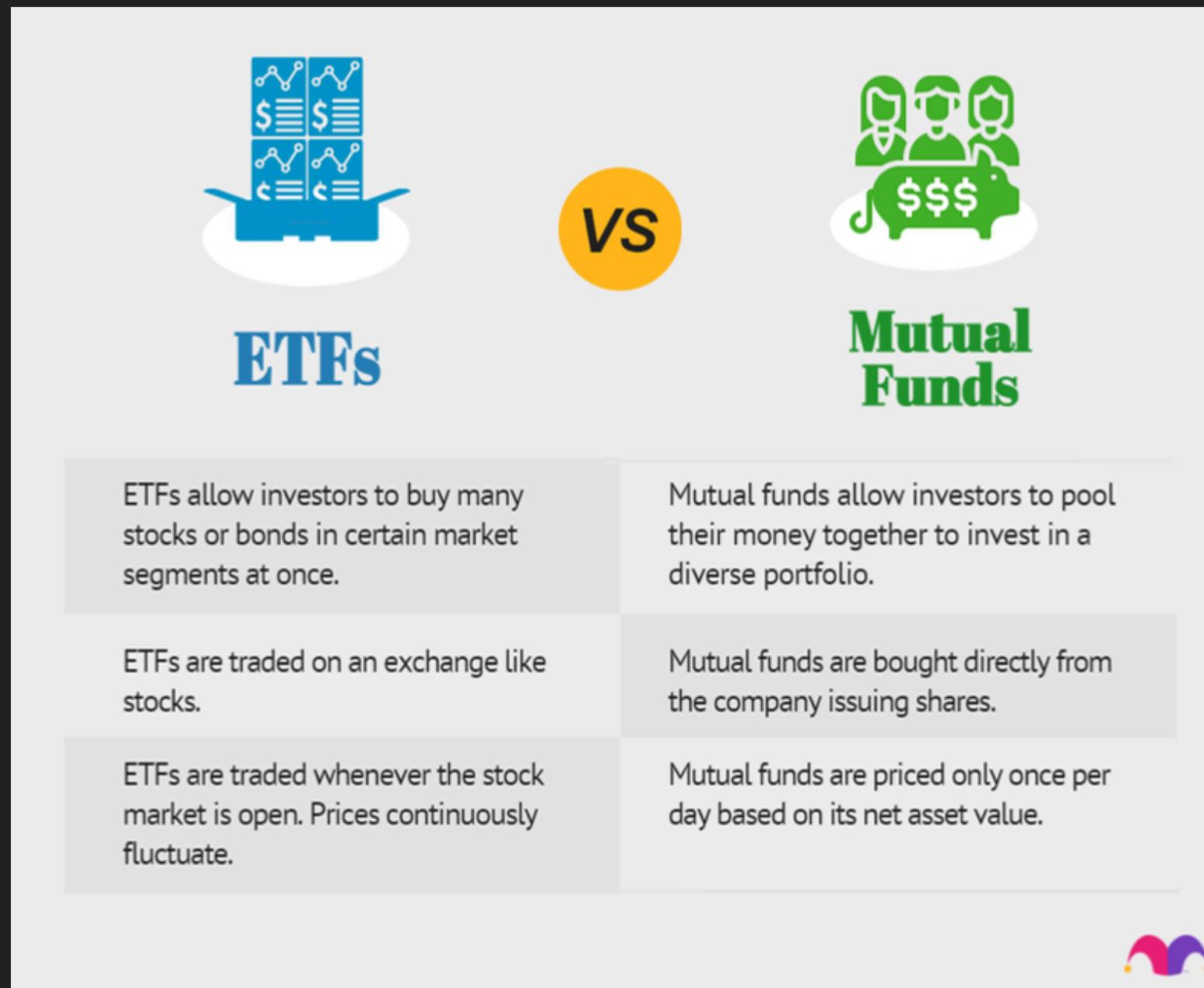
➤ MUTUAL FUNDS?



A mutual fund is an investment where money from many investors is pooled together and managed by a professional fund manager. That money is invested in stocks, bonds, or other assets.

EXCHANGE TRADED FUNDS

MFs vs ETFs



The chart compares Mutual Funds (MFs) and Exchange Traded Funds (ETFs). It features two columns of icons: blue for ETFs and green for MFs. A yellow circle with 'VS' is positioned between them. Below each icon is the fund type name in bold. The right column contains a large green title 'ETFs'.

ETFs	Mutual Funds
ETFs allow investors to buy many stocks or bonds in certain market segments at once.	Mutual funds allow investors to pool their money together to invest in a diverse portfolio.
ETFs are traded on an exchange like stocks.	Mutual funds are bought directly from the company issuing shares.
ETFs are traded whenever the stock market is open. Prices continuously fluctuate.	Mutual funds are priced only once per day based on its net asset value.

An ETF is also a basket of investments, but it is traded on the stock exchange just like a share.

MF AND ETF

MUTUAL FUNDS ARE FOR PEOPLE WHO ADMIT THEY ARE DUMB.



THE MARKET TO YOU WHEN YOU TRY TO PICK INDIVIDUAL STOCKS.

ISILIYE SIP KRLO LALA

www.mutualfundssahihai.com
आज ही अपने नजदीकी म्युचुअल फंड ऑफिस पर जाएं
या म्युचुअल फंड डिस्ट्रिब्यूटर या इन्वेस्टमेंट एडवाइजर से संपर्क करें.



म्युचुअल फंड नियेश बाजार के जोड़ियों के अधीन हैं,
योजना से जुड़े सभी दस्तावेजों को ध्यान से पढ़ें.

freegifmaker.me

ALSO MF'S WHEN STOCK CRASHES, PLAY IN 100X
MARKET RISK, UHM, UMM HAMARI GALTI NAHI HAI

> RBI, REPO RATE, REVERSE REPO RATE

The Reserve Bank of India (RBI) is the central banking authority of India, established in 1935.

It is responsible for regulating the country's monetary and financial system to ensure economic stability and growth.

The RBI has the sole authority to issue and manage India's currency notes and coins, ensuring adequate availability of clean and genuine currency across the country.



Repo Rate (Repurchase Rate)

The repo rate is the interest rate at which the Reserve Bank of India (RBI) lends short-term funds to commercial banks against government securities.

How it works

- Banks borrow money from RBI by selling government securities with an agreement to repurchase them later at a fixed price.
- The interest charged on this borrowing is the repo rate.
- It is usually used for short durations (overnight to a few days) to manage liquidity.



RBI, REPO RATE, REVERSE REPO RATE



RBI GOVERNOR INCREASING REPO RATE

➤ GDP, INFLATION, RECESSION

The **total value of all goods and services produced** in a country in a year.

It measures the **economic growth** of a country.

It is used as a **primary indicator of a country's economic performance and growth**.



The **general increase in prices** of goods and services over time.
It reduces the **purchasing power of money**.

As inflation rises, each unit of money buys fewer goods and services, which means the purchasing power of money decreases.

GDP, INFLATION, RECESSION



2015



2026



THE GOVERNMENT EXPLAINING WHY
INFLATION IS ACTUALLY GOOD FOR YOU.

THE ONLY INFLATION WHICH MATTERS TO US

RECESSION

A recession is a period when a country's economy slows down for several months or longer. During a recession, people earn and spend less, businesses reduce production, and job opportunities decrease. Economists generally define a recession as a situation where a country's Gross Domestic Product (GDP) declines for two consecutive quarters.

KEY SIGNS / INDICATORS OF A RECESSION

- Negative GDP Growth
- Rising Unemployment
- Lower Consumer Spending
- Falling Business Profits
- Stock Market Decline
- Lower Industrial Production

CAUSES OF A RECESSION

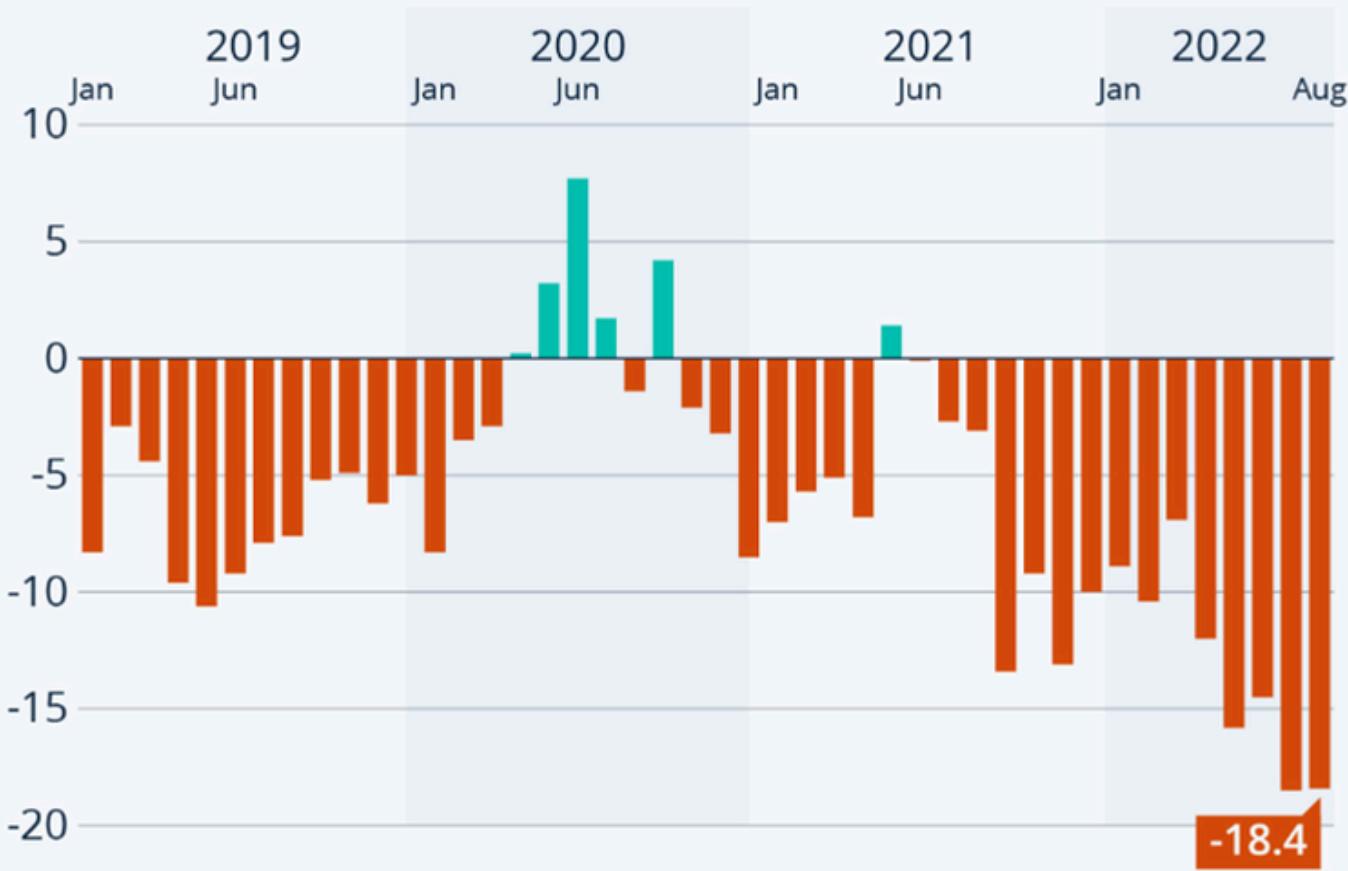
- High inflation
- High interest rates
- Financial crisis
- Demand shock
- Supply shock
- Asset bubbles bursting



TRADE DEFICIT & SURPLUS

Indian Trade Deficit Widens

Monthly overall trade deficit* in India (in billion U.S. dollars)



* exports minus imports

Source: Indian Ministry of Commerce and Industry

TRADE DEFICIT

TRADE SURPLUS

EFFECTS ON PRICE AND INVESTMENT

A trade deficit happens when Imports > Exports. More money flows out of the country.

A trade surplus happens when a country exports more goods than it imports.

This brings more money into the country

Weak currency makes imports costly, exports cheaper, and attracts foreign investors. Strong currency makes imports cheaper, exports costly, and may reduce foreign investment.

Trade deficit increases demand for foreign currency and weakens the local currency.

Trade surplus increases demand for local currency and strengthens it.

STOCK EXCHANGE, SEBI, SECURITY DEPOSITORIES

A place where people buy things they don't understand, with money they don't have, to impress people they don't know, until the graph turns red! LOL!

SEBI

Securities and Exchange Board of India regulates the Indian securities market to ensure fair trading. It protects investors and prevents fraud and market manipulation.

Securities Depositories

Securities depositories store shares in electronic (demat) form instead of paper. In India, National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL) handle safe holding and transfer of securities.

WHAT IS A STOCK EXCHANGE?

ROLE OF STOCK INDICES

Organized markets where **shares of companies are bought and sold**.

They help companies raise money and investors grow wealth.

A stock exchange is a marketplace where shares of companies are bought and sold. It connects companies that need money with investors who want to grow their money.

Indices represent the overall market performance. They track the prices of top companies to show market trends.

If the index goes up, it generally means companies are performing well.

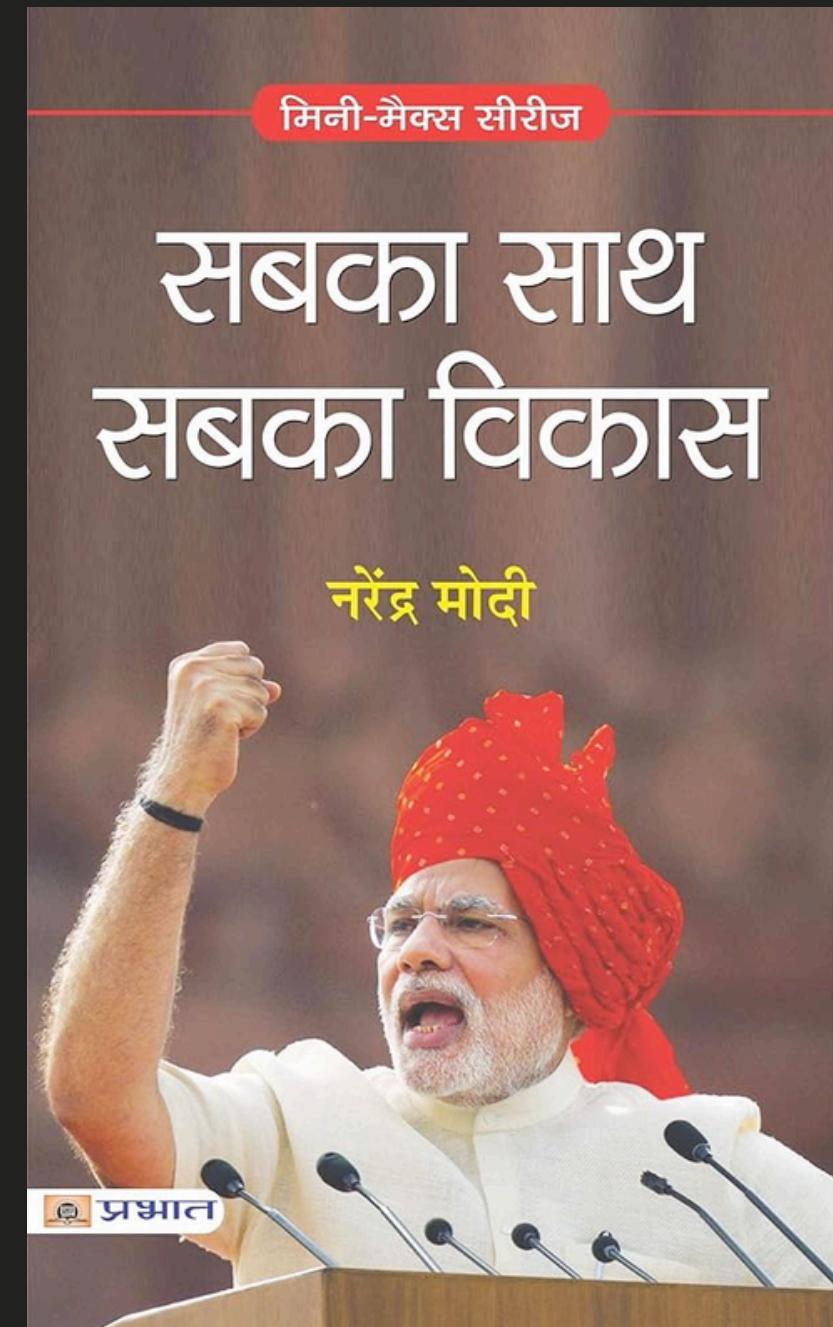
India has two major exchanges:
Bombay Stock Exchange (BSE) – Asia's oldest stock exchange
National Stock Exchange (NSE) – Technology-driven and highly liquid

LET'S TALK ABOUT THE HYPE.

DONALD TRUMP



TARIFFS



LET'S TALK ABOUT THE HYPE.



➤ FINANCIAL RATIOS

PROFITABILITY RATIOS

1. NET PROFIT RATIO

What it shows

- How much profit the company keeps from every ₹1 of sales
- Reflects cost control and pricing power

$$\text{Net Profit Margin} = \frac{\text{Net Profit}}{\text{Revenue}} \times 100$$

2. RETURN ON EQUITY

What it shows

- How efficiently a company uses shareholders' money
- Indicates returns generated for owners/investors

$$\text{ROE} = \frac{\text{Net Profit}}{\text{Shareholders' Equity}} \times 100$$

3. RETURN ON ASSETS

What it shows

- How efficiently a company uses its total assets to generate profit
- Useful to compare capital-intensive vs asset-light businesses

$$\text{ROA} = \frac{\text{Net Profit}}{\text{Total Assets}} \times 100$$

LIQUIDITY RATIOS

Current Ratio=Current Assets/Current Liabilities

The current ratio tells us whether a company has enough short-term money to pay its short-term bills.

- A ratio $\geq 2:1$ is generally considered healthy.
- Very high ratio may indicate inefficient use of assets.

$$\text{Current Ratio} = \frac{\text{Current Assets}}{\text{Current Liabilities}}$$

Quick Ratio (Acid-Test Ratio)

The quick ratio checks whether a company can pay its short-term bills immediately, without selling inventory.

It focuses only on assets that can be quickly converted into cash.

- A ratio $\geq 1:1$ means the firm can pay debts immediately.
- More strict and realistic than the current ratio.

$$\text{Quick Ratio} = \frac{\text{Current Assets} - \text{Inventory}}{\text{Current Liabilities}}$$

LEVERAGE RATIOS

Debt-to-Equity Ratio

The debt-equity ratio compares the company's borrowed funds with the owners' funds. It tells us how much debt the company uses for every ₹1 of its own money.

Debt-Equity Ratio = Total Debt / Shareholders' Equity

$$\text{Debt to Equity Ratio (D/E)} = \frac{\text{Total Debt}}{\text{Total Shareholders Equity}}$$

Interest Coverage Ratio

Interest Coverage Ratio shows how easily a company can pay interest on its debt using its operating profit.

Interest Coverage Ratio = EBIT ÷ Interest Expense

$$\text{Interest Coverage Ratio (ICR)} = \frac{\text{EBIT}}{\text{Interest Expense}}$$



> ANNUAL REPORT

A yearly document released by a company showing:

- **Financial performance**
- **Management discussion**
- **Future outlook**
- **Balance Sheet**
- **Profit and Loss statement**
- **Cash Flow statement**

Used by investors to judge company health.

Ratios (Financial Ratios)

Numbers calculated from financial statements to analyse company performance as:

- **Profitability**
- **Liquidity**
- **Debt**
- **Efficiency**

Consolidated Balance Sheet

as at March 31, 2025

CIN : L93030DL2010PLC198141

Particulars	Note	(INR crores)		
		As at March 31, 2025	As at March 31, 2024	
Assets				
Non-current assets				
Property, plant and equipment	3	965	287	
Capital work-in-progress	3	51	18	
Right-of-use assets	31	1,918	690	
Goodwill	4	5,737	4,717	
Other intangible assets	4	912	754	
Financial assets				
Investments	5	10,920	10,365	
Other financial assets	10	2,744	747	
Tax assets (net)	11	129	221	
Other non-current assets	12	546	99	
Total non-current assets		23,922	17,898	
Current assets				
Inventories	13	176	88	
Financial assets				
Investments	6	2,272	1,280	
Trade receivables	7	1,946	794	
Cash and cash equivalents	8	666	309	
Bank balances other than cash and cash equivalents	9	2,948	422	
Other financial assets	10	2,769	2,324	
Other current assets	12	924	241	
Total current assets		11,701	5,458	
Total assets		35,623	23,356	
Equity and liabilities				
Equity				
Equity share capital	14(a)	907	868	
Other equity	14(b)	29,410	19,545	
Equity attributable to owners of the Parent		30,317	20,413	
Non-controlling interests		(7)	(7)	
Total equity		30,310	20,406	

BALANCE SHEET

Consolidated Balance Sheet (Contd.)

as at March 31, 2025

CIN : L93030DL2010PLC198141

Particulars	Note	(INR crores)		
		As at March 31, 2025	As at March 31, 2024	
Liabilities				
Non-current liabilities				
Financial liabilities				
Lease liabilities	31	1,654	588	
Other financial liabilities	16	1	3	
Provisions	18	120	88	
Deferred tax liabilities (net)	34	212	188	
Total non-current liabilities		1,987	867	
Current liabilities				
Financial liabilities				
Lease liabilities	31	391	161	
Trade payables	15			
a. total outstanding dues of micro enterprises and small enterprises		75	15	
b. total outstanding dues of creditors other than micro enterprises and small enterprises		1,461	871	
Other financial liabilities	16	913	644	
Other current liabilities	17	452	363	
Provisions	18	34	29	
Total current liabilities		3,326	2,083	
Total liabilities		5,313	2,950	
Total equity and liabilities		35,623	23,356	

Consolidated Statement of Profit and Loss

for the year ended March 31, 2025
CIN : L93030DL2010PLC198141

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
(INR crores)			
Income			
Revenue from operations	19	20,243	12,114
Other income	20	1,077	847
Total income (I)		21,320	12,961
Expenses			
Purchases of stock-in-trade	21	5,653	2,887
Changes in inventories of stock-in-trade	22	(88)	(5)
Employee benefits expense	23	2,558	1,659
Finance costs	24	154	72
Depreciation and amortisation expenses	25	863	526
Other expenses	26	11,483	7,531
Total expenses (II)		20,623	12,670
Profit / (loss) before share of profit / (loss) of an associate, exceptional items and tax (III= I-II)		697	291
Share of profit / (loss) of an associate (IV)		-	-
Profit / (loss) before exceptional items and tax (V=III+IV)		697	291
Exceptional items (VI)		-	-
Profit / (loss) before tax (VII= V-VI)		697	291
Tax expense :			
Current tax		231	1
Deferred tax		(61)	(61)
Total tax expense (VIII)		170	(60)
Profit / (loss) for the year (IX= VII-VIII)		527	351
Other comprehensive income / (loss)			
(a) Items that will not be reclassified to profit or loss:			
(i) Remeasurements of the defined benefit plans		(10)	3
(ii) Equity instruments through other comprehensive income		77	60
(iii) Income tax relating to above	34	(30)	-
Subtotal (X)		37	63
(b) Items that will be reclassified to profit or loss:			
(i) Exchange differences on translation of foreign operations		2	0
(ii) Debt instruments through other comprehensive income		112	(8)
(iii) Income tax relating to above	34	(23)	-
Subtotal (XI)		91	(8)

P&L STATEMENT

Consolidated Statement of Profit and Loss (Contd.)

for the year ended March 31, 2025
CIN : L93030DL2010PLC198141

Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
(INR crores)			
Other comprehensive income / (loss) for the year (XII = X+XI)		128	55
Total comprehensive income / (loss) for the year (XIII = IX+ XII)		655	406
Profit / (loss) for the year attributable to:			
Owners of the Parent		527	351
Non-controlling interest		-	-
		527	351
Other comprehensive income / (loss) for the year attributable to:			
Owners of the Parent		128	55
Non-controlling interest		0	0
		128	55
Total comprehensive income / (loss) for the year attributable to:			
Owners of the Parent		655	406
Non-controlling interest		0	0
		655	406
Earnings / (loss) per equity share (INR) (face value of INR 1 each)			
(a) Basic		27	0.60
(b) Diluted		27	0.58
			0.41
The accompanying notes are an integral part of the consolidated financial statements.			

Consolidated Statement of Cash Flows (Contd.)

for the year ended March 31, 2025
CIN : L93030DL2010PLC198141

(INR crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
B) Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work-in-progress, capital advances and capital creditors)	(936)	(215)
Proceeds from sale of property, plant and equipment	5	13
Investments in bank deposits (having original maturity of more than 3 months)	(7,697)	(1,944)
Proceeds from maturity of bank deposits (having original maturity of more than 3 months)	2,942	5,938
Proceeds from redemption of mutual fund units	46,738	29,509
Investment in mutual fund units	(47,326)	(27,010)
Acquisition of businesses, net of cash acquired (refer note 28)	(2,005)	-
Purchase of non-current investments	(0)	-
Sale of non current investments	-	1
Investment in government securities	(648)	(2,420)
Proceeds from maturity of government securities	65	935
Proceeds from redemption of debentures or bonds	50	-
Investment in debentures or bonds	-	(5,772)
Loan received back	-	0
Interest received	819	618
Net cash generated from / (used in) investing activities (B)	(7,993)	(347)
C) Cash flows from financing activities		
Proceeds from issue of equity shares	8,501	23
Borrowing repaid during the year	-	(40)
Transaction cost paid on issue of shares	(54)	(1)
Share based payment on cash settlement of option (fractional shares)	(0)	(0)
Amount collected by ESOP trust on exercise of employee stock options (net of tax)	4	9
Payment of principal portion of lease liabilities	(258)	(129)
Payment of interest portion of lease liabilities	(147)	(67)
Interest paid	(4)	(2)
Net cash generated from / (used in) financing activities (C)	8,042	(207)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	357	92
Net foreign exchange difference	(0)	(1)
Cash and cash equivalents at beginning of the year	309	218
Cash and cash equivalents as at end of the year	666	309

CASH FLOW STATEMENT

Consolidated Statement of Cash Flows (Contd.)

for the year ended March 31, 2025
CIN : L93030DL2010PLC198141

(INR crores)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash and cash equivalents comprise of :		
Balances with banks:		
- In current accounts	569	268
- Deposits with original maturity of less than three months	90	39
Cash on hand	7	2
	666	309

The accompanying notes are an integral part of the consolidated financial statements.

As per our report of even date attached

For **Deloitte Haskins & Sells**
Firm registration number: 015125N
Chartered Accountants

For and on behalf of the Board of Directors of
Eternal Limited (formerly known as Zomato Limited)

Sd/-
Vikas Khurana
Partner
Membership No. 503760

Sd/-
Deepinder Goyal
(Managing Director and
Chief Executive Officer)
(DIN-02613583)
Place: Gurugram
Date: May 1, 2025

Sd/-
Kaushik Dutta
(Chairman and
Independent Director)
(DIN-03328890)
Place: Gurugram
Date: May 1, 2025

Place: Gurugram
Date: May 1, 2025

Sd/-
Akshant Goyal
(Chief Financial Officer)
(PAN No. AIVPG9914G)
Place: Gurugram
Date: May 1, 2025

Sd/-
Sandhya Sethia
(Company Secretary)
(A-29579)
Place: Gurugram
Date: May 1, 2025





> A CASE STUDY.



Problem Statement

Equity investing requires the ability to identify fundamentally strong companies within a sector and justify investment decisions using structured analysis rather than speculation. This project is designed to help participants develop a foundational understanding of sector-based stock selection and fundamental analysis.

Participants will be required to analyze a stock from a given sector and explain why it stands out from its peers based on financial performance, business quality, and long-term sustainability.



FMCG

Godrej
Britannia
Nestle
Hindustan Unilever

DEFENCE

Hindustan Aeronautics
Bharat Forge
Cochin Shipyard
Paras Defence and Space Technologies

ENERGY

TATA POWER
NTPC
Reliance Power
ONGC



HEALTHCARE

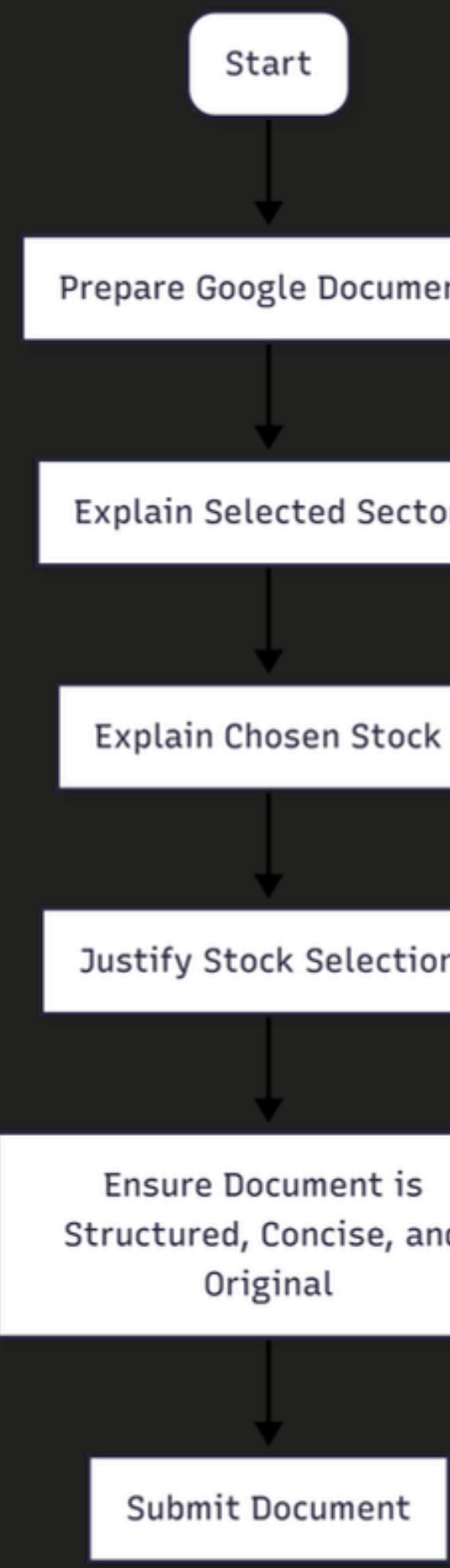
Apollo Hospitals
Divis Laboratories
Dr Lal Pathlabs
Aster DM Healthcare

INFRASTRUCTURE

Larsen & Toubro
Rail Vikas Nigam Ltd
KEC International
IRB Infrastructure Developers

BANKING & FINANCE

Equitas Small Finance Bank
Motilal Oswal Financial Services
Bajaj Finserv
Jio Financial Services

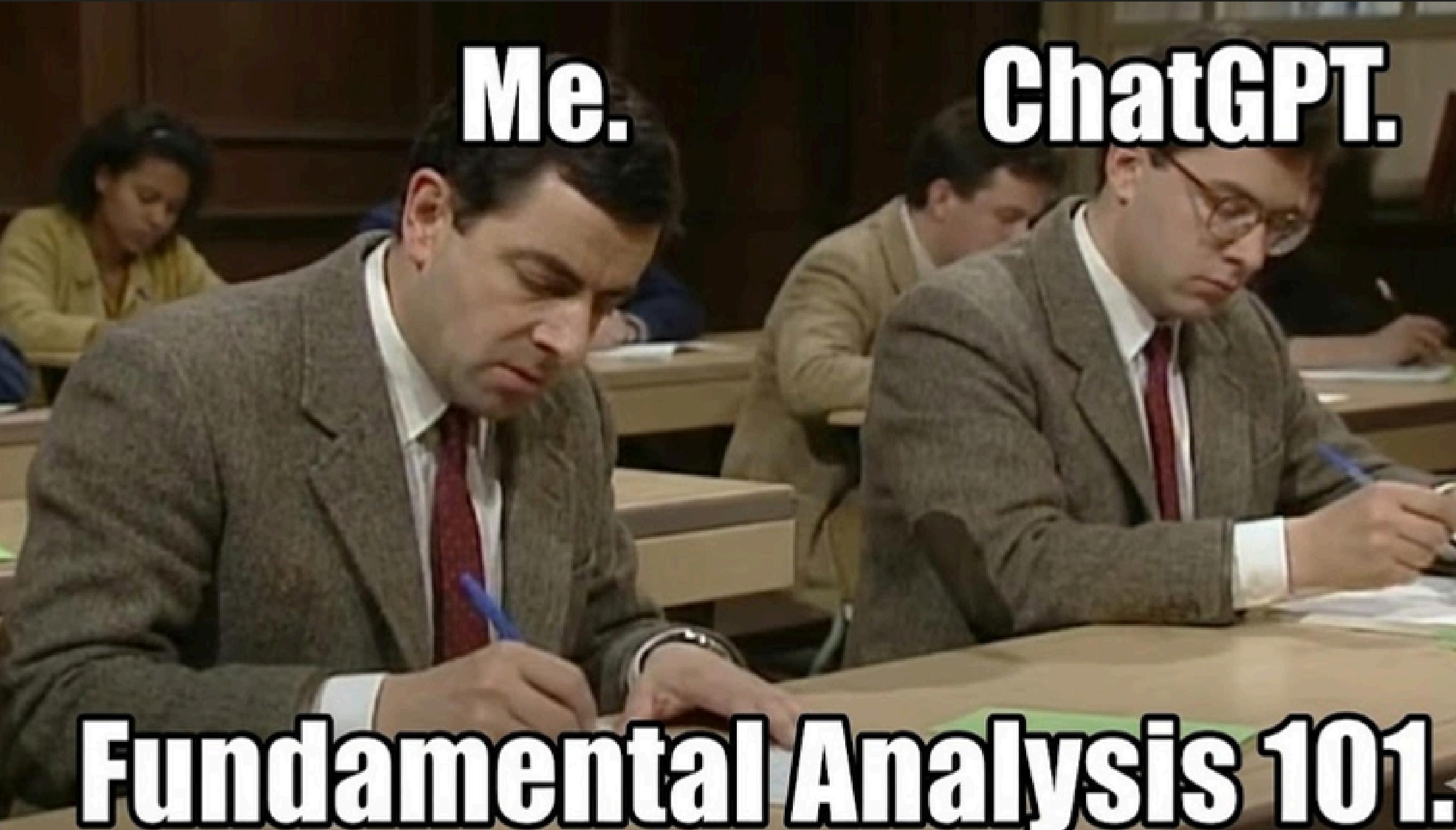


Deliverables :

**A Google Document containing
your analysis**

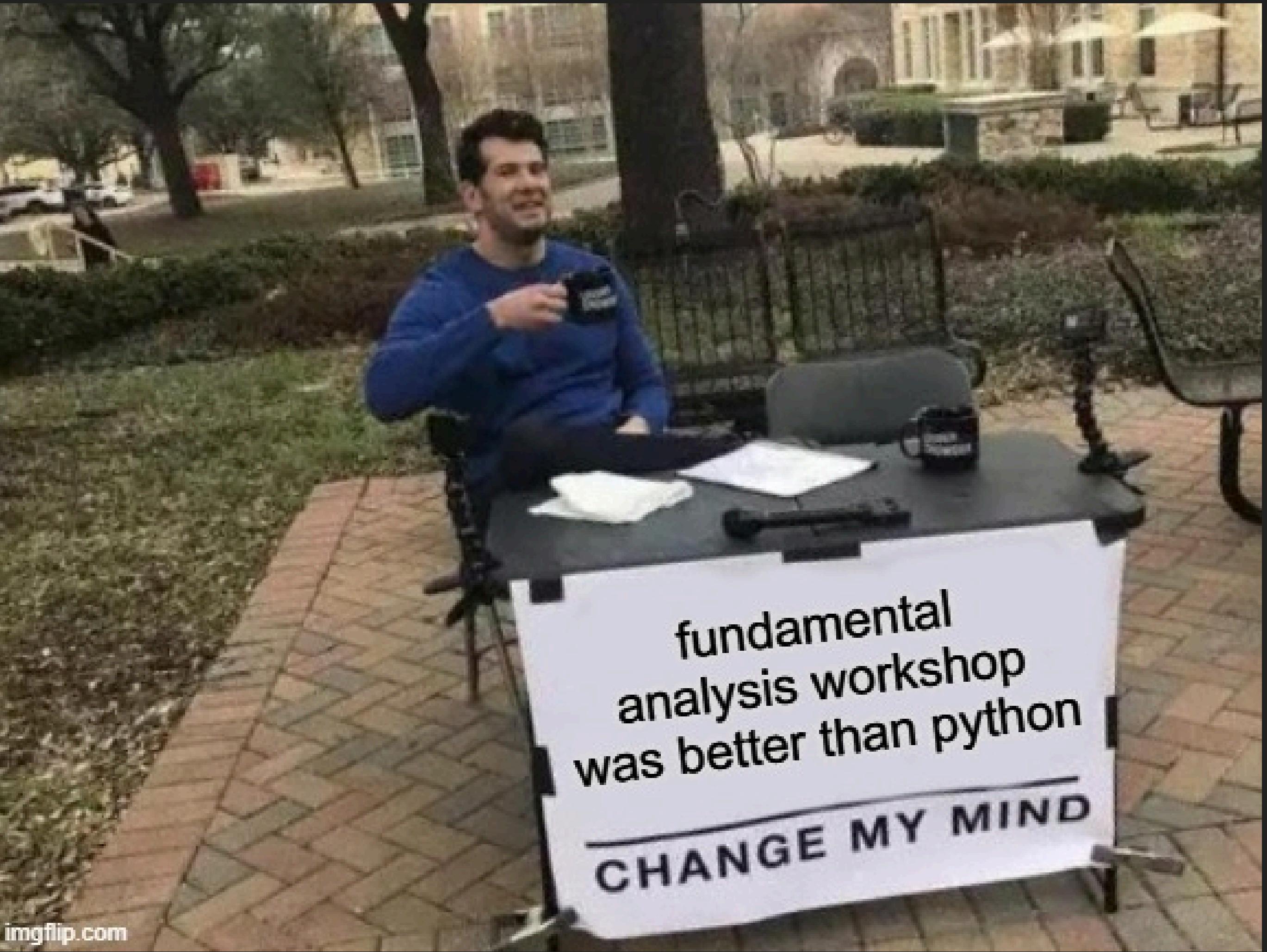
With a clear explanation of:

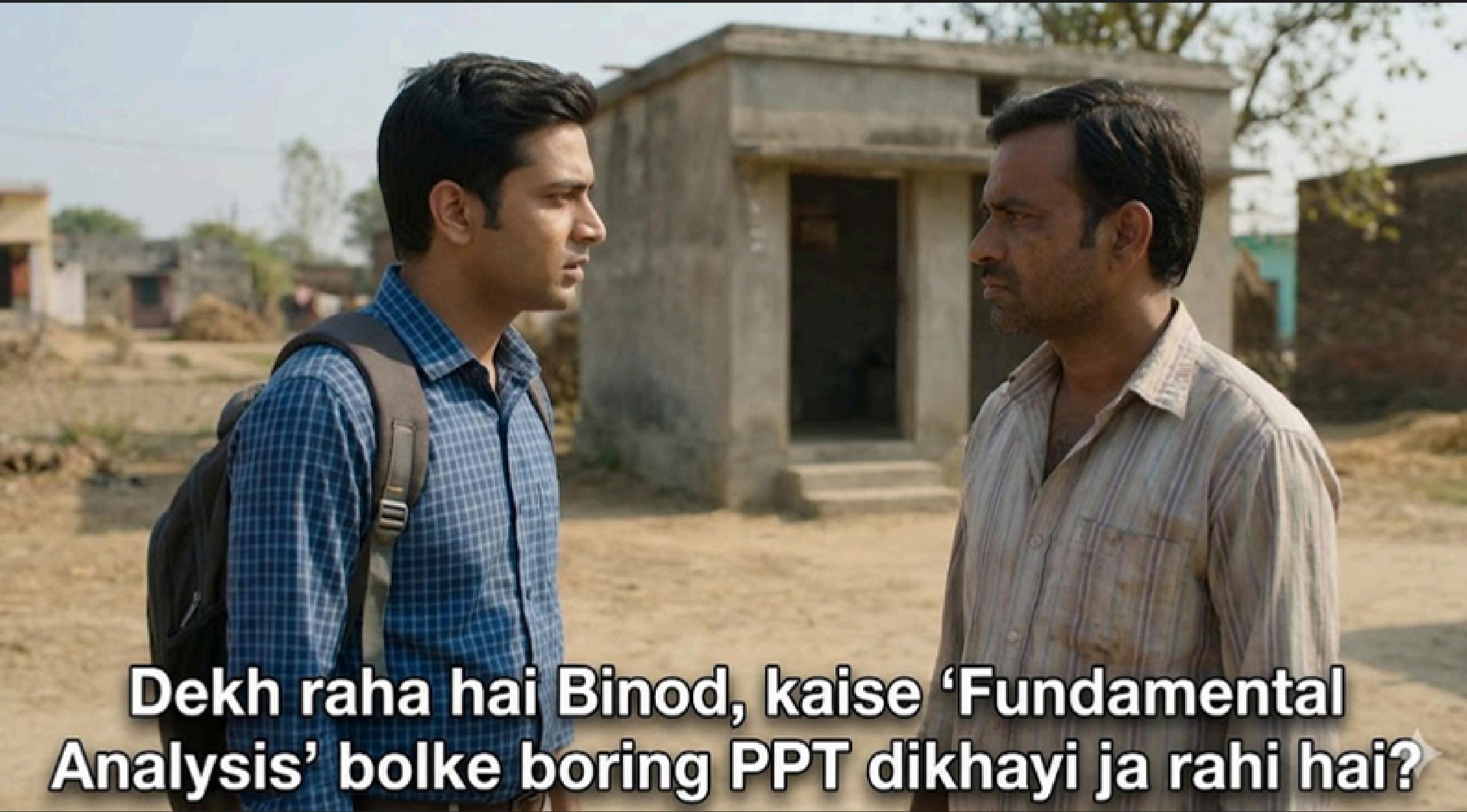
- **The selected sector**
- **The chosen stock**
- **The reasoning behind the stock selection**
- **The document should be structured, concise, and original.**



Me. **ChatGPT.**

Fundamental Analysis 101.





Dekh raha hai Binod, kaise ‘Fundamental Analysis’ bolke boring PPT dikhayi ja rahi hai? *





THANK YOU.

ANY QUERIES?

JOIN US

 Fintech, IIT-ISM

 Fintech, IIT-ISM

 fintech_iitism

