

Stock Market Analysis

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Overview-

Diving into the overwhelming profits of stock market

Targets-

- ◆ growing stocks
- ◆ financial stability

Objectives-

- ◆ sector selection
- ◆ competitor analysis
- ◆ fundamental ratios





SECTOR SELECTION-

According to the Asian Development Bank, the Indian economy is expected to grow by approximately 8% in the next 5-6 years, endorsed by increasing public investment in infrastructure and a pickup in private sector investment.

Each sector represents a facet of India's dynamic transformation into a global economic force, highlighting the potential for investment and the impact on both national and global stages.

Top 5 fastest growing sectors in India-

01. IT sector

- the nation's IT market has been expanding quickly, and by 2025, sales are anticipated to exceed \$300 billion.
- Several international corporations outsource their IT projects to Indian businesses, which are significant software development and maintenance service providers.

02. Energy

- By 2030, India wants to have 450 GW of renewable energy capacity, comprising 5 GW of small hydropower, 10 GW of biofuels, 280 GW of solar power, and 140 GW of wind power. With India's renewable energy industry expanding quickly in recent years, the nation has made tremendous progress toward meeting this objective.

SECTOR SELECTION-

03. Banking-

- Banking contributes around 33% to the Nifty 50. The lending industry is currently witnessing one of its best times in terms of asset quality and there does not seem to be any material risk in the near future.
- The timely and proactive regulatory measures of the RBI (Reserve Bank of India) in the last 3-4 years are also a key positive in aiding controlled and sustainable growth.

04. Healthcare-

- Ayushman Bharat, a program that intends to offer health insurance to more than 100 million people, is one of several efforts the Indian government has made to improve the healthcare industry. Also, the government has raised the healthcare budget, creating investment opportunities and better healthcare services.

05. Infrastructure-

- A potential return of the current government could result in significant growth in the infrastructure industry in the coming years. The government has increased the infrastructure capital expenditure for FY 2024-25 to Rs 11.1 trillion.

IT sector-

Tata Consultancy Services



Market Cap- ₹ 15,56,646 Cr.

Stock P/E- 32.7

ROCE- 64.3 %

ROE- 51.5 %

Investment



In order to maximize potential returns while managing risk, I am investing 4 lakhs to this sector as this sector is poised for substantial growth, driven by innovations in AI and cloud computing.

PROS

- Company is almost debt free.
- Company has a good return on equity (ROE) track record: 3 Years ROE 47.4%
- Company has been maintaining a healthy dividend payout of 66.2%

Stock Price CAGR

10 Years: 13%

5 Years: 15%

3 Years: 10%

1 Year: 28%



Competitive analysis-

HCL technologies

Market Cap-
₹ 4,29,044 Cr.

Stock P/E- 26.3

ROCE- 29.8 %

ROE- 23.5 %

Dividend Yield-
3.33 %

Infosis

Market Cap-
₹ 7,52,431 Cr.

Stock P/E- 27.9

ROCE- 40.0 %

ROE- 31.8 %

Dividend Yield-
2.09 %

Persistent Systems

Market Cap-
₹ 73,334 Cr.

Stock P/E- 60.3

ROCE- 29.2 %

ROE- 24.0 %

Dividend Yield-0.58
%

Wipro

Market Cap₹ -
2,91,442 Cr.

Stock P/E- 26.1

ROCE- 16.9 %

ROE- 14.3 %

Dividend Yield-0.18
%

KPIT technologies

Market Cap-
₹ 50,246 Cr.

Stock P/E- 84.8

ROCE- 38.4 %

ROE- 31.2 %

Dividend Yield-
0.23 %

Energy sector-

ONGC



Market Cap-₹ 4,02,129 Cr.

Stock P/E- 8.02

ROCE- 18.4 %

ROE- 16.3 %

Dividend Yield- 3.50 %

PROS

- Stock is providing a good dividend yield of 3.49%.
- Company has been maintaining a healthy dividend payout of 33.4%

Investment



As India's renewable energy industry is expanding, I am investing 2 lakhs in this company.

Stock Price

CAGR

10 Years: 2%

5 Years: 17%

3 Years: 40%

1 Year: 87%



Competitive analysis-

NTPC

Market Cap- ₹
3,62,170 Cr.

Stock P/E- 17.4

ROCE- 10.4 %

ROE- 16.3 %

Dividend Yield- 1.99
%

Reliance Industries

Market Cap-
₹ 20,30,657 Cr.

Stock P/E- 29.7

ROCE- 9.99 %

ROE- 9.23 %

Dividend Yield- 0.28
%

Power Grid Corp

Market Cap- ₹
3,14,918 Cr.

Stock P/E- 20.2

ROCE- 13.0 %

ROE- 18.3 %
Dividend Yield- 3.27
%

Adani Green Energy

Market Cap- ₹
2,71,701 Cr.

Stock P/E- 215

ROCE- 9.81 %

ROE- 17.1 %

Dividend Yield- 0.00
%

TATA Power

Market Cap-
₹ 1,35,498 Cr.

Stock P/E- 39.4

ROCE- 11.1 %

ROE- 11.3 %

Dividend Yield- 0.48
%

Banking sector-

Ujjvan Small Finance Bank Ltd

Market Cap- ₹ 8,611 Cr

Stock P/E- 6.66.

ROCE- 11.1 %

ROE- 26.7 %

Investment



the ratios of this company are better compared to other companies in this sector but as the ROCE and CAGR are quite low , I am investing 1 lakh in this company.

PROS

- Stock is providing a good dividend yield of 3.39%.
- Company is expected to give good quarter
- Company has delivered good profit growth of 45.0% CAGR over last 5 years

Stock Price CAGR

10 Years: %

5 Years: %

3 Years: 14%

1 Year: 2%



Competitive analysis-

Utkarsh Small finance bank

Market Cap- ₹ 5,449 Cr.

Stock P/E- 11.0

ROCE- 9.64 %

ROE- 20.0 %

Dividend Yield- 1.00 %

RBL Bank Limited

Market Cap- ₹ 14,715 Cr.

Stock P/E- 11.8

ROCE- 6.23 %

ROE- 8.23 %

Dividend Yield- 0.62 %

Equitas Small Finance Bank Ltd

Market Cap- ₹ 10,221 Cr.

Stock P/E- 12.8

ROCE- 10.4 %

ROE- 15.5 %

Dividend Yield- 1.11 %

J & K Bank

Market Cap- ₹ 12,155 Cr.

Stock P/E- 6.86

ROCE- 6.23 %

ROE- 17.9 %

Dividend Yield- 1.95 %

CSB Bank Ltd

Market Cap- ₹ 6,232 Cr.

Stock P/E- 11.0

ROCE- 7.77 %

ROE- 17.7 %

Dividend Yield- 0.00 %

Healthcare sector-

Torrent Pharmaceuticals Ltd



Market Cap- ₹ 1,02,131 Cr.

Stock P/E- 64.6

ROCE- 23.2 %

ROE- 24.2 %

Dividend Yield- 0.92 %



Investment

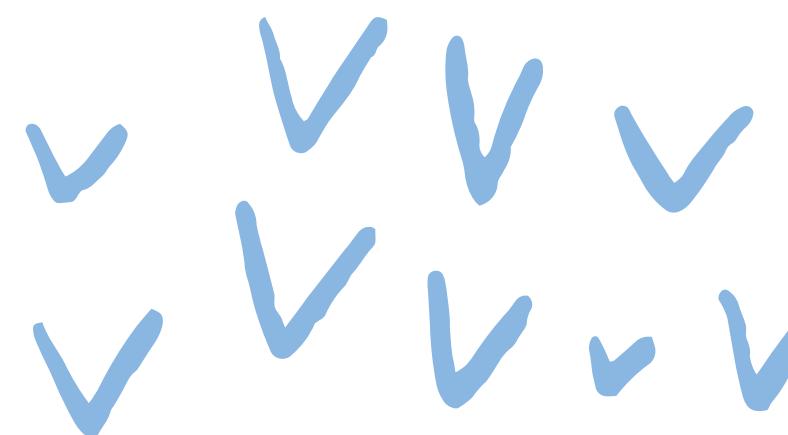
I am investing 1 lakh in this sector as it is still in growing stage. The healthcare sector is essential and resilient, showing stable growth even in volatile markets.

PROS

- Company has reduced debt.
- Company has been maintaining a healthy dividend payout of 73.8%
- Company's working capital requirements have reduced from 72.1 days to 53.1 days

Stock Price CAGR

10 Years: 24%
5 Years: 30%
3 Years: 26%
1 Year: 56%



Competitive Analysis

Zydus Lifesciences

Market Cap-
₹ 1,16,144 Cr.

Stock P/E- 30.1

ROCE- 22.3 %

ROE- 20.7 %

Dividend Yield-
0.26 %

Apollo Hospitals

Market Cap-
₹ 92,090 Cr.

Stock P/E- 103

ROCE- 15.6 %

ROE- 13.7 %

Dividend Yield
0.25 %

Sun Pharma

Market Cap-
₹ 3,80,907 Cr.

ROCE- 17.3 %

ROE- 16.7 %

Dividend Yield- 0.85
%

Cipla

Market Cap-
₹ 1,20,349 Cr.

Stock P/E- 28.3

ROCE- 23.1 %

ROE- 17.0 %

Dividend Yield-
0.87 %

Infrastructure sector-

Ashoka Buildcon Ltd



Market Cap- ₹ 6,650 Cr.

Stock P/E- 15.1

ROCE- 11.8 %

ROE- 10.1 %

Dividend Yield 0.22 %



Investment

As Indian govt. is spending heavily in this sector, I am investing 2 lakh in this sector.

PROS

- Company has a good return on equity (ROE) track record: 3 Years
- Company's median sales growth is 21.0% of last 10 years
- Company's working capital requirements have reduced from 44.9 days to 11.6 days

Stock Price CAGR

10 Years: 10%
5 Years: 15%
3 Years: 31%
1 Year: 155%



Competitive Analysis

KNR Constructions

Market Cap- ₹ 10,217 Cr.

Stock P/E- 13.6

ROCE- 25.4 %

ROE- 23.8 %

Dividend Yield- 0.07 %

HG Infra Engineering

Market Cap- ₹ 11,332 Cr.

Stock P/E- 21.6

ROCE- 24.1 %

ROE- 24.0 %

Dividend Yield- 0.09 %

REC Limited

Market Cap- ₹ 1,62,944 Cr.

Stock P/E- 11.5

ROCE- 10.0 %

ROE- 22.2 %

Dividend Yield- 2.59 %

ITD Cementation

Market Cap- ₹ 8,584 Cr.

Stock P/E- 31.4

ROCE- 27.5 %

ROE- 20.0 %

Dividend Yield- 0.34 %

PNC Infratech

Market Cap- ₹ 13,051 Cr.

Stock P/E- 14.4

ROCE- 16.1 %

ROE- 19.2 %

Dividend Yield- 0.10 %



Conclusion-

The investment of Rs. 10 lakhs has been strategically allocated across five sectors as follows:

This allocation ensures a balanced exposure across high-growth sectors while maintaining a diversified portfolio.

sector	Allocation (IN Rs)	% of total investment
IT sector	4	40 %
Energy	2	20 %
Banking	1	10 %
Healthcare	1	10 %
Infrastructure	2	20 %

**Thank you
very much!**