



SUMMER INTERNSHIP PROJECT 2020

PHASE II REPORT MBA (FT) 2019-21



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Acknowledgment

“Sometimes you do not feel the weight of something you have been carrying until you feel the weight of its release”. Summer Internship Program is a bridge between the educational and professional world. It is the path leading to success by shouldering responsibility under the careful guidance of the company and the faculty guide, getting insights from experienced people. Owing to the current scenario students were instructed to continue internship from home. As a part of curriculum we were required to prepare summer project which was our first exposure to corporate world. This internship was a huge success for me at personal level as it gave me practical insights which a textbook cannot provide

There is always a sense of gratitude that one likes to express toward the people who helped change efforts into success First of all, I am extremely grateful toward **corporate relationship cell** of IMNU for providing such a wonderful platform to gain real world knowledge. I am very much humbled by my mentor **Prof Himanshu chouhan** for constantly motivating and supporting to bring best. I am very grateful to **Mr Abhishek Jain** for supporting me throughout this report from corporate end, **Mr Yaman Saluja** marketing head for giving constant support and **Miss Swati Singh** HR head for making familiar environment,

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1. EXECUTIVE SUMMARY

Summer internship program is a crucial opportunity of getting a corporate exposure how work is done in corporate world. Working with ProEx advisor has given me an opportunity to get such exposure. But owing to the current pandemic situation I was directed to work from home, it gave a whole new unique way of learning and understanding much from your own. Working with such corporates gives us chance to implement fundamentals and concepts learned in class room to the real world. There have been various concepts applied and I got to understand their relevancy in the real world. This internship acted as a bridge between classroom concepts and the real world working. In ProEx advisor I worked on two project primary was on financial statement analysis of public sector banks and in my secondary project more important one I was assigned to prepare equity analysis report on two top corporate firms.

In equity report I chose ITC limited and Bajaj finserv as my companies for analysis a proper predefine format was followed starting from basic introduction about the company following its detail history in all the aspects, then financial scrutiny, fundamental analysis and technical analysis ending with decision to whether to hold , sell or purchase the stock. This internship has made me learn things which were limited by the bookish learning.

2. INTRODUCTION

In the ProEx advisor llp I was directed to draft an equity report on two company. I selected ITC ltd and Bajaj finserv. Equity reports are analysis which aims at evaluating the risks and benefits of investing in the company in short terms or long term

- **NATURE OF PROBLEM**

The problem was more a self-analysis in this two companies having good market reputation was to be analysed and to come up with whether it is worthy of investing in it or not. So all the aspect of company was to be analysed internal factors, external factors, and financials

- **OBJECTIVE OF STUDY**

To perform analysis on selected company with the aim to analyse risks and benefit associated with the investment in the respective company.

- **UTILITY OF REPORT**

This report has been prepared to enhance the company about clarity in market. This reports are being referred while selecting companies for value investing.

3. METHODOLOGY

There were various methods used to execute the project, data was collected from various financial sites and various tools were also applied to ascertain the true valuation of company. In the analysis there were two method used technical and fundamental. Technical is for short term valuation and fundamental is for long term valuation

- **QUALITATIVE AND QUANTITATIVE APPROACHES**

In these approaches quantitative models for analysis were applied which consist of COMP analysis, Ratios analysis and finance data analysis. In this models relevant data analytics tools were applied for example percentage increase, sums etc. in the qualitative approach patterns were identified in the data to get crucial managerial information to solve the problem. Other qualitative analysis models were applied 5 force model, SWOT analysis,

- **DATA COLLECTION (PRIMARY AND SECONDARY)**

Data majorly was collected from secondary sources as historical data was taken like company financials, market reports. Data collection was done from various monetary sites available, company official sites. Analysis was done on the secondary.

- **SIZE OF SAMPLE AND METHOD OF SAMPLING**

As equity research was done of two company there data of 5 years were taken so the sample size was 5 years. As these were readily available data so no any specific sampling method was used.

- **METHODS OF DATA ANALYSIS**

Data was analysed by plotting into percentage increase over the years, in column graphs. Majorly a proper format was followed in order to solve the problem. As project was not a data problem but a market problem.

4. CONTEXT OF INDUSTRY PROBLEM

Industries taken were fast moving consumer goods (FMCG) and financial services, research problem was to identify the risks and benefits of making a particular investment. All the industries have their own problems but the context was to analyse the risks and benefits associated with the industries. As FMCG industries were having problems of large number of competitors and high competitions as for the financial service industry the major problem was entrant of public sector banks in the this industry with the big investments.

One of major problem was uncertain environment as due to ongoing pandemic it has become really hard to predict the market accurately as things are unnatural it is not systematic economic slowdown but this is recession due to a pandemic, so tools and fundamentals have not been that much impactful.so to predict the market there is no readily available historical data.

5. PROJECT WORK (EQUITY ANALYSIS REPORT)

BAJAJ FINSERV

1. BASIC INFORMATION

BAJAJ FINSV Limited, a part of Bajaj Holdings & Investments Limited, is an Indian financial services company focused on lending, asset management wealth management and insurance and engaged in consumer finance businesses, life insurance, and general insurance. BAJAJ FINSV is ticked as BAJAJFINSV in NSE and BSE BAJAJ FINSV has market capitalisation of INR 69,756.24 crores. Out of these exchanges the primary platform for trade is national stock exchange as the volume traded in national stock exchange is almost 3 fold of Bombay stock exchange. Currently share of BAJAJFINSV is trading at 4400 INR per share this time is good for entering the market as shares have fallen almost 50% amid covid impact. There are about 62,080,373 share available for public in the secondary market it is 39.01% of total shares rest are hold by promotes and stakeholders. The major holding is of Bajaj holdings and investment limited which is parent company of BAJAJ FINSV

(Refer annexure 1 and 2)

2. INVESTMENT SUMMARY

BAJAJ FINSV is a financial service provider whose subsidiaries are Bajaj Allianz General Insurance Company Ltd., Bajaj Allianz Life Insurance, Bajaj Finance Ltd. In recent investment Bajaj finance core subsidiary of BAJAJ FINSV has bought stake in Mobikwik 10.83% at INR 225 crores in order to strengthen its digital arm in the same year BAJAJ FINSV has record market capital of INR 1.5 trillion, every year BAJAJ FINSV has made promising investment in order to win the confidence of its stake holders. BAJAJ FINSV is known to be bluest of blue chip stock, market is always ready to pay extra to purchase this stock. If we see the price graph of BAJAJ FINSV since last 5 years it is been always a growing stock, regardless of situation amid various financial crisis and economic slowdown in previous 5 years stocks of other financial service provider has fallen but Bajaj was last man standing. These graphical data shows a strong vote of confidence by investor in BAJAJ FINSV throughout the span of 5 years. BAJAJ FINSV is valued fairly as calculated by P/E valuation method, p/b ratio of under '3' is considered to be an ideal by values investors, so from two valuation methods BAFIN is fairly valued. But stock price of BAJAJ FINSV has fallen significantly amid covid impact. All these

factors shows investment in this firms is worthy as far as time to enter is concern it is right time to enter the market as share price has fallen almost half and as market opens we can get capital appreciation.

(Refer annexure 3)

Market Cap (Rs Cr.)	70,132.60	Market Lot	1	Price/Book	2.58
P/E	20.81	Industry P/E	20.59	Dividend Yield (%)	0.06
Book Value (Rs)	1705.13	EPS (TTM)	211.71	Face Value (RS)	5.00
Dividend (%)	50.00	P/C	18.33	Deliverables (%)	17.80

Fig.1 VALUATION SUMMARY

SOURCE- <https://www.moneycontrol.com/india/stockpricequote/finance-investments/Bajajfinsv/BF04>

3. BUSINESS DESCRIPTION

Financial service industry is tagged to be life blood for the economy in many countries. Financial service market has increased from INR 10.96 trillion to INR 28.18 trillion in the span of 6 year. India is expected to become 4th largest private wealth management market by 2028 BAJAJ FINSV is an Indian non-banking financial company which offers services like asset management, wealth management and insurance. There are various products and services offered by BAJAJ FINSV, like Bajaj Finance Limited, is the lending and wealth advisory arm of BAJAJ FINSV Limited. It is the most diversified non-bank in the country with multiple product lines across consumer, commercial and SME finance, making it one of the most profitable The two insurance companies, Bajaj Allianz General Insurance Company and Bajaj Allianz Life Insurance Company, are joint ventures with Allianz SE, Germany. BAJAJ FINSV is the majority partner in the JV and the two companies individually manage. Finance and insurance arm are the major sources of revenue out of these Bajaj finance is the major contributor.

(Refer annexure 4)

4. MANAGEMENT AND GOVERNANCE

4.1 ADMINISTRATION

MANAGEMENT	
Name	Designation
Rahul Bajaj	Chairman Emeritus
Sanjiv Bajaj	Managing Director & CEO
Madhur Bajaj	Director
Rajiv Bajaj	Director
D J Balaji Rao	Director

Fig.5 MANAGEMENT

SOURCE- <https://www.moneycontrol.com/>

Sanjeev Bajaj and Rajiv Bajaj are the key people of BAJAJ FINSV as they are offspring of Bajaj founder shri late Jamnalal Bajaj. Sanjeev Bajaj is CEO and MD at BAJAJ FINSV while Mr Rajiv Bajaj is director at Bajaj finserv, Mr S. Srinivasan is the chief financial officer of BAJAJ FINSV and overlooks insurance business also There are approx. 338,169,045 shares held by promoters and corporate body which is around 56.20% of total no. of shares

4.2 GOVERNANCE

As the promoters are key managing people in the BAJAJ FINSV. The owner directly looks in the company, all matters are directly reported to the company heads. The delegation of authority is very flexible employee of company have authority to directly report to the head. Past performance are the result of strict governance by heads and continuous efforts by heads. There is sound understanding between management and promoter in order to better achievement of organisational goals and objectives.

4.3 BOD ANALYSIS

Board of BAJAJ FINSV is strongest of all as the owners holders are all part of one family, there is very less conflict of interest in the board. The board selection guidelines are purely based on the individual participation and commitment toward betterment of BAJAJ FINSV and shareholders have right to select the independent director. The on boarding criteria is crystal clear. There is no any board conflicts reported since last 5 years, MD and CEO Mr Sanjeev Bajaj himself is taking remuneration less than that of company's general remuneration standards. This show the interest and robustness of board of directors in welfare of company.

5. INDUSTRY OVERVIEW AND COMPETITIVE POSITIONING

- ✚ The country's financial services sector consists of capital markets, insurance sector and non-banking financial companies (NBFCs).
- ✚ India's gross national savings (GDS) as a percentage of Gross Domestic Product (GDP) stood at 30.50 per cent in 2019. In FY19, total amount of Initial Public Offerings (IPO) raised stood at Rs 19,900 crore (US\$ 2.85 billion).
- ✚ The number of Ultra High Net Worth Individual (UHNWI) is estimated to increase to 10,354 in 2024 from 5,986 in 2019..
- ✚ The asset management industry in India is among the fastest growing in the world. In March 2019, corporate investors Assets Under Management (AUM) stood at Rs 9.55 lakh crore (US\$ 136.59 billion), while HNWIs and retail investors reached Rs 7.52 lakh crore (US\$ 107.55 billion) and Rs 6.30 lakh crore (US\$ 90.12 billion), respectively

All these facts shows that how fast the financial service industry is growing since last 5-7 years. There are various firms entered the market and some were thrown out due to competition. The major factor regarding cut throat competition was government favourable policies and public sectors banks entering the market with tremendous amount of capital.

(Refer annexure 5)

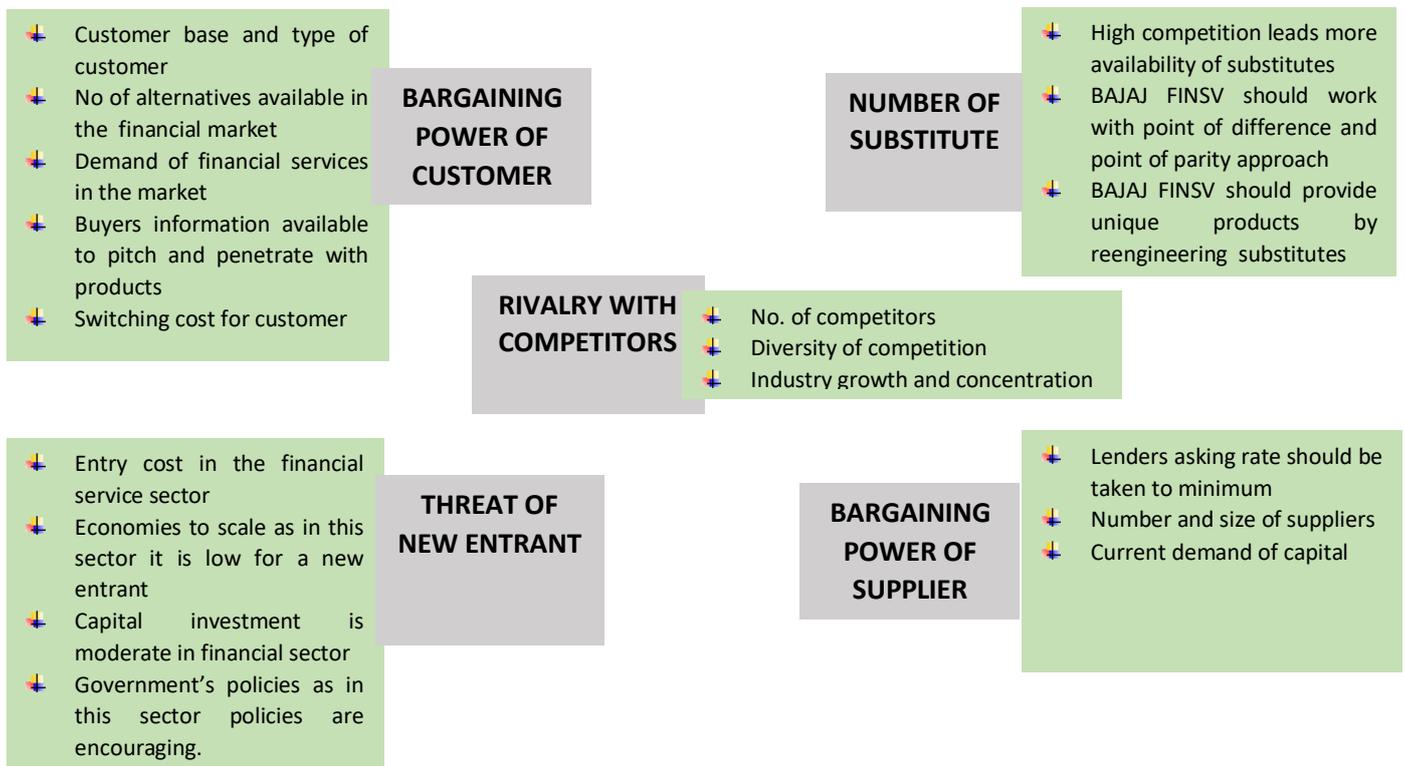
5.1 MAJOR COMPETITORS OF BAJAJ FINSV

- ✚ **Bajaj Fin.**
- ✚ **BAJAJ FINSV**
- ✚ **HDFC AMC**
- ✚ **SBI Cards**
- ✚ **Muthoot Finance**
- ✚ **Bajaj Holdings**
- ✚ **Nippon Life Ind.**

5.2 PORTER FIVE FORCES MODEL

Porter's Five Forces is a framework for analysing a company's competitive environment. The number and power of a company's competitive rivals, potential new market entrants, suppliers, customers, and substitute products influence a company's profitability. BAJAJ FINSV has effectively exercised five forces model they had deeply analysed each and every factor in order to gain productivity and long term profitability.

FIVE FORCES MODEL FOR BAJAJ FINSV



6. VALUATION

Valuation Ratios	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15
P/E (x)	34.79	31.06	28.84	14.61	13.32
P/B (x)	4.71	4.02	4.03	1.99	1.99
EV/EBITDA (x)	14.94	14.58	13.66	9.91	8.56
P/S (x)	2.63	2.51	2.65	2.87	2.91

VALUATIONS RATIOS

Valuations are most important factor of any company it shows how much worthy is to invest in the particular firm. Here comparable analysis method of valuation has been used in which various important factors would be compare with the key competitors of Bajaj finser in order to make a ascertain the valuation.

6.1 COMPONENT

There are basically 4 ratios used in this evaluation namely

- ✚ Price to equity
- ✚ Price to book
- ✚ Price to sales
- ✚ Enterprise value to Sales

Name	CMP Rs.	Mar Cap	EV	Sales	P/E	P / B	P / Sales	Ev/Sales
Bajaj Finserv	4404.90	70098.38	194785.18	54346.69	20.81	2.24	1.29	3.58
Bajaj Finance	1953.65	117548.98	221075.56	23817.40	24.08	3.69	4.94	9.28
HDFC AMC	2524.40	53722.50	53695.40	2003.25	42.56	13.33	26.82	26.80
SBI Cards	538.85	50595.69	67284.59	7017.31	58.65	14.13	7.21	9.59
Muthoot Finance	862.65	34595.48	64269.04	8183.43	12.80	3.03	4.23	7.85
Bajaj Holdings	2000.60	22264.68	22320.14	393.42	7.44	0.80	56.59	56.73
Nippon Life Ind.	255.20	15621.09	15211.98	1131.67	37.89	6.13	13.80	13.44
Average	1355.89	49058.07	73976.12	7091.08	30.57	6.85	18.93	20.62
Median	1408.15	42595.59	58982.22	4510.28	30.99	4.91	10.51	11.52
INDUSTRY P/E	20.56							

Fig.6 COMPARABLE COMPANY ANALYSIS

SOURCE- <https://www.screener.in/company/BAJAJFINSV/consolidated/#peers>

6.2 ANALYSIS

In all the 4 factors BAJAJ FINSV has fallen below average, in some components it is just 50% of competitor's average. The ratios of BAJAJ FINSV has fallen below competitors median also. These components are potential aspects for valuing any company. So from this we can infer that BAJAJ FINSV is firmly undervalued. It has a lot of potential to give higher return in coming future. There have been various factors which directs that BAJAJ FINSV is undervalued, in figure 8 it can be seen that every year the fair value has always been higher than the market value.

(Refer annexure 6 and 7)

7. FINANCIAL PERFORMANCE

BAJAJ FINSV delivered a healthy performance across all segments. A tax rate cut has supported growth in earnings. The only hit was higher claim in general insurance offset by higher investment income. Top and bottom line has grown every year consistently as it can be observed in the graph BAJAJ FINSV has always worked closely to achieve excellence through effective financial modelling tools and strategy formulation techniques. The assets and liabilities of BAJAJ FINSV has grown at rate of 20% year on year. The financial statement of BAJAJ FINSV has been built on a very promising and strong base. Income statement has shown profit growth of 15.82% and sales has raised at rate of 47.89% in last five year. BAJAJ FINSV has seen an unstable liquidity flow in the last five years there have been increase and decrease in last 5 year, there is lack of consistency in it, which is not a good sign especially For a company whose is primarily in wealth management it is not good to have liquidity instability

(Refer annexure 8,9 and 10)

₹ crore	FY17	FY18	FY19	FY20E	FY21E	CAGR (FY19-21E)
Revenue	24,508.5	32,457.4	42,608.2	52,476.3	62,575.4	21%
PBT	4,924.5	6,057.3	8,069.5	10,122.9	12,534.5	25%
PAT	2261.9	2608.8	3133.5	4561.7	5708.7	35%
EPS (₹)	142.2	164.0	196.9	286.7	358.8	
BV (₹)	994.0	1302.1	1497.3	1782.2	2139.2	
P/E	56.3	48.8	40.6	27.9	22.3	
P/BV	8.0	6.1	5.3	4.5	3.7	
RoA	1.9	1.8	1.6	1.8	1.9	
RoE	15.5	14.3	14.1	17.5	18.3	

Fig-9 FINANCIAL SUMMARY

SOURCE- <https://www.screener.in/company/BAJAJFINSV/consolidated/#top>

7.1 FINANCIAL STATEMENT ANALYSIS

The financial statement of BAJAJ FINSV has shown very promising traits reserves growth, constant share capital, sound capital and debt structuring. Reserves has growth at an average 20% in the last five years 2017-18 has been seen has 25% increment in reserves highest so far. Borrowing forms to 88% part of total liabilities although being a lending company there are deposits too, but the higher concentration of long term borrowing is ending up with higher financing cost which has increased at an average rate of 30% in the last five years. In cash flow there is lack of ideal sequence of cash flow, as operating activities has shown every year negative cash flow there unstable cash flow from investing activities. This shows BAJAJ FINSV is showing no more signs of growing stock, but it is working on expanding business by continuously financing which going to give good returns in future.

(Refer annexure 11 and 12)

BALANCE SHEET 2015-2019

Narration	Mar-15	Mar-16	Mar-17	Mar-18	Mar-19
Equity Share Capital	79.56	79.57	79.57	79.57	79.57
Reserves	10,885.08	13,311.54	15,736.50	20,403.37	23,686.35
Borrowings	26,312.09	36,062.09	48,282.04	65,694.72	99,754.35
Other Liabilities	50,951.72	54,497.56	64,515.55	75,336.60	84,933.76
Total	88,228.45	1,03,950.76	-	1,61,514.26	2,08,454.03
Net Block	1,260.67	1,273.54	1,645.40	1,791.85	2,096.83
Capital Work in Progress	2.76	10.76	3.54	27.70	65.51
Investments	51,366.55	53,697.80	62,658.46	69,428.48	81,679.06
Other Assets	35,598.47	48,968.66	64,306.26	90,266.23	1,24,612.63
Total	88,228.45	1,03,950.76	1,28,613.66	1,61,514.26	2,08,454.03

Fig-15 BALANCE SHEET 2015-2019

SOURCE- <https://www.screener.in>

7.2 FINANCIAL RATIOS ANALYSIS

Various ratios have been studied to ascertain the financial position of the BAJAJ FINSV. 5 out of total 6 ratio taken into analysis have fallen into ideal range which is positive sign. The reason being other ratios not to fall in ideal range is higher debt accumulation as it can be seen that BAJAJ FINSV has increased their debt every year. Some of these ratio might have fallen in ideal category but other major reason being higher assets accumulation of subsidiaries and low overall return.

RATIOS	Mar-19	Mar-18	Mar-17	Mar-16	Mar-15	IDEAL
Book value per share (INR)	2,298.2	1,964.1	1,467.33	1,223.78	962.46	
Return on Net worth/Equity (%)	13.54	12.93	14.01	13.7	15.24	10-15 %
Return on Assets (%)	1.54	1.64	1.75	1.8	1.91	5%
Total Debt/Equity (X)	4.2	3.21	2.99	2.65	2.01	1-1.5
Return on Capital Employed (%)	10.58	10.74	10.96	2.61	3.37	Increasing
Current Ratio (X)	2.88	2.46	1.16	1.36	1.02	1.2-2
Quick Ratio (X)	2.88	2.46	1.16	1.36	1.02	1 TO 2

Fig-16 RATIOS ANALYSIS

SOURCE- <https://www.screener.in>

7.3 CONCLUSION

BAJAJ FINSV has performed and the way it has grown in the last five years has shown in as financially sound and strong company. Financial statement of BAJAJ FINSV has come out to be promising, as it looks to be strong on all the fundamentals used. Although there have been

instability in some aspect like higher insurance claims, but there were other subsidiaries which had performed tremendously well. BAJAJ FINSV has been rated as a good stock to invest in. on the basis of above various analysis it can be said BAJAJ FINSV stad to be a strong company financially

8 INVESTMENT RISK

There is always an element of risk in any investment, risk can be minimised by accurate analysis but cannot be eliminated completely. The markets had become so unpredictable in terms of their dynamics there's always chance of things going out of our expectation. In financial service industry where sensitivity of going market up and down is very high as if one particular sector is down it always had an impact on financial industry as whole chain of wealth management is originated from here. Since last 5 years In the annual reports of BAJAJ FINSV auditors had never posted any matter of concern regarding internal cooking up of figures and internal management risk. Since 2015 there have not been any negative news about BAJAJ FINSV rather year 2017-18 was one of milestone, and they won various award and recognition

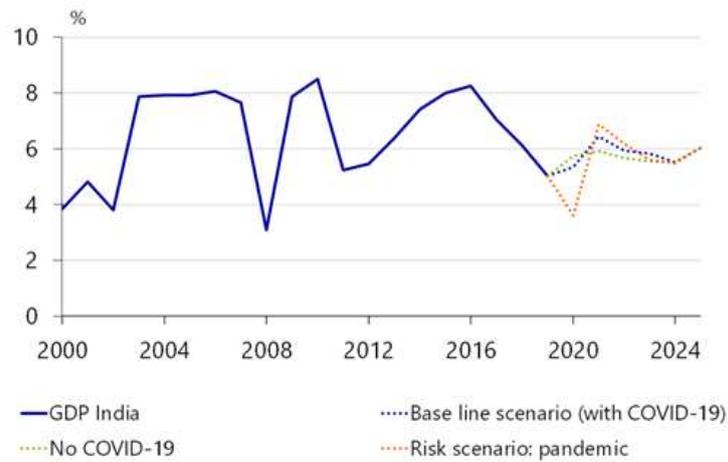
8.1 MACROECONOMIC RISK

Macroeconomic risk are always very potential risk to be hedged down though accurate prediction and support action plans. There have been various macroeconomic factors which has posed a serious risk on the investment returns, like market dynamics , government policies, banking Industry stability , Political stability especially in an extraordinarily democratic country and most important factor in ongoing pandemic COVID -19

8.2 COVID-19 IMPACT

It is a pandemic originated in Wuhan of china in end of 2019 and it affected around 2-2.2 million people worldwide. The world has gone so back ward economically many well-known institutes have predicted about ongoing and upcoming economic crisis. Although share market has fall significantly due to obligatory lockdown by government of India but matter of concern is that motto is long term return but as the lock down will open the market will go at its same high where it was trading before but this lock down has made such a sinking whole which will definitely going drag down the market as things will star at slower pace and will need some time to catch up. A break of 3 months lock down has acted as a breaker of continuing up trend. But due to this market graph would definitely go to its normal pre covid position but as far as

coming years are concern it would definitely either become stagnant or it would face down trend. This is something a potential risk



8.3 STRATEGICAL AND OPERATIONAL RISK

There are always chances of strategy failure and key operational laggings. BAJAJ FINSV has always worked aggressively to hedge this sort of risks. But operation do have risk as far as quantifiable analysis is done cash flow from operation has always been negative for BAJAJ FINSV, but that can be hedged in long term by effective cash flow management tools. As far as strategy is concern the growth figures tells that strategy is always been something really very strong of BAJAJ FINSV as it currently holds 56% of market share which is something half of the market these are the result of effective and robust strategy formulation so as far as strategy is concern it has considerably lesser amount of risk. But operationally BAJAJ FINSV is posing a risk to investment.

8.3.1 FIVE STRATEGY MODEL

BAJAJ FINSV has built a five strategy model this model is built in consistency with the market dynamics. As this model has been included in the report to show how much strong is the strategy of BAJAJ FINSV of aggressive innovation.

(Refer annexure 13)

8.4 HISTORICAL PRICE RISK ANALYSIS MODEL

In this mode historical share price of BAJAJ FINSV is analysed from year 2015-2019. Statistical tools like Variance analysis, standard deviation and covariance of nifty market is taken. The beta comes out to be very much closer to that of industry beta which means whenever there is ups and down in market the prices of BAJAJ FINSV are not very much

deviated. This shows the stock of BAJAJ FINSV is less risky as far as market risk is concerned. Stock risk is also analysed.

STOCK RISK		MARKET RISK	
AVERAGE RETURN ON			
PRICE	0.10%	COVARIANCE	0.0000203
VARIANCE	0.001198	VARIANCE	0.0000739
STANDARD DEVIATION	3.46%	BAJAJFINSV beta	0.2743644

ITC LIMITED

1. BASIC INFORMATION

ITC LIMITED is one of the pioneer in FMCG sector, capturing the market at a very rapid pace. Sales had grown at a rate of 6.49% in the last 5 years. In the preceding year ITC LIMITED witnessed a sales growth of 11.29%. The company's FMCG business is divided into two categories, cigarettes and others. Revenue from cigarettes increased by 5.98 per cent to Rs 5,326.83 crore, while from other businesses rose by 4.04 per cent to Rs 3,288.31 crore. ITC LIMITED's hotel segment has recorded a 40 per cent increase in earnings before interest, tax, depreciation and amortisation, or Ebitda,

LIQUIDITY FLOAT

ITC LIMITED is part of 2 major Stock Market Indices of India which are NIFTY of National Stock Exchange (NSE) & Sensex of Bombay Stock Exchange (BSE) there are total 1276157837 no of shares available for public buying which is 10.38% of total shares. ITC LIMITED ltd has a total liquidity float of INR 255231567400 in the secondary market. The majority of other shareholder of ITC LIMITED comprises of foreign institutes, financial institution and others. Primary platform for trade is national stock exchange

2. INVESTMENT SUMMARY

It is majorly in FMCG and hotels business, it has been working closely with possibility of diversifying its business further. There have been various investment done by ITC LIMITED recently

-  In November 2019, ITC LIMITED Ltd acquired 33.42 per cent stake in Delectable Technologies, which is a vending machine start-up.
-  ITC LIMITED to invest Rs 700 crore (US\$ 100 million) in food park in Madhya Pradesh
-  Launched the world's most expensive chocolate priced at Rs 4,30,000 (US\$ 6,152) per kilogram under Fabelle brand.

Particulars	
Particulars (₹ crore)	Amount
Market Capitalization	266,028.1
Total Debt (FY19)	7.9
Cash and Investments (FY19)	16,275.3
EV	249,760.7
52 week H/L (₹)	310 / 216
Equity capital	1,225.9
Face value (₹)	1.0

ITC is rated among the World's Best Big Companies, Asia's 'Fab 50' and the World's Most Reputable Companies by Forbes magazine and as 'India's Most Admired Company' in a survey conducted by Fortune India magazine and Hay Group. ITC also features as one of world's largest sustainable value creator in the consumer goods industry in a study by the Boston Consulting Group. ITC has been listed among India's Most Valuable Companies by Business. ITC has a very strong potential of giving very promising returns in coming future.

VALUATION

3. BUSINESS DESCRIPTION

ITC LIMITED has major three businesses cigarettes, FMCG and hotels. ITC LIMITED started as a tobacco company later it entered into hotels business. There are large variety of products in every sector it works. It has products for every type of consumer based on their income level, age and other many more factors. ITC LIMITED's major cigarette brands include Wills Navy Cut, Gold Flake Kings, Gold Flake Premium lights, Gold Flake Super Star, Insignia, India Kings, Classic (Verve, Menthol, Menthol Rush, Regular, Citric Twist, Ice Burst, Mild & Ultra Mild), 555, Silk Cut, Scissors, Capstan, Berkeley, Bristol, Lucky Strike, Players, Flake and Duke & Royal. While in other there are food, personal care, stationary, information technology and dairy products. ITC LIMITED also provides hospitality service through its ITC LIMITED hotel chain across the globe. As being a manufacturing firm the key revenue driver for ITC LIMITED is its cigarette business. It accounts for 50-75 % of total revenue of ITC LIMITED. There are majorly operational expenses, as being a goods selling oriented company it has majorly raw material cost, fuel cost and employee benefit expenses as their key expenses.

(Refer annexure 14)

4. MANAGEMENT AND GOVERNANCE

Management of ITC LIMITED has always work actively for the achievement of goals organisation. Mr Sanjeev Puri MD and CEO at ITC LIMITED is serving ITC LIMITED since last 34 years. In year 2017 he has been made CEO and MD at ITC LIMITED after retirement of Mr Deveshwar. Internal make up of ITC LIMITED is very sound in nature are there have been no any witness of management conflicts in the last 5-7 years.

5. INDUSTRY OVERVIEW AND COMPETITIVE POSITIONING

The retail market in India is estimated to reach US\$ 1.1 trillion by 2020 from US\$ 840 billion in 2017, with modern trade expected to grow at 20 per cent - 25 per cent per annum, which is likely to boost revenues of FMCG companies. Revenues of FMCG sector reached Rs 3.4 lakh crore (US\$ 52.75 billion) in FY18 and are estimated to reach US\$ 103.7 billion in 2020. The sector witnessed growth of 16.5 per cent in value terms between July-September 2018; supported by moderate inflation, increase in private consumption and rural income.

5.1 SWOT ANALYSIS

STRENGTH

- ✚ ITC has a strong and experienced management
- ✚ Strong brand presence, excellent products advertising
- ✚ Diversified product and services portfolio which includes FMCG, Hotel chains, paper & packaging and agri-business
- ✚ Over 6500 E-Choupal CSR activities and sustainability initiatives enhance ITC's brand image reaching over 4 million farmers
- ✚ ITC limited employees over 25,000 people
- ✚ Excellent research and development facilities

OPPORTUNITIES

- ✚ Tap rural markets and increase penetration in urban areas
- ✚ Mergers and acquisitions to strengthen the brand
- ✚ Increasing purchasing power of people thereby increasing demand
- ✚ More publicity of hotel chains to increase market share

WEAKNESS

- ✚ ITC is still dependant on its tobacco revenues and people have cheaper substitutes and other brands
- ✚ Hotel industry has not been able to create a huge market share

THREATS

- ✚ Strict govt regulations and policies regarding cigarettes
- ✚ Intense and increasing competition amongst other FMCG companies and hotel chains
- ✚ FDI in retail thereby allowing international brands

5.2 MARKET ANALYSIS

ITC LIMITED is positioned to be market leader as it holds a major market share in the FMCG sector. ITC LIMITED is positioned to be premium class corporate in the FMCG sector its products are classified to be premium quality. Various market analysis report has predicted to grow more and more. It is at a very dominant position in the market the sales of it is highest in the market. As far as market is concern investment in ITC LIMITED is a good opinion to go about.

6. VALUATION

As ITC LIMITED consists of majorly 3 different business verticals foods, cigarettes and hotel. So relative valuation is not right tool to use. Key valuation ratio based approach has been used to ascertain the fair valuation. Various important ratios that are very relevant to valuation of any organisation are used like price to earnings ratio, price to sales ratio, enterprise value to EBIDTA. These ratios have been compared to ideal. And compared to the industry data which is constituted of top performers of the sector.

One of India's most Admired and Valuable companies Market Capitalisation **Approx. Rs. 3 lakh crores**

VALUATION RATIOS

RATIOS	P/E	P/CF	P/S	EV/ EBITDA	P/B
<u>ITC LIMITED</u>	16.07	19.27	4.66	10.75	4.15
<u>IDEAL</u>	13-15	15-20	1-3	>10	>3

	P/B (times)	P/E (time)	Dividend Yield
FMCG INDUSTRY	9.95	34.94	1.40%
ITC LIMITED	4.15	16.07	2.92%

INDUSTRY VS ITC LIMITED

As these ratios have been tested against the ideal ratio ranges. Out of these valuation ratios taken most of the ratios have come near to the ideal ranges which shows that company is close to fair valuation. But some ratios were very higher than the ideal ranges, by seeing the overall valuation ratios dynamics and company positioning it can be said company is significantly under value it has very high growth prospects in future and investors are under valuing the firm.

(Refer annexure 15)

7. FINANCIAL ANALYSIS

7.1 OVERVIEW

(Fig in Cr)

ITC LIMITED has built a very strong financial roots in the last five year the financial build-up shows continuous efforts to achieve more and more. In the last five year net worth of ITC LIMITED has increased at an average rate of 17% from 31,644.00 to 59,140.87 while in year 2015-16 it saw highest ever increase of 35% and in year 2018-19 it increased at 13%. The sales of ITC LIMITED increased at an average rate of 5.74% in the last 5 years from 38,817.15 to

48,352.68. The net profit of ITC LIMITED has increased average rate of 7.02% in the last five years it stood 12,952.33 in 2019 from 9,663.17 in 2015. The liquidity is always a very important factor to ascertain the financial position of a company, in ITC LIMITED there is always an ample flow of liquidity, in the last five year ITC LIMITED has cash inflow of operating activities which is a sign of well-established firm. There is cash outflow of financing and investing activity which means ITC LIMITED is focusing on expanding business by acquiring new assets by financing more in order to increase its manufacturing capacity.

	Full Year		
	2019	2018	Goly(%)
Segment Results			
a) FMCG - Cigarettes	14551	13341	9.1
- Others	316	164	92.4
- Restructuring of Lifestyle Retailing Business	70		
Total FMCG	14937	13505	10.6
b) Hotels	178	140	27.1
c) Agri Business	777	849	(8.5)
d) Paperboards, Paper & Packaging	1239	1042	18.9
Total	17131	15536	10.3
Less : i) Finance Cost	34	87	
ii) Other un-allocable (income) net of un-allocable expenditure	(1347)	(990)	
Profit Before Exceptional items & Tax	18444	16439	12.2

Segment wise annual performance in cr

7.2 FINANCIAL STATEMENT ANALYSIS

The liabilities breakup shows that ITC LIMITED has very efficiently managed and allocated their funds. As ITC LIMITED has become a debt free company it has very negligible amount of debts. The most promising thing about balance sheet of ITC LIMITED is its reserves and surplus. Out of total equity and liabilities ITC LIMITED has 81% as just reserves and surplus which it can use for business expansion. It not only shows sound wealth management but in the time of crisis this company has ability to survive and rise again. Expense have been almost 60% percent of sales. There have been adequate amount of liquidity in the ITC LIMITED in the last five years although it has decreased gradually over the time. But all these data shows ITC LIMITED stands to be financially very strong company. Although it has shown a decreased trend off sale due to higher tax tariffs on cigarettes has its been major source of ITC LIMITED revenue

(Refer annexure 16, 17 and 18)

Equities & Liabilities	MAR 2019	MAR 2018	MAR 2017	MAR 2016	MAR 2015
Share Capital	1,225.86	1,220.43	1,214.74	804.72	801.55
Reserves & Surplus	55,917.07	51,289.68	45,198.19	41,874.80	30,899.52
Current Liabilities	10,011.99	9,250.15	7,121.01	6,658.46	12,132.40
Other Liabilities	4,643.49	2,528.60	2,409.33	2,353.90	2,157.32
Total Liabilities	71,798.41	64,288.86	55,943.27	51,691.88	45,990.79
Assets					
Fixed Assets	23,308.08	21,829.76	19,420.84	17,463.82	17,700.39
Current Assets	31,747.27	26,393.62	26,269.10	24,862.50	25,534.54
Other Assets	16,743.06	16,065.48	10,253.33	9,365.56	2,755.86
Total Assets	71,798.41	64,288.86	55,943.27	51,691.88	45,990.79

BALANCE SHEET OF ITC LIMITED

Annual	MAR 2019	MAR 2018	MAR 2017	MAR 2016	MAR 2015
Sales	48,352.68	43,448.94	42,776.61	39,192.10	38,834.81
Other Income	2,173.79	1,831.86	1,761.53	1,530.80	1,256.51
Total Income	50,526.47	45,280.80	44,538.14	40,722.90	40,091.32
Total Expenditure	31,342.93	27,789.36	28,493.49	25,818.65	25,661.15
EBIT	19,183.54	17,491.44	16,044.65	14,904.25	14,430.17
Interest	45.42	89.91	24.30	53.60	68.12
Tax	6,313.92	5,916.43	5,549.09	5,358.21	4,596.42
Net Profit	12,824.20	11,485.10	10,471.26	9,492.44	9,765.63

PROFIT AND LOSS STATEMENT

7.3 FINANCIAL RATIO ANALYSIS

All these ratio have indicated ITC LIMITED to be strong company in terms of its fundamentals. These ratio has been when compared with average ratio of industry has fallen above average which shows that company has very strong foot hold. the profitability ratios of ITC LIMITED has always been higher than the ideal ratios required, ideal return on assets should be 5% and rest margins are desirable to be higher. Liquidity ratio shows ITC LIMITED has very high liquidity flow, the ideal current ratio is 2:1 and quick ratio is 2-3:1, these ratio looks to be higher than ideal which shows that this company is highly liquid. All the valuation ratio are

some where close or above average of other key competitors. In the cigarette sector ITC LIMITED has the highest of all the mail valuation ratios. All these ratio forms to be an image of high return on investment.

	2019	2018	2017	2016	2015
PROFITABILITY RATIOS					
Return on Capital Employed (%)	31.04	31.03	32.86	20.75	28.53
Return on Assets (%)	17.53	17.53	18.39	18.07	21.01
PBDIT Margin (%)	42.56	42.15	40.2	40.77	39.8
Net Profit Margin (%)	26.52	26.43	24.47	24.22	25.14
LIQUIDITY RATIOS					
Current Ratio (X)	3.17	2.85	3.69	3.73	2.1
Quick Ratio (X)	2.38	2.03	2.54	2.37	1.4
Inventory Turnover Ratio (X)	6.09	5.73	5.23	4.32	4.54
VALUATION RATIOS					
EV/EBITDA (X)	17.49	16.91	19.66	16.16	16.39
Price/BV (X)	6.15	5.95	7.34	6.19	8.24
Price/Net Operating Revenue	7.52	7.19	7.96	6.74	6.72
Earnings Yield	0.03	0.04	0.03	0.04	0.04

8. INVESTMENT RISK

There is always some sort of risk nevertheless of your analysis accuracy there are some uncertain and unexpected factors. But risk can be estimated and minimised through sound risk estimation model. In this risk estimation is done through three factors industry risks, price variation risks and internal company risk (strategic and operational). **As due to ongoing pandemic there is vital risk right now economy is being gradually going to normalcy but if pandemic increases again lockdown will be re-imposed which will again lead to market fall, hence this is also an important point of consideration. But ITC LIMITED being a fast moving consumer goods industry it will definitely take its peak as demand will regain**

8.1 INDUSTRY RISK

FMCG industry is 4 the largest industry in Indian economy, ITC LIMITED is named to be market leader in the FMCG industry. Sectoral indices report of national stock exchange Indian one out of two biggest stock exchange has weighted ITC LIMITED higher across all the FMCG

company in the FMCG sector report so industry performance may not impact the price but the economy performance there would be various other factors personal disposable income, gdp growth rate and the economic stability may impact the investment. And in the broad view that risk is legible and cannot be eliminated but predicted to take early movers advantage.



8.2 HISTORICAL PRICE BASED ANALYSIS

A historical price based approach has been used, various statistics fundamentals has been used. The price data of ITC LIMITED and NIFTY 50 where ITC LIMITED is listed has been analysed of last 5 years from 2015-2019. The price has been measured against the market return in nifty fifty. The beta of ITC LIMITED is 0.23 which means the stock of ITC LIMITED is less volatile with the market fluctuation. It means when anything happens in market ITC LIMITED is less affected by this it means our investment is less prone to market fall. ITC LIMITED stock risk shows the character of price itself in the past 5years. The price of ITC LIMITED has deviated 3% approx. from its means price I the last five years

ITC LIMITED STOCK RISK	
AVERAGE RETRUN	0.07%
VARIANCE	0.001052
STANDARD DEVIATION	3.24%

MARKET RISK	
COVARIANCE	0.0000172
VARIANCE	0.0000739
ITC LIMITED beta	0.2324822

PRICE DATA TAKEN FROM 2015-2019

SOURCE- SELF CALCULATED

8.3 INTERNAL RISK

ITC LIMITED has always worked to grow up in the market with effective strategy formulation. In all the sectors ITC LIMITED operates the strategy is clear of creating a premium brand it target elite market from where higher profit margin can be gain

(Refer annexure 19)

6. ANALYSIS AND DISUSSION.

1. BAJAJ FINSERV

The basic analysis of BAJAJ FINSV is done in two ways fundamentally and technically. Fundamental consist of analysis of company fundamentals like balance sheet, profit and loss statement, cash flow statement and key ratio. The reason behind this analysis is to show fundamental strength of BAJAJ FINSV in order to made investment more strong. Technical analysis consist of chart analysis, various stock price indicators like Fibonacci, Bollinger band, exponential moving average, MACD analysis, and many more. The reason behind technical analysis is to ascertain the entering price and exiting price. Generally technical analysis is done for intraday trading and positional trade.

1.1 TECHNICAL ANALYSIS

Technically BAJAJ FINSV has started rally. Its price has started going up. Most of the indicator shows a bullish move. As the prices has gone up 25% up in the last one week. Some indicators shows that price will go up in short terms as after the lock prices of this stack has come to 3500-5000 from its pre lock down range of 8000-9000 which is approximately double of it. We can conclude in broader view that it is right time to enter the market. As in coming days prices are going to go up.

Moving Averages			Technical Indicators		
Period	SMA	Indication	Period	Level	Indication
5	5,111.39	Bullish	RSI(14)	58.31	Bullish
10	4,691.86	Bullish	MACD(12,26,9)	22.39	Bullish
20	4,665.90	Bullish	Stochastic(20,3)	77.75	Bullish
50	4,729.18	Bullish	ROC(20)	10.97	Bullish
100	6,918.66	Bearish	CCI(20)	133.09	Bullish
200	7,641.43	Bearish	Williamson%R(14)	-22.25	Bullish
			MFI(14)	48.51	Neutral
			ATR(14)	298.51	Low Volatility
			ADX(14)	28.85	Strong Trend
			Bollinger Band(20,2)	UB: 5,315.88 LB: 4,015.91 SMA20: 4,665.90	--
			RSC (6 months)	68.82	Underperformer
			ⓘ Understanding Technical Indicators		

Moving Averages Crossovers		
Period	Moving Average Crossover	Indication
Short Term	5 & 20 DMA Crossover	Bullish
Medium Term	20 & 50 DMA Crossover	Bearish
Long Term	50 & 200 DMA Crossover	Bearish

PIVOT LEVELS							
Type	R1	R2	R3	Pivot Point	S1	S2	S3
Classic	5,292.50	5,448.20	5,560.45	5,180.25	5,024.55	4,912.30	4,756.60
Fibonacci	5,282.61	5,345.84	5,448.20	5,180.25	5,077.89	5,014.66	4,912.30
Camarilla	5,161.36	5,185.92	5,210.49	5,180.25	5,112.24	5,087.68	5,063.11

1.2 CONCLUSION

In the whole analysis it is can be said that to buy stock of BAJAJ FINSV in long term is worthy deal. After doing all important analysis it can be understood that this company is fundamentally too strong. The parent company and subsidiary company are also fundamentally strong. The company has very strong historical back ground

2. ITC LIMITED

The basic analysis of ITC LIMITED is done in two ways fundamentally and technically. Fundamental consist of analysis of company fundamentals like balance sheet, profit and loss statement, cash flow statement and key ratio. The reason behind this analysis is to show fundamental strength of ITC LIMITED in order to made investment. Technical analysis consist of chart analysis, various stock price indicators like Fibonacci, Bollinger band, exponential moving average, MACD analysis, and many more. The reason behind technical analysis is to ascertain the entering price and exiting price. Generally technical analysis is done for intraday trading and positional trade.

2.1 FUNDAMENTAL ANALYSIS

BALANCE SHEET

Balance sheet of ITC LIMITED is sound generally a good balance sheet should have a stable share capital it should not be either growing or decreasing but should be stable. The share capital of ITC LIMITED has increased in some year but at an ideal pace. Reserves of an ideal balance sheet are always expected to be growing year on year. Reserves and surplus has grown at rate of 17.42% in the last five year. ITC LIMITED has approached to move toward a debt free company by gradually decreasing its debt borrowings of ITC LIMITED has reduced at an average rate of 49.57%

PROFIT AND LOSS

Sales has grown at a rate of 5.74% in the last five year. It is a quality of good profit and loss statement to have a sales of increasing trend. Expenses has also increased at healthy rate to maintain good economic flow. Net profit has increased at a rate of 7% annually.

CASHFLOW STATEMENT

Cash flow statement of ITC LIMITED shows in the last five year ITC LIMITED has shown very promising performance. Operating activity has shown a positive balance every year. Cash flow from operation has increased at a rate of 6.87%.

2.2 TECHNICAL ANALYSIS

Various technical indicators have been applied with reference to the last 90days stock price data. Currently in a broad view technical indicator shows a bullish trend. It means it is the good time to enter the market. For an investment in the ITC LIMITED it is time to hold the stock in order to get capital appreciation.

Moving Averages			Technical Indicators		
5 1			4 1		
Period	SMA	Indication	Period	Level	Indication
5	199.09	Bullish	RSI(14)	68.04	Bullish
10	195.36	Bullish	MACD(12,26,9)	7.14	Bullish
20	181.47	Bullish	Stochastic(20,3)	90.76	Overbought
50	176.83	Bullish	ROC(20)	24.72	Bullish
100	192.76	Bullish	CCI(20)	89.07	Bullish
200	219.61	Bearish	Williamson%R(14)	-10.57	Overbought
MFI(14)			76.64		
ATR(14)			7.08		
ADX(14)			30.02		
Bollinger Band(20,2)			UB: 212.53 LB: 150.42 SMA20: 181.47		
RSC (6 months)			96.79		
			Underperformer		
Understanding Technical Indicators					
Moving Averages Crossovers					
2 1					
Period	Moving Average Crossover	Indication			
Short Term	5 & 20 DMA Crossover	Bullish			
Medium Term	20 & 50 DMA Crossover	Bullish			
Long Term	50 & 200 DMA Crossover	Bearish			

PIVOT LEVELS							
Type	R1	R2	R3	Pivot Point	S1	S2	S3
Classic	203.43	206.72	210.93	199.22	195.93	191.72	188.43
Fibonacci	202.08	203.85	206.72	199.22	196.35	194.58	191.72
Camarilla	200.84	201.52	202.21	199.22	199.46	198.78	198.09

2.3 CONCLUSION

In the overall analysis it can be summed up there is very high potential of earning from this investment. From all the fundamentals to the technical analysis. It looks to be a fairly valued company to invest in. As right now the company share has fallen around 40% of its all time high price, which is an indicator that it is right time to enter the market.

7. BIBLIOGRAPHY

Various sites have been used to get the data, there were many stock screening sites referred to analyse data, money control, screener and economic times. Moreover company official sites were also referred to understand internal strategy of company.

- <https://economictimes.indiatimes.com/markets/stocks/recos/buy-bajaj-finserv-target-price-rs-7150-kotak-institutional-equities/articleshow/75172128.cms>
- <https://www.bajajfinserv.in/>
- <https://www.moneycontrol.com/>
- <https://www.screener.in/company/BAJFINANCE/>
- <https://www.moneycontrol.com/india/stockpricequote/cigarettes/itc/ITC>
- <https://www.itcportal.com/>
- <https://www.screener.in/company/ITC/>

8. ANNEXTURES

1

COMPANY INFORMATION							
REGISTERED OFFICE		REGISTRARS		MANAGEMENT		LISTING	
Address	Bajaj Auto Limited Complex, Mumbai - Pune Road, Akurdi,	Name	KFIN Technologies Pvt. Ltd.	Name	Designation	Whether The Company Forms A Part Of The Following Indices -	
City	Pune	Address	Gachibowli, Financial District, Nanakranguda,Sei	Rahul Bajaj	Chairman Emeritus	Sensex	No
State	Maharashtra	City	Hyderabad 500032	Sangh Bajaj	Managing Director & CEO	Nifty	Yes
Pin Code	411035	State	Telangana	Madhur Bajaj	Director	Bse-100	Yes
Tel. No.	020-68107458	Tel. No.	040-67161500, 67162222, 33211000	Rajiv Bajaj	Director	Bse-200	Yes
Fax No.	020-27407380	Fax No.	040-23420814, 23001153	D J Balaji Rao	Director	S&P CNX 500	Yes
Email	investors@bajajfinserv.in	Email	einward.ris@karvy.com	View More +		CNX Midcap	No
Internet	http://www.bajajfinserv.in	Internet	http://www.kfintech.com				

Fig.1 COMPANY INFORMATION

SOURCE- <https://www.moneycontrol.com/india/stockpricequote/finance-investments/Bajajfinserv/BF04>

2.

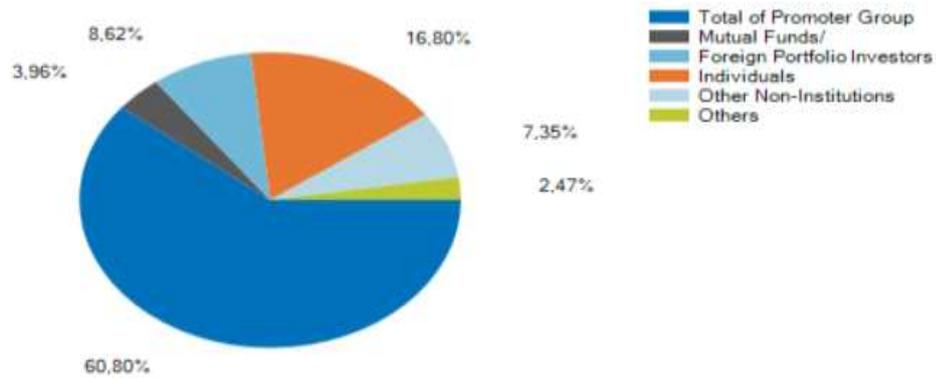


Fig.2 SHARE HOLDING PATTERN OF BAJAJFINSV

SOURCE- <https://www.Bajajfinserv.in/shareholders-information-ma-ja->

3.

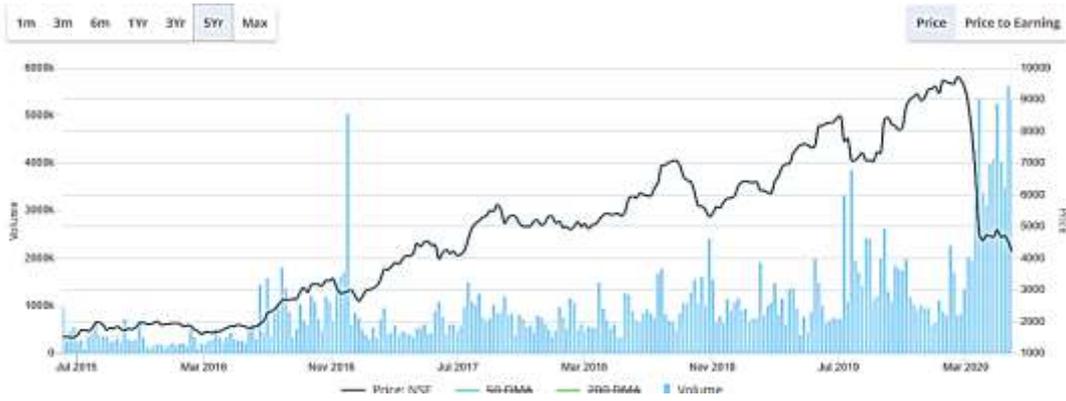


Fig.3 GROWTH GRAPH

SOURCE <https://www.screener.in/company/BAJAJFINSV/consolidated/#chart>

4.

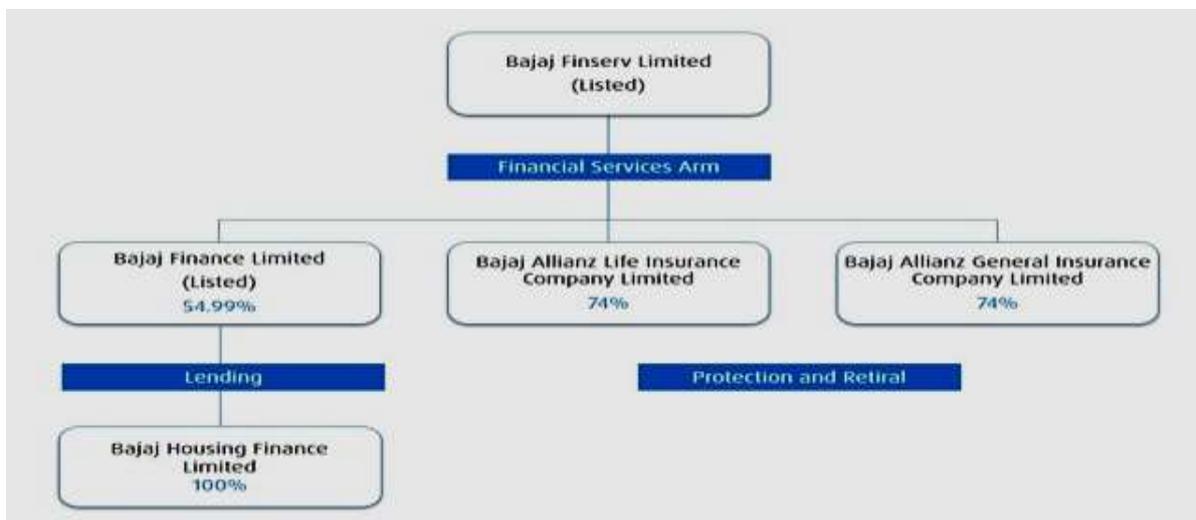


Fig.4 BUSSINESS STRUCTURE OF BAJAJ FINSV

SOURCE-<https://www.Bajajfinserv.in/>

5.

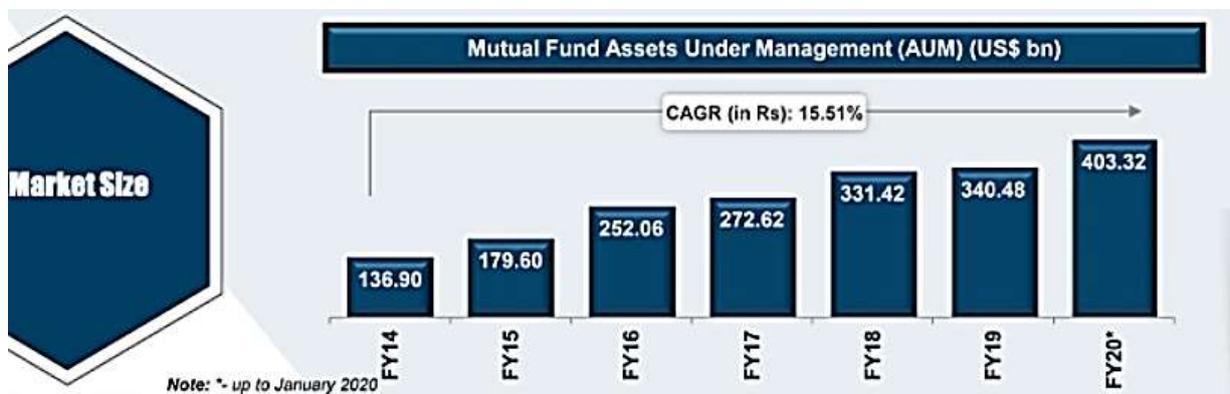


Fig.5 MARKET GROWTH

SOURCE-<https://www.ibef.org/>

6.

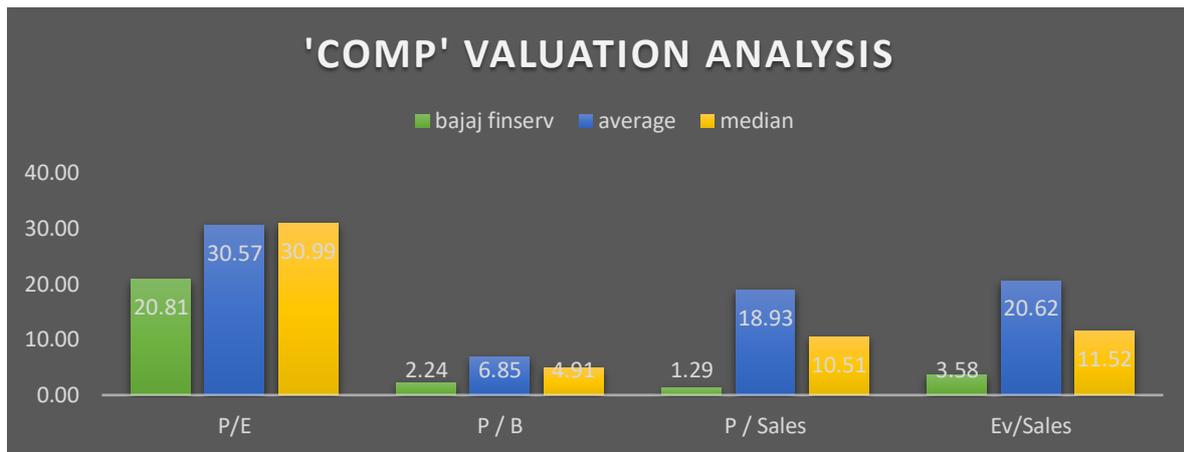


Fig.6 GRAPHICAL PRESENTATION OF COMPONENTS

SOURCE- www.screener.com

7.

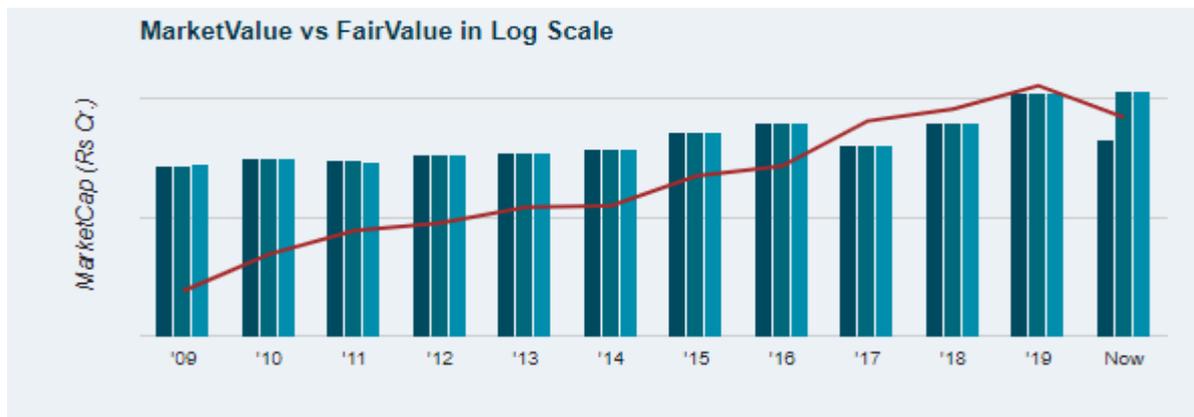


Fig-7 RATIOS THROUGH TIME

SOURCE- <https://www.smart-investing.in/>



8.

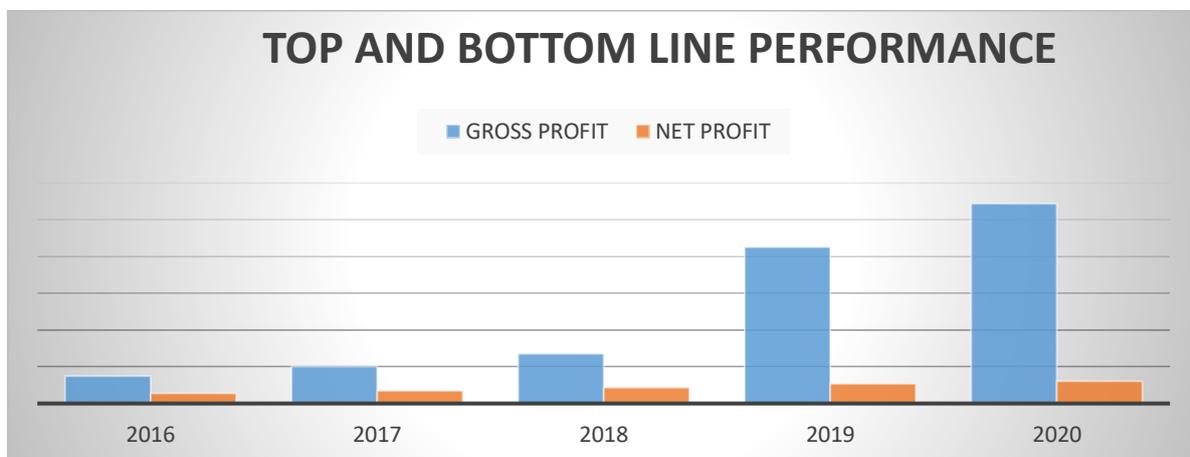


Fig-8 GROSS AND NET PROFIT GROWTH

SOURCE- <https://www.screener.in/company/BAJAJFINSV/consolidated/#top>

9.

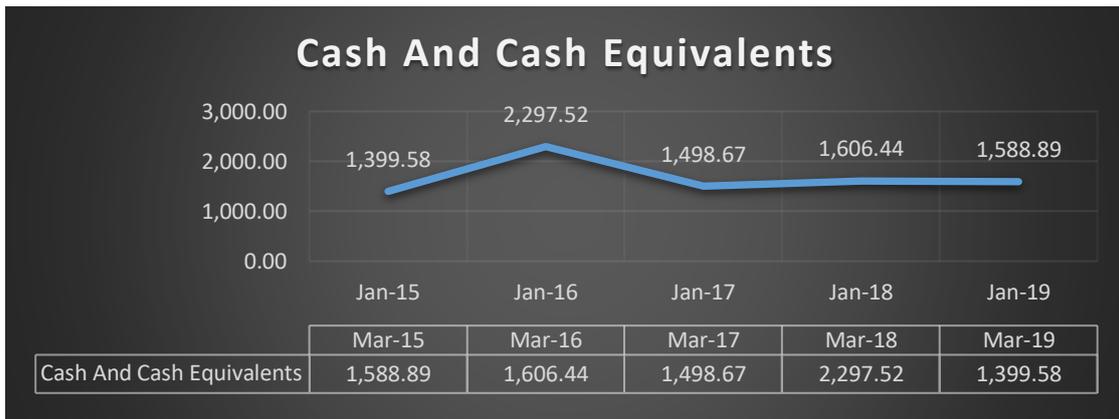


Fig-9 CASH AND CASH EQUIVALENTS

SOURCE- <https://www.screener.in/company/BAJAJFINSV/consolidated/#top>

10.

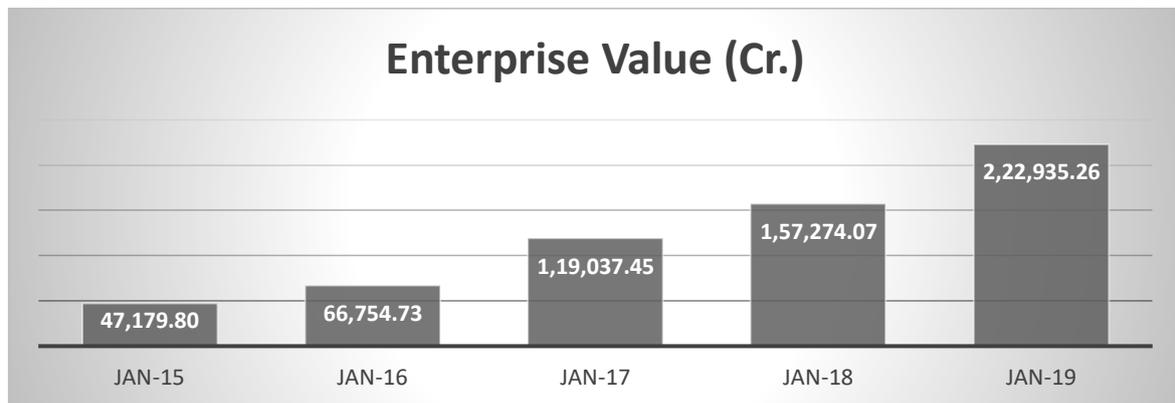


Fig-10 ENTERPRISE VALUE GROWTH

SOURCE- www.moneycontrol.com

11.

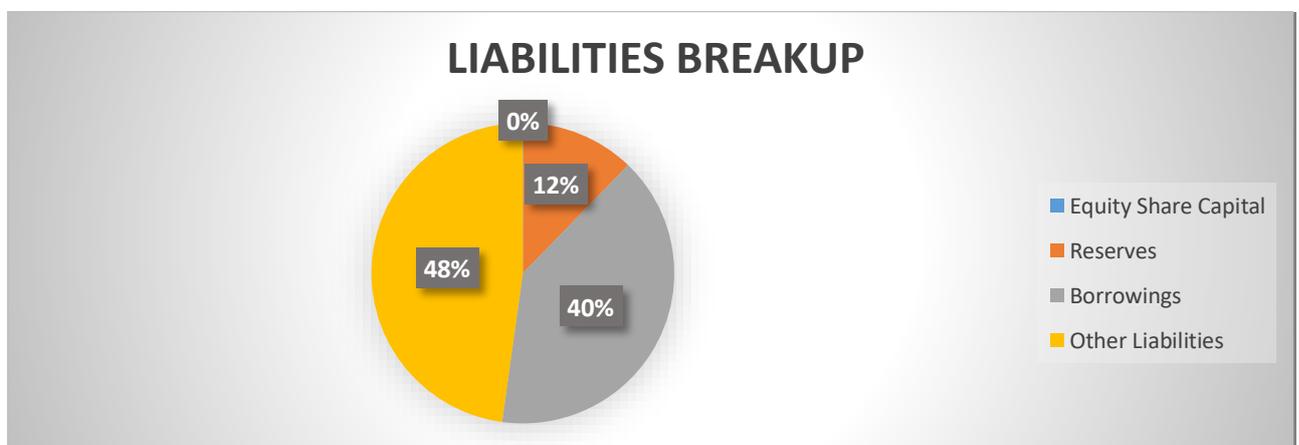


Fig-11 LIABILITIES SIDE BREAK-UP

SOURCE- <https://www.screener.in>

12.



Fig-12 CASH FLOW

SOURCE- <https://www.screener.in>

13.

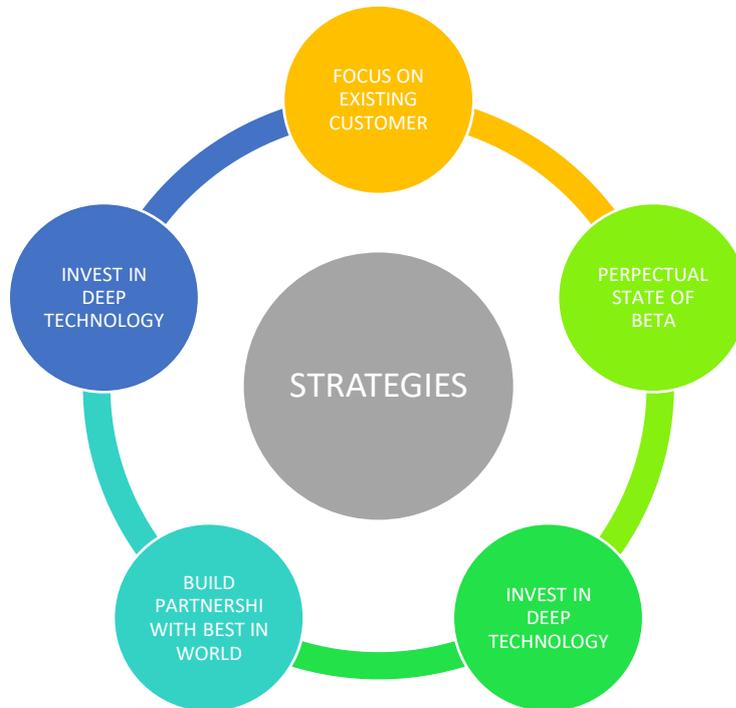


Fig-13 STRATEGIES MODEL

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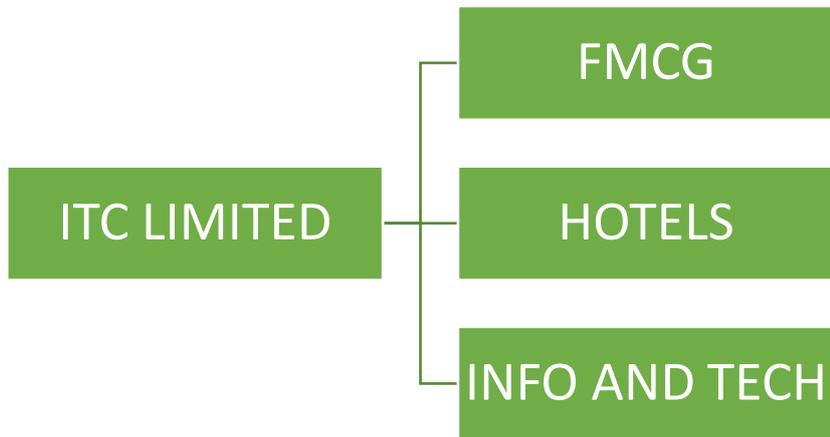


Fig-14 BUSINESS MODEL

MAJOR BUSSINESS

15.

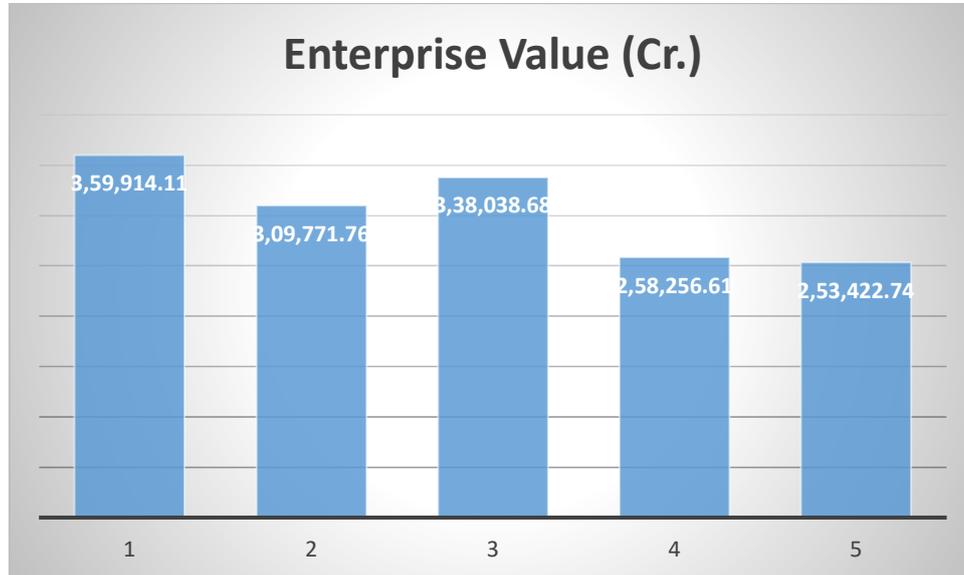


FIG. 15

Enterprise value 2019(1) - 2015(5)

16.

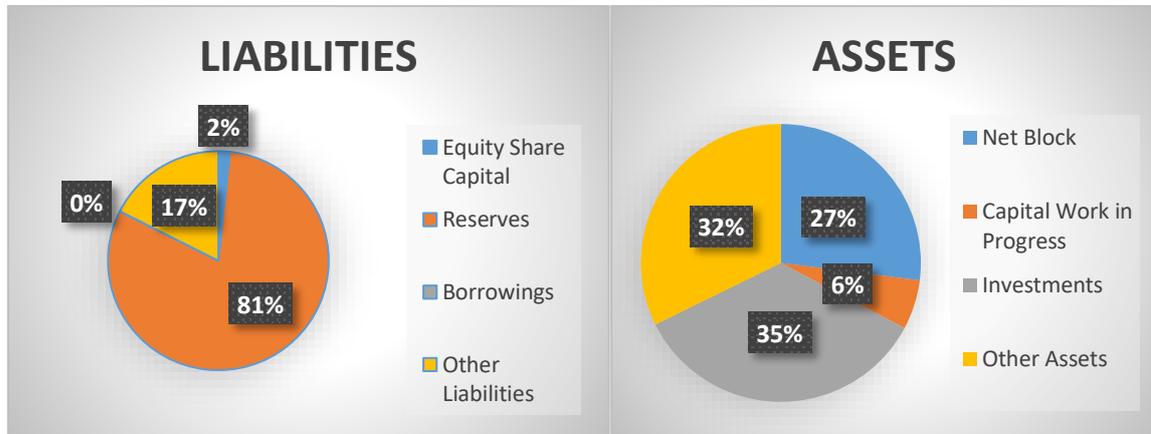


FIG. 16

Balance sheet breakup of ITC Ltd

17.

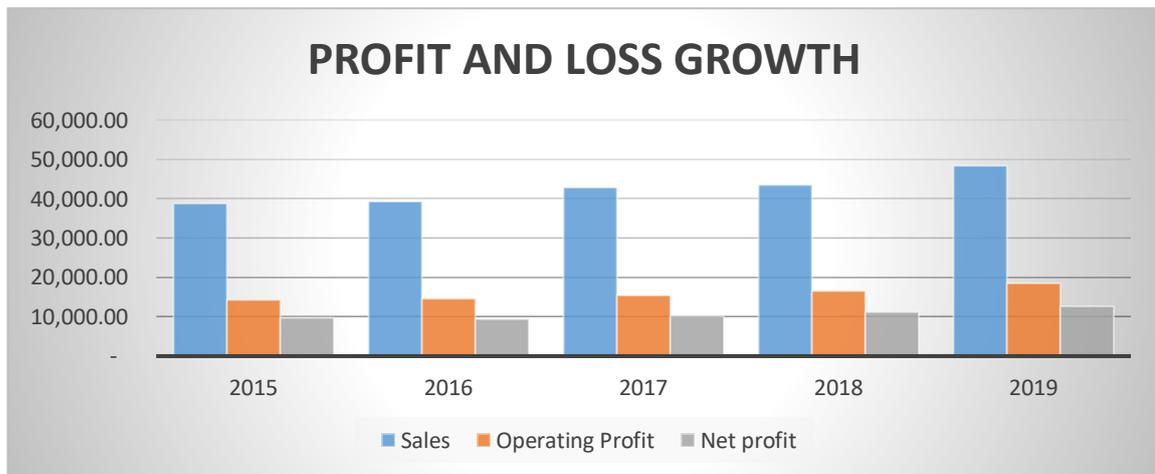


FIG. 17

Profit and loss statement of ITC Ltd

18.

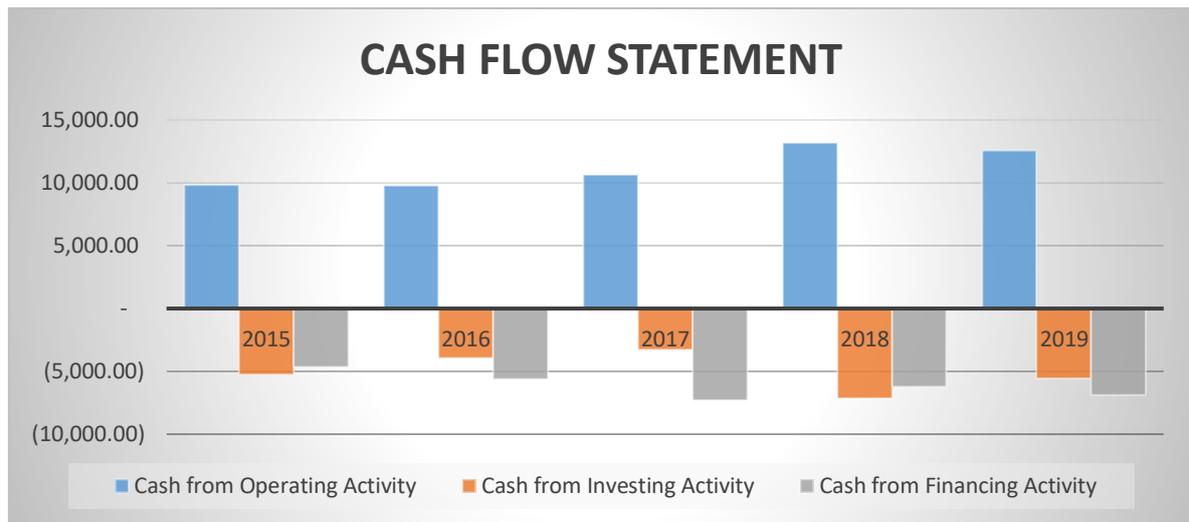


FIG. 18

Cash flow statement of ITC Ltd

19.



FIG. 19

Internal strategy framework ITC Ltd

9. CERTIFICATE



Naapbooks Private Limited

CIN : U72900GJ2017PTC096975

Dated: 04th July 2020

TO WHOMSOEVER IT MAY CONCERN

This is to certify that **Mr. Pushpdeep Jaiswal**, student of MBA, Institute of Management, Nirma University has successfully completed an eight-week internship program in **Finance Department** from 25th Apr 2020 to 25th June 2020 at Naapbooks Private Limited.

His internship activity includes:-

- Valuation of Start-up
- Financial Analysis
- Market Research
- Company Research Report

During the period of his internship program, he was found punctual, hardworking, and inquisitive. His diligence & dedication in order to achieve the best possible results is really admirable.

We wish him every success in his life.

Sincerely,

For **Naapbooks Private Limited**



Authorised Signatory

☎ 079-4894 0505 ✉ info@naapbooks.com 🌐 www.naapbooks.com
3rd Floor, Broadway Business Center, Law Garden, Ahmedabad - 380006

10. LEARNING FROM SUMMER INTERNSHIP

PROJECT

Summer internship has given tremendous amount of learning in field of finance. This internship was about analysing the company from all the aspect so that to be ensure whether the investment will be safe or not. There were various concepts which this internship made me learn. Like various valuation models which I learned in this internship. Most importantly this internship given me opportunity to learn how a professional equity report is drafted what the key factors need to be included in the equity report this internship has not only made me learn classroom concept but it made me learn some real world finance fundas too. It gave me exposure of small scale consulting firms their working what are their main business objective.

END