

FUNDAMENTAL AND TECHNICAL ANALYSIS IN RELIGARE SECURITIES

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Abstract

The project aims to comprehend by virtue of what within & extrinsic determinants influence the future price of the stock. It too involves portion the financiers to set either to purchase a party share a suggestion of correction established fundamental and mechanics reasoning. Fundamental study is a stock appraisal plan that uses fiscal reasoning namely an study of a party's fiscal dossier to conclude the change of that party's stock price. Technical study refers to the study of the price operation instability retail generally, but not particularly through charts so that forecast future prices. The purpose still serves the financiers to select either to purchase the party shares a suggestion of correction or likewise to learn fundamental reasoning of impartiality shares and the determinants that influence the stock's conduct. The dossier secondhand for the study is subordinate dossier. Such as News documents, Internet, Magazines and Books. The financier can see the risk and return of the shares utilizing this reasoning and likewise valuable for financier to elect about moment of truth skyline of expenditure. The financier can estimate the future EPS and DPS by way of the business-related signs. The financier bear resolve the action of stock exchange all at once also the practice of the campaign of the shares at which point the financier is inclined install. The study confirmed that the accomplishment of SBI is better than AXIS bank cause the range of vacillations is reduced accompanying SBI. Even though skilled vacillations, overall act was powerful. Due to reduced excitability and powerful character we can reply that the conduct of Andhra carbohydrate enterprises was better than Bajaj Hindustan carbohydrate labors.

Keywords: Fundamental Analysis, Technical Analysis, Stock Market, Investment Decisions, Equity Research, Securities Trading, Financial Performance, Religare Securities

I. INTRODUCTION

When trying to anticipate what the future price operation of a bills pair will be dealings in foreign money stockbrokers use two types of study. There are stockbrokers the one collect only on the abilities of mechanics study, while skilled are different sellers the one collect alone on business-related occurrences by learning fundamental study, as long as added select to study two together. Neither approach is wrong nor is either approach right as two together approaches are dependent on the position event.

Whilst mechanics and fundamental reasoning is not the unchanging point, scholars of each type of reasoning perpetually accomplish the unchanging judgments. Some analysts trust that over the enduring fundamental study cultivates to have better advance accompanying allure predicting capacities.

Research Objectives

- The purpose still serves the financiers to elect either to purchase the party shares a suggestion of correction

- The purpose of the study is to understand fundamental analysis of equity shares and the factors that affect the company's performance
- To examine the internal and external factors effecting the future price of the company
- The purpose also serves the investors to decide whether to invest in a particular company shares or not

Research Methodology:

For the arrangement concerning this report the accumulation of appropriate dossier is very essential. The type of research selected is explanatory type and the dossier composed for the study is subordinate Secondary data.

Secondary data:

It was composed from the following beginnings:

Newspapers

Business Magazines

Internet

Textbooks

II. REVIEW OF LITERATURE

Das (2012) intentional the determinants doing the stock pick conclusion of narrow financiers of Assam and establish that ultimate effective resolution variables were fiscal affidavits of parties, standard of comparison, public news and worth variables. The slightest doing conclusion variables contained management procedures, prediction of risk, financial variables and lowered available funds finishes..

Obamuyi (2013) stock, anticipated stock split, profit tactics, anticipated allied pay and catch-rich-active. And, the smallest doing determinants were establish expected dependability to the guest's commodity/duties, religions, belief of appendages of the classification, rumors and wonted misfortunes in different contributions. The socio-financial traits, that were the mathematical determinants more, had important influence on the finance resolutions of Nigerian financiers.

Kaur and Rajam (2012) recognized the determinants that distressed the purchase resolution of individual financiers of impartiality shares in Mumbai. Out of the 36 variables scrutinized it was establish that advertise funding of the party understood by past acting of the guest were ultimate doing. And the slightest doing variables were raise expected dialogue of views accompanying professional associates and vacillations in the indications of bigger markets. Fundamental study of a trade includes resolving allure fiscal assertions and energy, allure administration and aggressive benefits, and allure challengers and markets. When used to futures and dealings in foreign money, it focuses on the overall state of the saving, interest rates, result, bottom line, and administration. When resolving a stock, futures contract, or cash utilizing fundamental reasoning skilled are two elementary approaches individual can use; upside-down study and top unhappy reasoning. The term is used to identify specific study from additional types of expenditure study, to a degree chemical analysis and mechanics study.

The inception of Fundamental study for the share price appraisal maybe out-of-date.

Yu-Hon Lui and David Mole (1998) reports on the use by convertibility dealers mechanics reasoning's to form their forecasts of rate of exchange drives.

Thomas Oberlechner (2001) presents the judgments of an inquiry and an interview survey on the seen significance of Technical and Fundamental reasoning with convertibility traffickers and economic columnists in Frankfurt, London, Vienna and Zurich. Foreign Exchange dealers establish that, at a distance two together the predicting approaches, mechanics study is more important than the different.

Doron Nissim and Stephen H. Penman (2001), this research work imagines on Financial Statement study and labels that this study has ordinarily happened visualized as constituent the Fundamental study necessary for impartiality appraisal. This paper outlines an economic declaration study for use bias appraisal.

Sanjay Sehgal and Meenakshi Gupta (2005) presents the survey that aims at providing understandings about the habit mechanics stockbrokers work in the commercial display and the business approaches that they select. The survey concealed uniform and individual mechanics dealers accompanying a long and alive business record for the Indian retail. In this study likewise it is noticed that the sample accused likely to use Technical reasoning in addition to Fundamental study for protection choice.

Jenni L., Bettman, Stephen. J. Sault, Emma J. Schultz (2008), suggests an impartiality appraisal model mixing Fundamental and Technical study, they likely to perceive their potential as complements alternatively as substitutes. Testing proves the flattering character of Fundamental and Technical reasoning by appearance that still each operating to the side models mixing two together have superior descriptive capacity.

The most usually secondhand examining models secondhand as conclusion making forms to create stock exchange determinations contain the fundamental study and mechanics reasoning. Fundamental study uses the candidly possible news about the stock to analyses the stock in three fronts concerning the saving, allure manufacturing and the guest. Technical reasoning in another way engages miscellaneous mechanics signs on the handy past of the stock prices, in consideration of resolve. The sequential diagram beneath interprets two together finishes of the resolution making process in the stock exchange very orderly..

III. DATA ANALYSIS & INTERPRETATION.

Hero MotoCorp Ltd. (formerly known as Hero Honda Motors Ltd.) is the most successful manufacturer of 2-wheelers in India. In 2001, the association reaped the enviable rank of being the best small attachment for transporting production association in India and further, the 'World No.1' small attachment for transporting association in agreements of part book reductions in a twelve-month period. Hero MotoCorp Ltd. persists to uphold this position till date. Today, even every second motorbike wooed in the country is a Hero bike. In India every 30 seconds, a dignitary purchases the top auctioned Hero's splendor motorbike.

Balance Sheet of Hero Motocorp	in Rs. Cr. -----				
	Mar -25	Mar -24	Mar -23	Mar -22	Mar -21
Sources Of Funds					
Total Share Capital	39.94	39.94	39.94	39.94	39.94
Equity Share Capital	39.94	39.94	39.94	39.94	39.94
Reserves	6,501.39	5,559.93	4,966.30	4,249.89	2,916.12
Networth	6,541.33	5,599.87	5,006.24	4,289.83	2,956.06
Secured Loans	0.00	0.00	302.16	1,011.39	1,471.04
Unsecured Loans	0.00	0.00	0.00	0.00	0.00
Total Debt	0.00	0.00	302.16	1,011.39	1,471.04
Total Liabilities	6,541.33	5,599.87	5,308.40	5,301.22	4,427.10
Less: Accum. Depreciation	1,785.29	1,518.27	1,356.31	1,195.18	1,042.04
Net Block	2,912.69	2,243.25	3,070.98	3,785.51	4,080.28
Capital Work in Progress	712.55	854.11	62.09	38.84	49.96
Investments	3,154.11	4,088.77	3,623.83	3,964.26	5,128.75
Inventories	815.49	669.55	636.76	675.57	524.93
Sundry Debtors	1,389.59	920.58	665.00	272.31	130.59
Cash and Bank Balance	159.25	117.50	181.04	76.82	71.52
Total Current Assets	2,364.33	1,707.63	1,482.80	1,024.70	727.04
Loans and Advances	1,378.02	1,203.54	1,401.95	1,075.61	740.23
Total CA, Loans & Advances	3,742.35	2,911.17	2,884.75	2,100.31	1,467.27
Current Liabilities	3,180.69	2,903.12	2,893.39	3,497.63	5,218.09
Provisions	799.68	1,594.31	1,439.86	1,090.07	1,081.07
Total CL & Provisions	3,980.37	4,497.43	4,333.25	4,587.70	6,299.16
Net Current Assets	-238.02	-1,586.26	-1,448.50	-2,487.39	4,831.89

Key Financial Ratios of Hero Motocorp

Investment Valuation Ratios

Particulars	Mar-25	Mar -24	Mar -23	Mar -22	Mar '21
Face Value	2.00	2.00	2.00	2.00	2.00
Dividend Per Share	60.00	65.05	60.00	45.00	105.00
Operating Profit Per Share (Rs)	177.39	177.28	166.36	182.69	130.06
Net Operating Profit Per Share (Rs)	1381.42	1,265.75	1,190.27	1,181.19	969.86
Free Reserves Per Share (Rs)	224.51	212.83	146.03	171.52	188.33
Bonus in Equity Capital	59.98	59.98	59.98	59.98	59.98

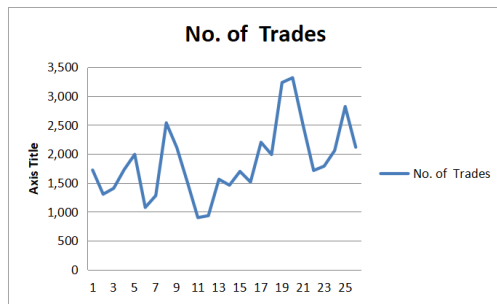
Cash Flow Indicator Ratios

Particulars	Mar 25	Mar 24	Mar -23	Mar -22	Mar -21
Dividend Payout Ratio Net Profit	50.22	61.59	56.56	37.78	108.75
Dividend Payout Ratio Cash Profit	40.95	40.39	36.75	25.85	89.97
Earning Retention Ratio	52.85	38.41	44.42	57.49	-15.62
Cash Earning Retention Ratio	61.11	59.61	63.67	72.02	5.37

Analysis

The average quick ratio of Hero MotoCorp Ltd is not good though the quick ratio is showing maximum value of 5.69 in the year 2024-25 and then it is declining to be deal. Fixed assets turnover ratio of Hero MotoCorp Ltd increased. The company has to maintain this.

Total Assets turnover ratio of Hero MotoCorp Ltd is not satisfactory because it is always below one, except in the year 2024-25 having a value of 0.65
Return on investment is not satisfactory. This indicates that the company's funds are not being utilized in a better way



INTERPRETATION:

On open value has risen from 3344.00 to 3281.15. Then compare to higher value of EPS 2531.42. Then coming to lower price from 3084.90 to 3044.65. Wholly the conclusion is 2685.12 raised.

Then coming to the volume on the same dates or days volumes are increased. Because totally this session HERO MOTOCORP LTD. EPS value is increased i.e. percentage of 3.63 %.

IV. FINDINGS

With fundamental analysis, the investor can learn about the internal and external factors influencing share prices and the most suitable shares to invest in an industry. The investor can know the risk and return of the shares using this analysis. It is helpful to the investors to determine the time horizon of investment. With the economic indicators, the investor is able to calculate an estimate of future EPS and DPS. It shows that the fundamental analysis of equity is in fact a fundamental way to test the intrinsic value to look at a company's stock of a basic and fundamental understanding. This allows investors to stop chasing short-term market price changes in profit and return and concentrate on the true financial muscle and future potential of a company financially. This sort of analysis is instrumental in the making of a sound investment decision. A crucial internal component of profitability refers to financial statements--profit and loss accounts, balance sheets, and cash flow statements. It has to do with managerial effectiveness, productive capacity (how much output can each person take), dividend policy, capital structure and borrowed funds. The factors such as inventory and sales volume and cash flow levels impact firm's overall performance. Individuals who run healthy companies have higher likelihood of getting better long term returns on their money. The research also emphasises that external factors dominate equity share prices. External factors for example, the economic situation (inflation, the rate of inflation, interest rates and GDP growth etc) directly affect the market performance. Moreover, the stock price movements depend a great deal on governments' policies, taxation, political stability, industry competitiveness, international market trends as well as investors' sentiment. Even in sound company fundamentals, these dynamics can cause short-term volatility in stock prices. They also find that the fundamentals of a company can help its investors make better and more reasonable investment decisions. Examining these factors can shed light on undervalued and overvalued stocks based on company performance and market conditions. As a result, it gives

a sound understanding of internal as well as external business issues which impact the financial condition with clarity so that a firm can help investment decision-makers make informed and logical investment in order to achieve better financial results.

V. CONCLUSION

Funds-flow and cash statements could be used to analyse the financial health of the company. The ratio analysis enables the investor to analyze the individual parameters such as profitability, liquidity, leverage and stock value.

The financial statements of the company reveal the information for the investor to make investments decision.

Technical analysis predicted the supply and demand through the analysis of price and quantity traded. Technical analysis foresees the shares price motion in the near future.

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