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"Eic And Piotroski Score To Identify Fundamentally Strong Stocks"

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Abstract
Fundamental analysis serves as a means of determining the true market value of the stock. The evaluation of the capital market can be approached through either Fundamental Analysis or Technical Analysis. This study focuses on the fundamental analysis of specific sectors namely E-Commerce, Renewable Energy, and Oil & Natural Gas. The primary objective is to conduct comparative analysis of three selected companies within each sector, aiming to recommend the most suitable stock for investors.
The study comprises of three key steps in it namely:
Economic Analysis: This step involves assessing fundamental factors such as GDP, inflation rate, interest rates and the current account to GDP ratio.
Industry Analysis: The evaluation of the three sectors is carried out using Porter's five force model, which considers factors such as the threat of new potential entrants, threat of substitutes, bargaining power of suppliers, bargaining power of buyers, and competition among existing companies in the market.
Company Analysis: Analysis done by using scores provided by Joseph Piotroski, an accounting professor at the University of Chicago. To calculate these scores, secondary data is gathered from the respective companies' annual reports.
The calculations revealed decline in the majority of stocks, leading us to recommend avoiding such stocks for long-term investments. Through a comparative analysis, we identified more suitable stocks for investors. In conclusion, it is emphasized that every investor should possess sufficient knowledge about the stock market before making any investment decisions.
Key Words:
G: Financial Markets
G11: Portfolio Choice; Investment Decisions, Risk Analysis
G32 Financial Ratios, Financial Risk
Company analysis, economic analysis, fundamental Analysis, industry analysis and Piotroski Score
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I. Introduction

Fundamental analysis entails scrutinizing the underlying factors influencing the overall health of the economy, industry, and a specific company. Like other forms of analysis, its objective is to formulate a forecast of future price movements and capitalize on them. On an individual company basis, fundamental analysis may involve evaluating financial data, management and competitive factors. At the industry level, it could encompass an examination of supply and demand dynamics for the products in question. On the economic level, the focus is on economic data to gauge both present and future economic growth.

The result of this analysis is a determination of the stock's value for the company, often referred to as its 'intrinsic value' from the perspective of fundamental analysts. Consequently, fundamental analysis seeks to anticipate the intrinsic value of an investment.

II. Literature Review:

According to Dr. T. S. Devaraja (2021), the Indian renewable energy sector is facing challenges in finding stability, as evidenced by various financial ratios and indicators indicating a crisis. Investors in India have had a negative experience and are lacking confidence in investing in the Indian renewable energy industry.

Denni Sebastin (2022) suggests that an analysis indicates the power sector will significantly contribute to GDP growth and job creation. The conclusion drawn is that Tata Power shares show promising potential for future growth, and investing in this stock could result in capital appreciation and periodic dividends. Dr. S. Kamalasaravanan (2022) recommends that companies exhibiting positive ratios should enhance their efficiency by optimizing the utilization of available resources. He emphasizes the universal principle of survival of the fittest and suggests that companies should make long-term investments to yield higher returns. According to Dr. Virupaksha Goud (2019), crude oil prices are directly correlated with global GDP. Although substitute petroleum products are beginning to have some impact, it remains limited at present. Goud notes that if crude oil prices rise, petroleum exploration companies like ONGC and OIL will profit; otherwise, petroleum refining and distribution companies such as BPCL, HPCL and IOCL will profit, contingent on government subsidy decisions. Nazma Angadi (2018) advises investors to exercise caution when making investment decisions related to petroleum companies. In the event of increasing petroleum prices, the research recommends investing in ONGC and OIL, while discouraging investment in BPCL, HPCL, and IOCL. Krishna (2018) concludes that only futures contracts are available for crude oil and natural gas. The GDP share of crude oil is relatively low compared to imports, with total crude oil production being less while imports are high. The proportion of natural gas in India's energy mix has seen an increase.

Izhar Ahmad (2016) discloses that an examination of the financial performance indicates that the ability to meet its current obligation is not up to par. Therefore, the company's management should prioritize improving profitability. In terms of profitability ratios, the researcher observes significant fluctuations. According to Rushabh Shah (2016), Myntra has planned to close its web portal by the years's end, making its mobile app the sole point of contact with users. The North Eastern states of India contribute nearly 20% to e-commerce transactions, and Flipkart has seen a growth in revenue.Athith Haridas (2021) emphasizes that the financial performance of Myntra, India Mart, Justdial, Reliance Digital, and Snapdeal is deemed satisfactory. The study provides insights into the financial strengths and weaknesses of these e-commerce companies. Devika Sabari Rajan (2017) concludes that the survival of companies is largely contingent on satisfying their investors and consumers, the key stakeholders in their business. Companies with positive ratios need to enhance their efficiency in their approach.

III. Research Methodology

Research Objectives:

- To conduct the economic analysis based on five factors i.e. GDP, Inflation, tax structure, repo rate etc
- To conduct the industry analysis based on the porters five force model.
- To conduct the company analysis of the selected stocks based on Piotroski Sore and to rank them.
- To study and analyse the growth and performance of selected sectors

Scope of the study:

Study area is considered as Financial Markets of India, as the study deals with NSE Market, in which nine companies from three sectors have been selected for the study.

The study is primarily dealing with equity. The study considers Piotroski Scoring Method for the analysis. The analysis is based on the outcome of ratios selected and data is limited to the period of 5 years. The study also considers Intrinsic Value to know the true fair value of the securities which will help investor to make decisions as to what securities should be held.

Data Collection Method:

Secondary Data: The secondary data is collected from Secondary sources for the purpose of study. The data is collected from the various published papers from the websites and journals in the area of fundamental analysis of the stocks and for the information required to assess the risk and returns.

Sampling size: The NSE Nifty 50 is considered as part of study and 9 companies have been taken into consideration from 3 sectors. 5 years data is collected as per the financial year from 2018 to 2022.

IV. Research Analysis and findings:

Economic Analysis:

In the realm of economic analysis, taking into account various factors such as GDP, inflation, repo rate, foreign exchange reserves, monsoon patterns, and the tax structure, India is poised to become the world's fastest-growing economy by 2023.

According to the latest projections from the International Monetary Fund (IMF) in its World Economic Outlook, India's real GDP is anticipated to grow at a rate of 7.1% in the fiscal year 2023-2024.

The inflation rate in the economy is relatively mild, which is advantageous for both the economy and the stock market.

An increase in the repo rate directly raises the cost of borrowing, making loans more expensive. This shift can be either favourable for borrowers or for banks, depending on the circumstances.
Favourable monsoon conditions contribute to the growth of the agriculture sector.

Reductions in tax rates encourage more savings, and the stability of tax rates in India fosters the country's growth prospects.
The "Make in India" initiative is expected to attract increased foreign investments in the coming years.

Table 1: GDP Growth Rate (%)

Year	GDP Growth (%)
2018	6.45
2019	3.74
2020	-6.6
2021	8.95
2022	6.9

Fig.1:

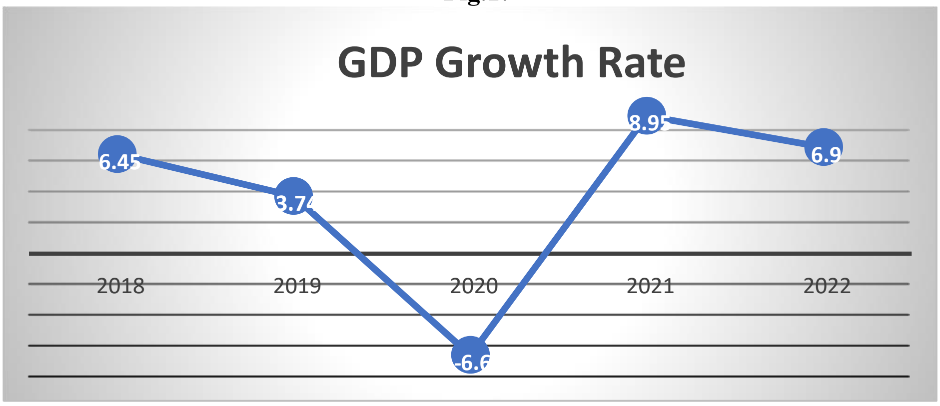


Table 2: Inflation Rate (%)

Year	Inflation Rate (%)
2018	3.94
2019	3.73
2020	6.62
2021	5.13
2022	6.7

Fig.2:

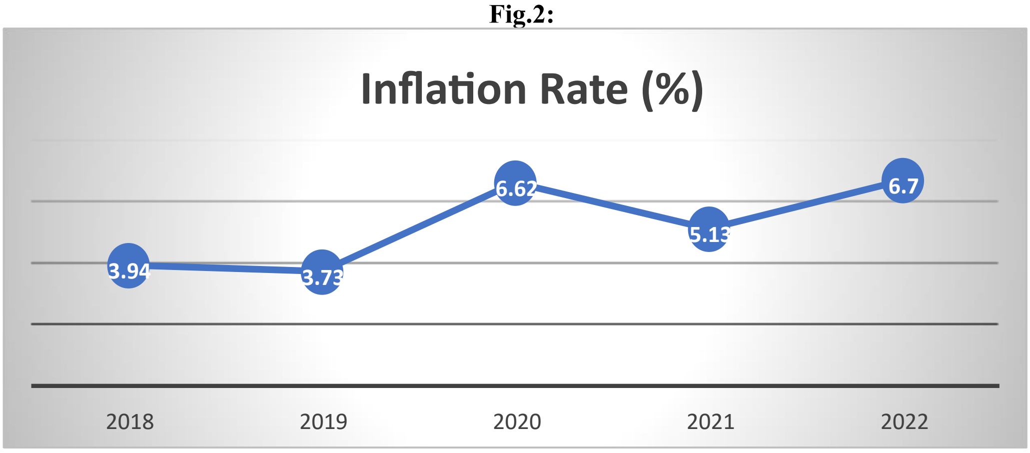
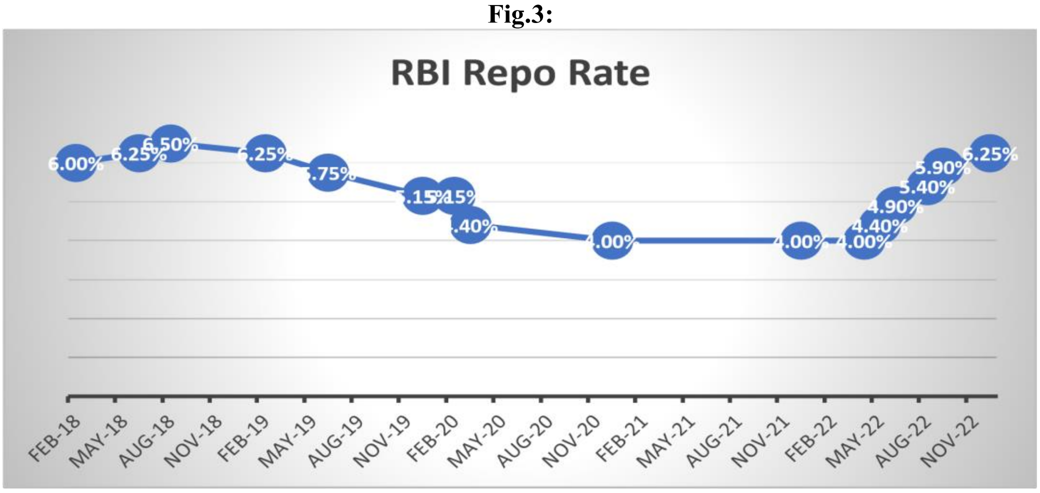


Table 3: RBI Repo Rate

Date	RBI Repo Rate
Dec-22	6.25%
Sep-22	5.90%
Aug-22	5.40%
Jun-22	4.90%
May-22	4.40%
Apr-22	4.00%
Dec-21	4.00%
Dec-20	4.00%
Mar-20	4.40%
Feb-20	5.15%
Dec-19	5.15%
Jun-19	5.75%
Feb-19	6.25%
Aug-18	6.50%
Jun-18	6.25%
Feb-18	6.00%

Fig.3:



Industry Analysis:

E-Commerce Sector:

The Indian E-Commerce sector has been experiencing significant growth and is projected to surpass the United States, becoming the second largest e-commerce market globally by 2034. The industry's growth is anticipated to reach US$ 111.40 billion by 2025, with a compound annual growth rate (CAGR) of 19.24%. The online grocery market is forecasted to reach US$ 26.93 billion in 2027, expanding at a CAGR of 33%.

Renewable Energy Sector:

India boasts the world's fourth-largest installed renewable energy capacity. This sector has the potential to generate numerous employment opportunities, particularly in rural areas, with a significant focus on hydro power exploration, particularly in the northeastern states. Currently, the installed renewable energy capacity accounts for 40.6% of the nation's total installed power capacity. Solar and wind projects are expected to be cost-competitive compared to thermal power generation in India between 2025 and 2030.

Oil and Natural Gas Sector:

The rapid economic growth in India is driving increased outputs, leading to a rising demand for oil in production and transportation. According to the International Energy Outlook (IEO) 2021, primary energy demand is projected to nearly double to 1,123 million tonnes of oil equivalent, coinciding with the country's expected GDP increase to US$ 8.6 trillion by 2040. As of 2021, India retains its position as the third-largest consumer of oil globally. The states of Assam, Gujarat, and Rajasthan contribute over 96% to oil production in

India. Foreign Direct Investment (FDI) inflows in the petroleum and natural gas sector totalled US$ 7.99 billion between April 2000 and June 2022. The Union Budget for 2022-23 saw a reduction in customs duty on crucial chemicals like methanol, acetic acid, and heavy feedstocks for petroleum refining.

Company Analysis:

The company analysis is done on the basis of scores given by Joseph Piotroski an accounting professor at the University of Chicago and by Intrinsic Value of the company. His method of screening stocks is based on nine parameters.

The Piotroski score is relatively simple to arrive at but can still be a powerful indicator of a company's financial health. By providing an indication of the financial health of companies, the Piotroski score can also help investors pick high-value stocks and manage risks. The Piotroski score, also known as the Piotroski F-score that ranges from 0 to 9. A Piotroski score of 9 is the best, while 0 is the worst.

As mentioned above, nine criteria are considered when calculating the **Piotroski score.** These nine criteria are broken up into three groups:

➢ **Profitability Ratios:**
- Net Income=Total Revenue – Total Expenses
- Operating Cash Flow = EBIT+ Depreciation -Taxes+ Change in Working Capital
- Quality of earnings= Net Income/Shares Outstanding
- Return on Assets=Net Income/Total Assets

➢ **Leverage and liquidity Ratios:**
- Leverage=Long term debt/Total Assets
- Current Ratio=Current Assets/Current Liabilities
- O/S Shares

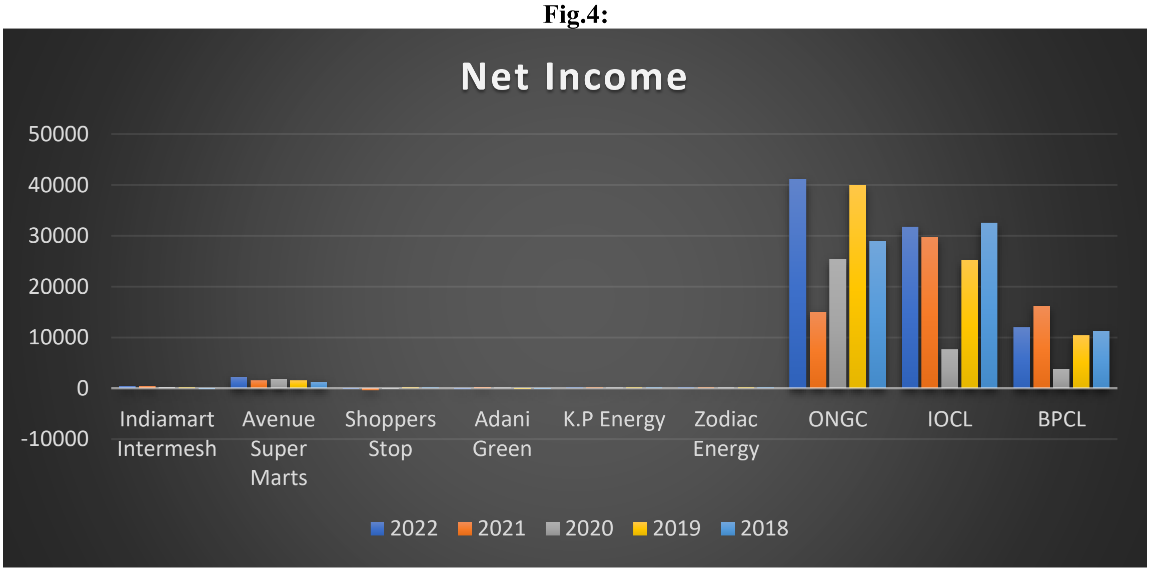
➢ **Operational efficiency Ratios:**
- Gross Margin=Gross Profit/Sales
- Asset Turnover Ratio=Total Sales/Total Assets

For every criterion that a company meets, it is assigned one point. The sum of all the points obtained for the nine criteria gives us that company's Piotroski score (with a value between 0 and 9)

Table 4: Net Income: =Total revenue-total expenses

Year	India Mart Intermesh	Avenue Super Marts	Shoppers Stop	Adani Green	K.P Energy	Zodiac Energy	ONGC	IOCL	BPCL
2022	402.65	2181.73	-123.79	-171	28.93	7.64	41040	31733.1	11991
2021	395.97	1544.79	-332.53	301	9.79	6.05	15027.8	29715.7	16169
2020	216.87	1782.89	-50.66	74.96	2.78	4.27	25267.7	7610.53	3751.9
2019	46.33	1447.64	123.68	-39.17	24.91	4.52	39954	25126.9	10440
2018	-187.48	1195.89	79.57	-52.13	3.79	2.75	28892.5	32564.3	11286

Fig.4:



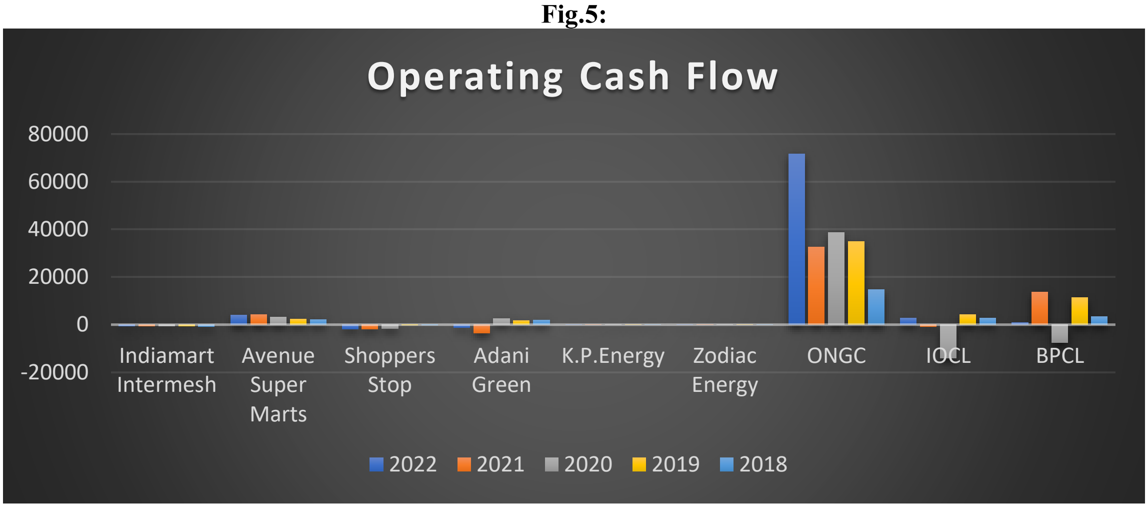
Interpretation:

Increasing net income is a good sign for a company's profitability. From the above table we see that net income of India mart Intermesh, Avenue Super marts, KP Energy, Zodiac Energy, ONGC and IOCL is consistent which is favourable for stockholders. Shoppers stop, Adani Green is showing negative numbers from the last three years which is not consistent and it is not favourable. Increasing net income is a good sign for a company's profitability. While the net income of Bharat Petroleum is fluctuating which is not consistent and it is not favourable

Table 5: Operating Cash Flow: =EBIT + Depreciation -Taxes+ Change in working capital

Year	India Mart Intermesh	Avenue Super Marts	Shoppers Stop	Adani Green	K.P. Energy	Zodiac Energy	ONGC	IOCL	BPCL
2022	-740.21	4012.62	-1732.89	-1230	68.06	42.8	71627.6	2724.79	976.46
2021	-553.02	4086.12	-1738.16	-3483	93.74	30.72	32545.7	-841.11	13750
2020	-663.83	3148.59	-1615.37	2600	50.06	25.56	38714.9	-14179	-7503.2
2019	-583.62	2229.38	-30.2	1718.3	40.88	22.93	34919.6	4091.95	11242
2018	-879.21	2112.94	-70.46	1939.3	8.92	18.76	14665.2	2702.57	3489.6

Fig.5:



Interpretation:

The operational cash flow is a measure of the cash generated through a company's regular business activities. As illustrated in the above graph, Avenue Super Marts, K.P Energy, Zodiac Energy, and ONGC exhibit positive operating cash flow (OCF), signifying that these companies are generating more cash from their operations than they are spending. This positive trend is indicative of financial stability.Conversely, India Mart Intermesh, Shoppers Stop, and Adani Green show negative OCF, suggesting that these companies may be spending more cash than they are generating. This negative OCF could serve as a cautionary signal of potential financial distress. It's worth noting that IOC and BPC are recovering from their negative OCF over the past three years, implying that these companies are making progress in aligning their cash generation with expenditures.

Table 6: Quality of Earnings:=Net income/no. of outstanding shares

Year	India Mart Intermesh	Avenue Super Marts	Shoppers Stop	Adani Green	K.P. Energy	Zodiac Energy	ONGC	IOCL	BPCL
2022	132%	34%	-11%	-1%	26%	5%	33%	35%	56%
2021	131%	24%	-30%	2%	9%	4%	12%	32%	77%
2020	75%	28%	-6%	0%	3%	6%	20%	8%	19%
2019	16%	23%	14%	0%	22%	6%	32.00%	27%	53%
2018	-188%	19%	9%	0%	4%	4%	23%	34%	57%

Fig.6:

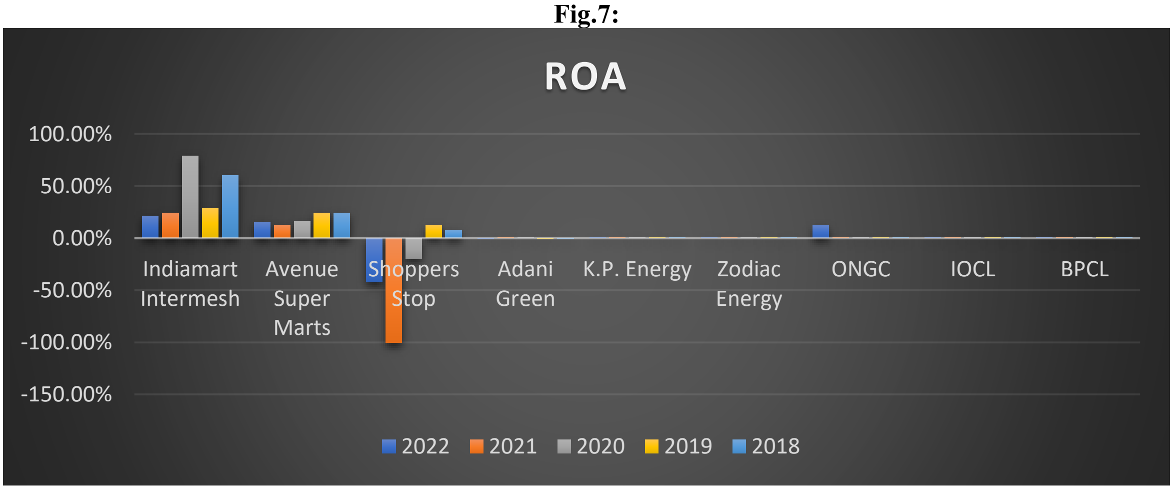
Analysis: The assessment of earnings quality serves as a gauge of the durability and dependability of a company's earnings. Over the past five years, India Mart Intermesh, Avenue Super Marts, K.P Energy, and Zodiac Energy have demonstrated stable earnings, indicating a higher likelihood of sustainability for these companies. Conversely, Shoppers Stop and Adani Green have experienced fluctuating earnings, consistently in negative figures for the past three years, suggesting a less stable earnings trajectory.

In contrast, all three companies in the Oil and Natural Gas sector have maintained positive and stable earnings over the past five years, enhancing their sustainability prospects. Notably, Bharat Petroleum's earnings surpass those of other companies in this comparison**.**

Table 7: Return on Assets: = Net Income/Total Assets

Year	India Mart Intermesh	Avenue Super Marts	Shoppers Stop	Adani Green	K.P. Energy	Zodiac Energy	ONGC	IOCL	BPCL
2022	21.28%	15.67%	-42.37%	-0.01%	0.09%	0.10%	12.00%	0.08%	0.08%
2021	24.49%	12.55%	-100.23%	0.02%	0.04%	0.11%	0.05%	0.09%	0.11%
2020	79.01%	16.01%	-19.46%	0.01%	0.01%	0.10%	0.09%	0.02%	0.03%
2019	28.83%	24.05%	12.65%	-0.01%	0.15%	0.16%	0.13%	0.08%	0.09%
2018	60.04%	24.43%	7.95%	-0.01%	0.03%	0.13%	0.10%	0.12%	0.11%

Fig.7:



Interpretation:

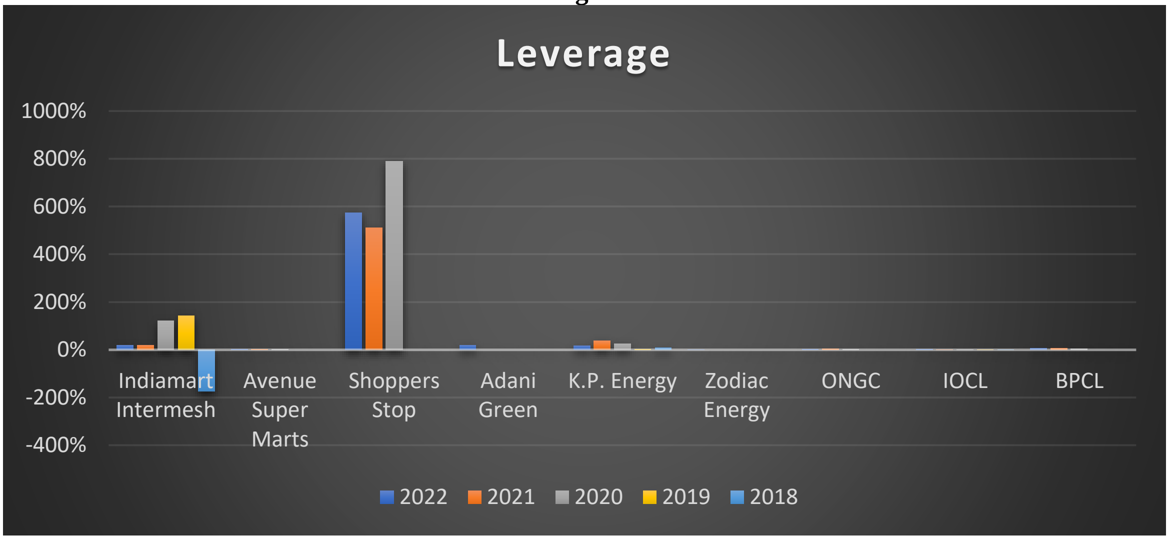
The higher the ROA number the better, because the company is able to earn more money with a smaller investment. In the above table we can see that ROA of India Mart, Zodiac Energy, ONGC is more when compared to other two companies which means company is more efficient at generating profits. Accordingly, Avenue Super Marts, Adani Green, K.P

Energy fall in second place and Shoppers Stop is showing negative ROA from last three years which is not a good take for investors.

Table 8: Leverage Ratio: =long term debt/total assets

Year	India Mart Intermesh	Avenue Super Marts	Shoppers Stop	Adani Green	K.P. Energy	Zodiac Energy	ONGC	IOCL	BPCL
2022	20%	2%	574%	20%	17%	1%	2%	3%	6%
2021	19%	2%	511%	0%	38%	0%	4%	1%	6%
2020	121%	2%	790%	0%	25%	0%	2%	1%	5%
2019	143%	0%	0%	0%	2%	0%	0%	1%	0%
2018	-173%	0%	0%	0%	8%	0%	0%	1%	0%

Fig.8:



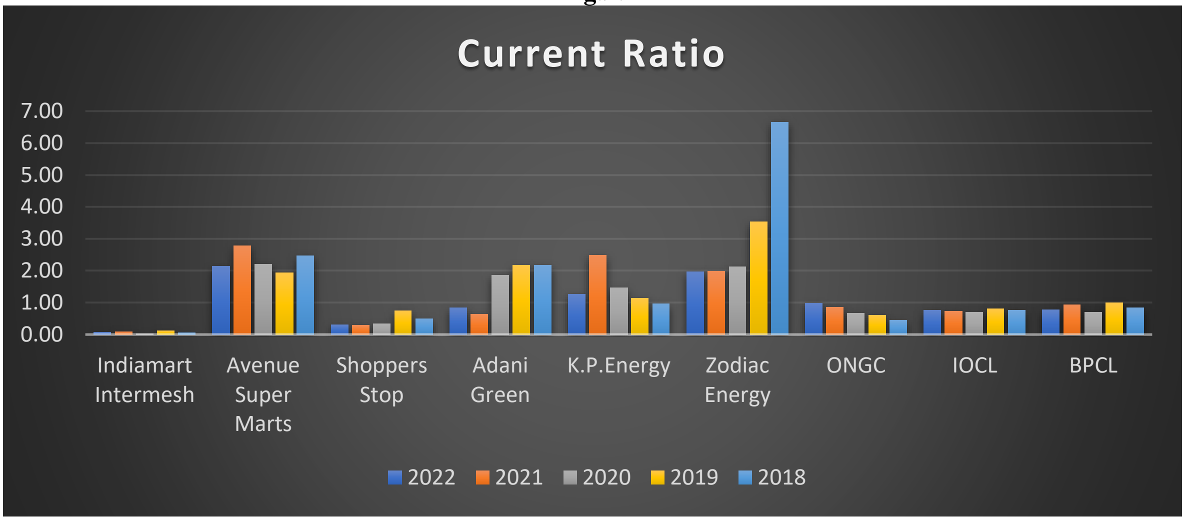
Interpretation:

A high leverage ratio indicates that the company has taken on a larger debt than its capacity and will not be able to service the obligations with the ongoing cash flows. As you can see in the above table leverage ratio of most of the companies is more than 1. A leverage ratio higher than 1 can cause a company to be considered a risky investment by lenders and potential investors. Accordingly, K.P Energy is having higher leverage ratio which indicates that the company has taken on a larger debt than its capacity and will not be able to service the obligations with the ongoing cash flows. While the ratio of Zodiac energy. Adani Green, ONGC and BPCL are the lowest.

Table 9: Current Ratio: = CA - CL

Year	India Mart Intermesh	Avenue Super Marts	Shoppers Stop	Adani Green	K.P.Energy	Zodiac Energy	ONGC	IOCL	BPCL
2022	0.07	2.15	0.31	0.833	1.257	1.969	0.982	0.76	0.77
2021	0.09	2.78	0.29	0.642	2.489	1.97	0.863	0.73	0.93
2020	0.03	2.20	0.33	1.865	1.465	2.128	0.665	0.69	0.7
2019	0.12	1.93	0.75	2.161	1.139	3.535	0.608	0.81	0.99
2018	0.05	2.47	0.50	2.178	0.961	6.66	0.436	0.76	0.83

Fig.9:



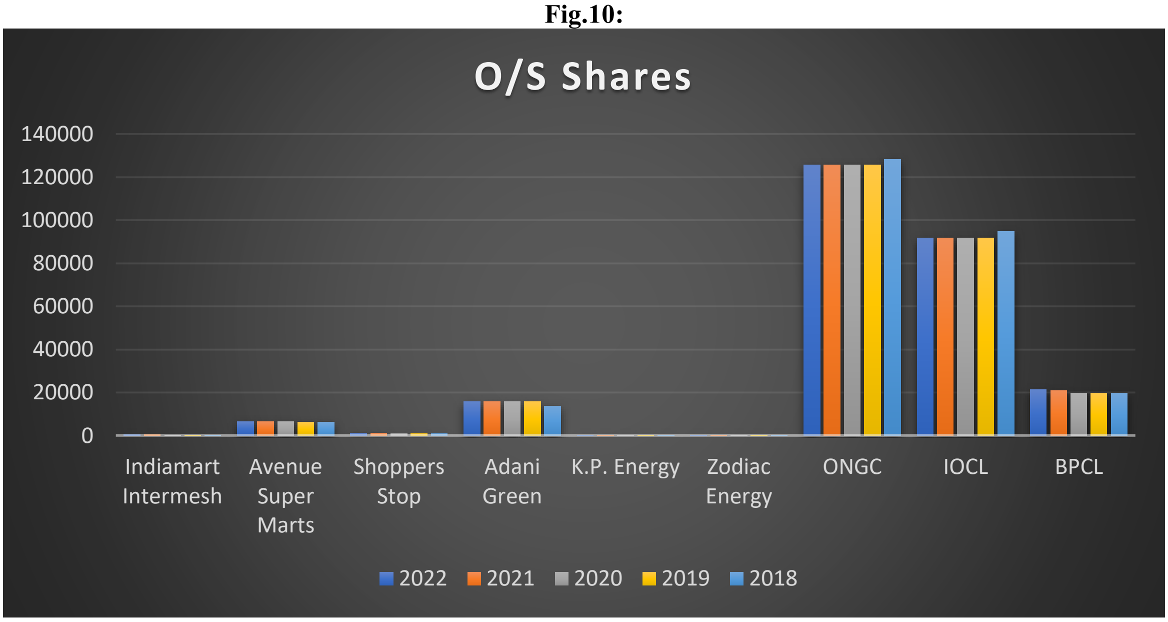
Interpretation:

If the current ratio is less than one, the company's current liabilities are more than its current assets. From the above graph we see that the current ratio over the years for India mart Intermesh, Shoppers Stop, ONGC, IOCL and BPCL is below 1 which shows that the firm is not able to meet its short-term liabilities, hence the liquidity position of these two companies is not satisfactory. The current ratio of Avenue Super marts, Adani Green, K.PEnergy, Zodiac Energy is above 1 which shows that company has enough cash to meet its liabilities. Hence the liquidity position of this company is satisfactory.

Table 10: O/S Shares (in lakhs)

Year	India Mart Intermesh	Avenue Super Marts	Shoppers Stop	Adani Green	K.P. Energy	Zodiac Energy	ONGC	IOCL	BPCL
2022	305.53	6477.8	1095	15,640.14	111.2	146.3	1,25,802.79	91,810.40	21,294.55
2021	303.16	6477.8	1093.59	15,640.14	111.2	146.3	1,25,802.79	91,810.40	20,929.13
2020	288.77	6477.8	879.9	15,640.14	111.2	73.17	1,25,802.79	91,810.40	19,668.80
2019	285.92	6240.8	879.9	15,640.14	111.2	73.17	1,25,802.79	91,810.40	19,668.80
2018	99.77	6240.8	879.9	13,767.48	85.5	73.17	1,28,332.35	94,786.91	19,668.80

Fig.10:

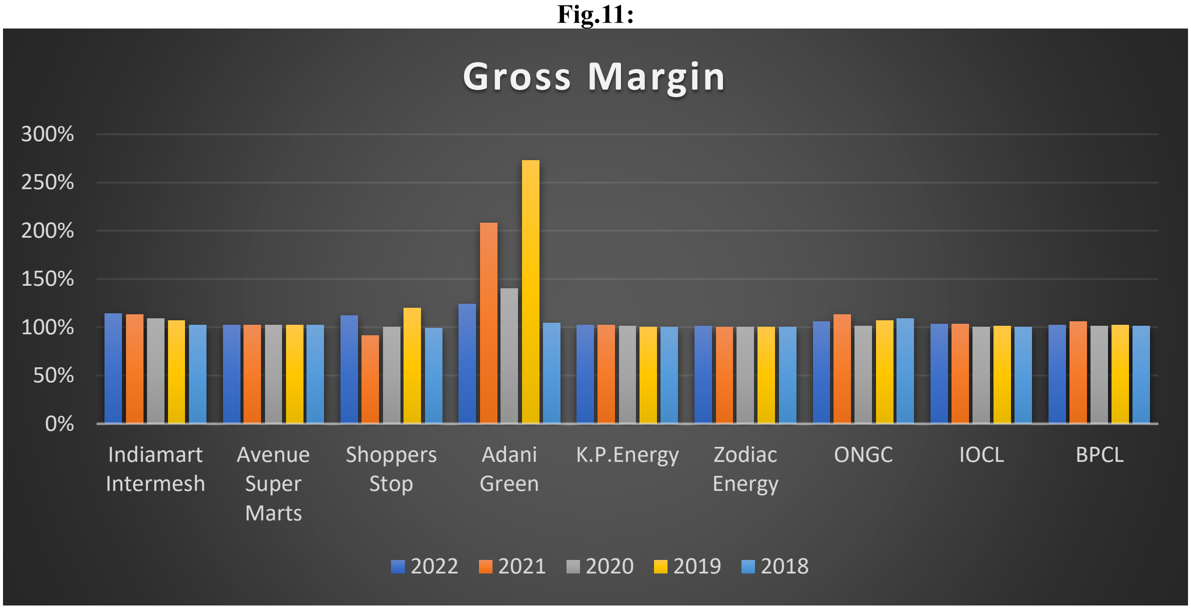


Interpretation:

As you can see in the above graph Avenue Super Marts, Adani Green, ONGC is having large number of outstanding shares which indicates that it has widely held ownership structure with many different investors owning small amounts of stocks compared to all the other remaining companies

Year	India Mart Intermesh	Avenue Super Marts	Shoppers Stop	Adani Green	K.P. Energy	Zodiac Energy	ONGC	IOCL	BPCL
2022	114%	102%	112%	124%	102%	101%	106%	103%	102%
2021	113%	102%	91%	208%	102%	100%	113%	103%	106%
2020	109%	102%	100%	140%	101%	100%	101%	100%	101%
2019	107%	102%	120%	273%	100%	100%	107%	101%	102%
2018	102%	102%	99%	104%	100%	100%	109%	100%	101%

Fig.11:



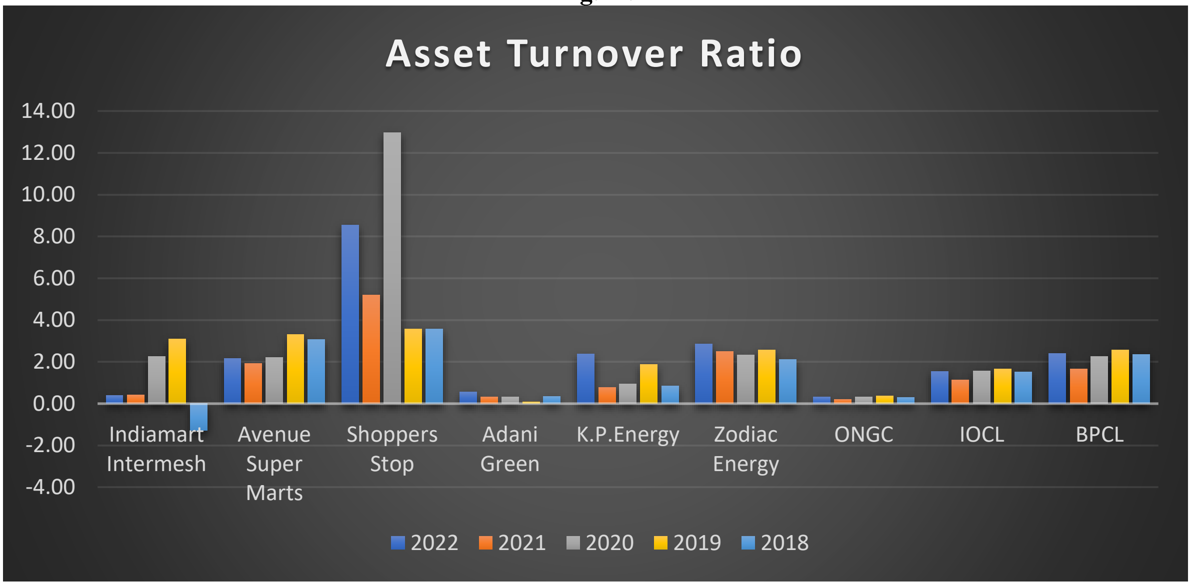
Interpretation:

A high gross profit margin indicates that a company is successfully producing profit over and above its costs. In the above graph we can see that India Mart Intermesh, Adani Green, ONGC are showing higher Gross Margin. And the Avenue Super Marts, Zodiac Energy is showing constant Gross Margin from the last five years and Shoppers Stop is comparatively low with the other two companies. And the IOC and Bharat Petroleum are also constantly increasing.

Table 12: Asset Turnover Ratio:= Total sales/total assets

Year	India Mart Intermesh	Avenue Super Marts	Shoppers Stop	Adani Green	K.P. Energy	Zodiac Energy	ONGC	IOCL	BPCL
2022	0.40	2.18	8.54	0.546	2.369	2.861	0.327	1.54	2.407
2021	0.41	1.93	5.20	0.318	0.779	2.492	0.214	1.132	1.654
2020	2.27	2.22	12.99	0.326	0.928	2.329	0.324	1.561	2.249
2019	3.10	3.31	3.56	0.072	1.876	2.573	0.363	1.671	2.571
2018	-1.29	3.07	3.59	0.349	0.845	2.116	0.292	1.51	2.361

Fig.12:



Interpretation:

The higher the asset turnover ratio, the more efficient a company is at generating revenue from its assets. In the above graph we can see that Avenue Super Marts, Shoppers Stop, Zodiac Energy and BPCL are having the Asset Turnover ratio greater than 1 which means company can generate enough revenue for itself. And the India Mart Intermesh, Adani Green, ONGC is showing the ratio below 1 from the last two years which means it is not efficiently using its assets to generate sales. The ratio is greater than 1 is always good Considering Zodiac Energy for investment is better option. Because the company can generate enough revenue for itself.

Table 13: Final result based on Piotroski's score for all the three Sectors is:

	India Mart	Avenue Super Marts	Shoppers Stop	Adani Green	K.P Energy	Zodiac Energy	ONGC	IOCL	BPCL
Net Income	1	1	0	0	1	1	1	1	1
Operating cash flow	0	1	0	0	1	1	1	1	1
Quality of Earnings	0	1	0	0	1	1	1	0	0
Return on Assets	0	1	1	0	1	0	1	0	0
Leverage	0	0	0	0	1	0	1	0	0
Current Ratio	1	1	0	0	1	1	0	0	1
Outstanding Shares	0	1	0	1	1	1	1	1	0
Gross Margin	1	0	1	0	0	1	0	0	0
Asset Turnover Ratio	0	1	1	1	1	1	1	1	1
Total	**3**	**7**	**3**	**2**	**8**	**7**	**7**	**4**	**4**

- Weak candidates that score in the range 0-2
- Grey zone candidates that score in the range 3-7
- Strong candidates that score in the range of 8-9

Interpretation:

As you can see in the above table Intrinsic value of India Mart Intermesh, Avenue Super Marts, Shoppers Stop, Adani Green, K.P Energy and Zodiac energy is less than current market price, selling is the better option. And the Intrinsic value of all the three companies of Oil and Natural Sector are greater than current market price, buying is the better option.

Table 14: Intrinsic Value: =EPS*P/E ratio

	India Mart Intermesh	Avenue Super Marts	Shoppers Stop	Adani Green	K.P.Energy	Zodiac Energy	ONGC	IOCL	BPCL
Avg P/E ratio	33.22	130.4	16.556	5.504	9.52	25.51	7.45	7.22	9.92
Current EPS	101.41	24.95	-7.92	-0.37	18.82	3.73	32.04	26.34	41.27
Current Market Value	4660	3439	641	889.1	369.3	112	143.8	79.25	333.9
Intrinsic Value	3368.84	3254	-131.12	-2.036	179.2	95.16	238.7	190.2	409.4

V. Recommendations and suggestions:

Considering the Piotroski's Score and Intrinsic value:

1) As per the Piotroski's scoring Renewable Energy Sector have more prospects than the rest because it has the highest scoring among all other sectors and it is the need of the hour, where sustainability in energy sector is in priority. Rapid growth is expected in the Renewable Energy Sector. More over Zodiac Energy is having score of highest at 8. Avenue Super Marts, K.P Energy and ONGC are in the "Grey Zone" which are safer option to investment hence buying is suggested.
2) Based on the Intrinsic Value Oil and Natural Gas Sector is better option to buy.
3) For the investors who are looking to invest in India Mart Intermesh, Shoppers Stop, Adani Green, BPCL and IOCL should hold for two years in order to see the stability in the market for better prospects of investment. Since the economic prospects are very much positive we suggest hold.

VI. Conclusion:

Fundamental Analysis serves as a structured and formalized approach to assessing a stock's value and its potential for growth. This systematic process aids in recognizing both overvalued and undervalued stocks concerning their earnings potential, dividend income prospects, and asset values within the context of the economic and industry landscape. Investment decisions are then made based on this research, aligning the odds in favor of the Fundamental Analyst.

Through an economic analysis encompassing factors like GDP, Inflation, Repo Rate, Monsoon, and Tax Structure, the current economic stage is identified as booming, presenting ample investment opportunities in the coming years.

Companies with the highest Piotroski's score are deemed the most favorable for investment, indicating future growth. Among all the companies, Zodiac Energy holds the highest score.

Future Scope of the study:

This paper is tailored for investors who rely on hearsay rather than logic in their investment decisions. It proves valuable in pinpointing fundamentally strong stocks suitable for long-term investment. The study emphasizes the simplicity of analysis through the Economic, Industry, and Company (EIC) framework and the Piotroski score. While the current study focuses on E-Commerce, Renewable Energy, and Oil and Natural Gas sectors, future studies could extend to cover all industries, incorporating industry-specific ratios into the Piotroski score.

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