

# Nifty-6

Nifty-6 is the Part of Nifty-50.

Nifty-6 Represent 47% Weightage of Nifty. So who makes Nifty Recover or Fall?

You are right..... its the Nifty-6

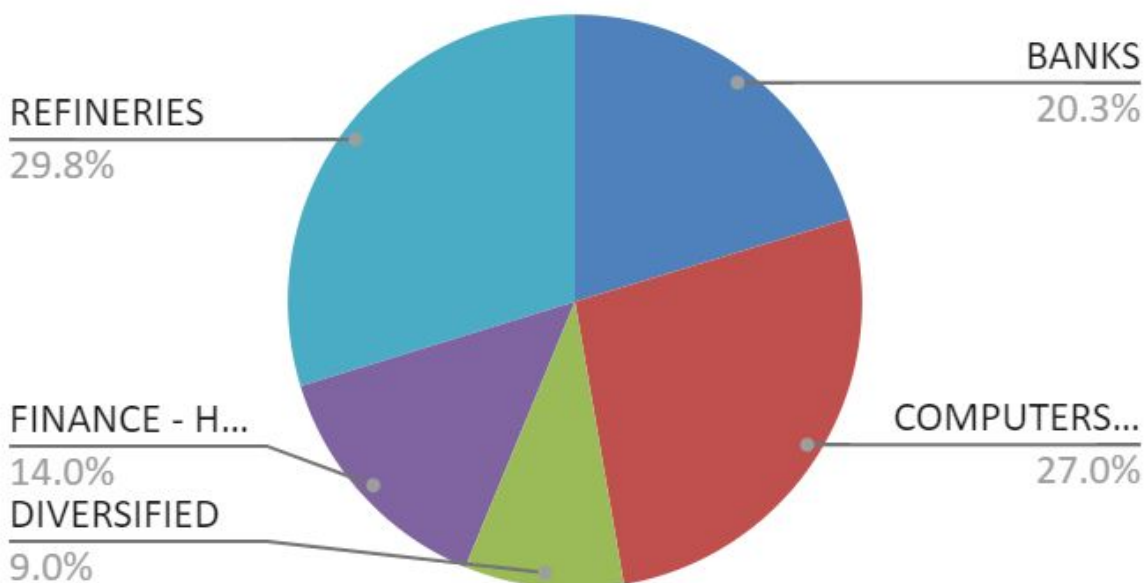
This report is to understand why some companies are today in the Top-6 in Nifty? How have they grown their business? What are their margins and R-O-E today? How much Cagr gain they gave and most important question is why they gave such good returns? Can we receive whole investments back in Dividends? if Yes who has given?

And so many questions why? how? what should arise in our mind?

The given dashboard can easily explain What is Nifty-6.

[https://docs.google.com/spreadsheets/d/e/2PACX-1vSo7V2qmkkPPoLW37eOkqC9ie1oF2u34HkHISpPVLGTMUXlWmTfi6SSFd\\_qfr8mnA/pubhtml?gid=598690739&single=true](https://docs.google.com/spreadsheets/d/e/2PACX-1vSo7V2qmkkPPoLW37eOkqC9ie1oF2u34HkHISpPVLGTMUXlWmTfi6SSFd_qfr8mnA/pubhtml?gid=598690739&single=true)

## Weightage (%)



## Nifty-6

### Weightage

Industry	Security Name	Weightage (%)
BANKS	HDFC Bank Ltd.	10
COMPUTERS - SOFTWARE	Infosys Ltd.	13
	Tata Consultancy Services Ltd.	
DIVERSIFIED	Hindustan Unilever Ltd.	4
	Housing Development Finance Corporation Ltd.	7
FINANCE - HOUSING		
REFINERIES	Reliance Industries Ltd.	14
<b>Nifty-6</b>		<b>47</b>
Nifty-50		100

Nifty-6 = Nifty-50  
Reliance = Nifty-50 Bottom 22

### Weightage

### Reliance Ind = All Bottom 22

BPCL	CIPLA
COALINDIA	HEROMOTOCO
BAJAJ-AUTO	TATAMOTORS
IOC	TATASTEEL
M&M	GRASIM
SHREECEM	GAIL
ADANI PORTS	INDUSINDBK
DRREDDY	HINDALCO
TECHM	UPL
JSWSTEEL	INFRATEL
EICHERMOT	ZEEL

### Equity | Sales | Profits

Security Name	Equity Capital (In Rs.)	Revenue	Profit
Reliance Industries Ltd.	6339	611645	39880
Tata Consultancy Services Ltd.	375	159494	32447
HDFC Bank Ltd.	548	147068	27254
Housing Development Finance Corporation Ltd.	345	101725	22826
Infosys Ltd.	2129	90791	16639

Hindustan Unilever Ltd.	234	39136	6756
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<b>Nifty-6</b>	9970	1149859	145802
Nifty-50		5332862	355942

Nifty-6 = 20%Nifty-50 Sales &  
50%Profitability  
Reliance = Nifty-50 Bottom 10  
Profits

1997 Profit	
ONGC	5000
IOCL	2000
HUL	1500
MTNL	1300
SBI	2200

Nifty-5                      12000

## Growth

Security Name	Sales Gr 2001	Sales Gr 2010	Profit Gr 2001	Profit Gr 2010
HDFC Bank Ltd.	28%	22%	29%	25%
Housing Development Finance Corporation Ltd.	23%	25%	22%	23%
Infosys Ltd.	22%	15%	19%	11%
Tata Consultancy Services Ltd.	22%	21%	21%	19%
Reliance Industries Ltd.	20%	11%	20%	5%
Hindustan Unilever Ltd.	7%	8%	9%	9%

<b>Nifty-6</b>	20%	17%	20%	15%
Nifty-50	20%	19%	17%	14%

## Quality

Security Name	Profit Margin	Debt Paying R-O-PE
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Capacity			
Tata Consultancy Services Ltd.	20	46	87
Housing Development Finance Corporation Ltd.	22		66
HDFC Bank Ltd.	17		50
Hindustan Unilever Ltd.	17	72	31
Infosys Ltd.	18	111	8
Reliance Industries Ltd.	7	3	6
<b>Nifty-6</b>	17	58	41
Nifty-50	7	50	22

## Current Trend

Security Name	Cy Rev Gr	Cy Profit Gr
Reliance Industries Ltd.	-44%	31%
HDFC Bank Ltd.	7%	22%
Housing Development Finance Corporation Ltd.	29%	16%
Infosys Ltd.	9%	12%
Hindustan Unilever Ltd.	4%	6%
Tata Consultancy Services Ltd.	0%	-14%
<b>Nifty-6</b>	1%	12%
Nifty-50	-7%	-22%

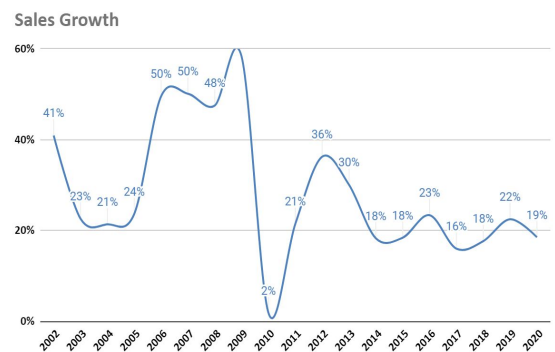
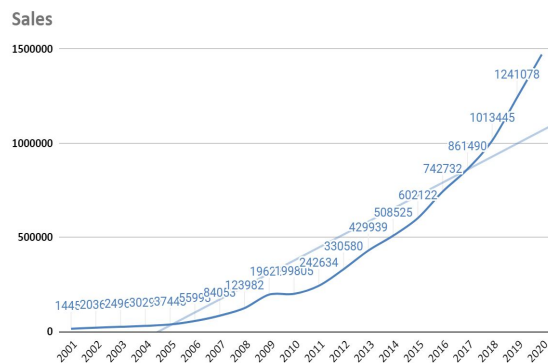
## Return

Security Name	Cagr Price		
	2001	2010	Div %
HDFC Bank Ltd.	25%	21%	30
Hindustan Unilever Ltd.	14%	25%	71
Housing Development Finance Corporation Ltd.	21%	14%	22
Infosys Ltd.	31%	11%	61
Reliance Industries Ltd.	19%	15%	10
Tata Consultancy Services Ltd.	19%	19%	42
<b>Nifty-6</b>	22%	18%	39

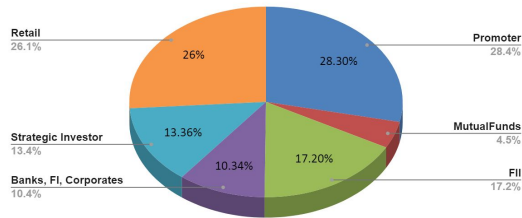
- **Hdfcbank: Cmp: 1103: [sales: 6.9% | Profit: 22%]**

One of the best among the Indian banking Industry. This bank was not even in the TOP 15 companies a decade back and today is No#1 as per the free-float Market Cap. Very high growth, best margin and least NPA. Consistently giving good results for the last 2 decades. Far further than 2nd Biggest bank Icici Bank. India has transformed from a 0.5 trillion to 2.8 Trillion economy and the major Bank has cashed this Boom. HdfcBank was having revenue and profits of around 1500 cr and 200 cr during the year 2000. We may see HDFC Bank enter the elite club companies of India with Profit of more than 1 lakh cr till 2030, 1st Indian bank to see this profit. Today Hdfcbank generates around 1.5 lakh cr revenue. Better managing sales along with professionally managed Gross NPA (around 1.3%) has helped Hdfcbank cross 25000 cr profit-making club where just 3-5 Indian Companies are there. Investment of 1 Lakh done 2 decades back is today 2.75 crore along with consistent dividends. All those holding for a long time, no need to worry as Economy is moving from 3 tr to 5 tr till 2025, majority of the banks with good management will be again able to cash the boom. We should remember Boom of China has helped the I&C Bank of China reach a Profit of around 3 lakh Cr. Today China has 4 Banks which are making Profits of more than 2 lakh Cr v/s our top private bank not even having 2 lakh cr sales. This difference should be filled in the coming 10-15 years. Post COVID Q1 results are declared with growth in revenue & net Profit at 6.9% & 22% respectively which was little better than expected. Should not

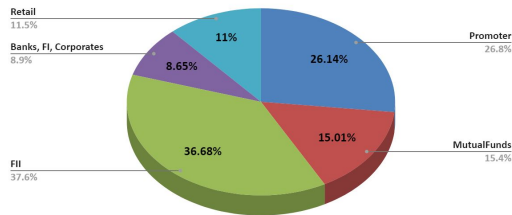
forget that Moratorium announced by RBI between March to August has paused the real npa, real npa should be known in Q2. Yet Better managed NPA. Considering the current Q1 result and considering post moratorium data after August new buying can be done near 950 and this year target could be 1275. Some 10-15% Profits could be booked in the range of 1185 to 1275. Loan growth, 3rd party products, usage of debit and credit cards has been affected post corona. Effect of Corona depends on future developments. Should expect this bank to cross even profits of 2 Lakh cr around 2030 which can help create huge wealth. It's good seeing many people from you holding this stock for many years and have already created huge wealth by SIP. Hdfc is the Promoter with a 26% stake while MF & Insurance Companies hold around 17% stake along with FPI 39%. LIC is an old shareholder of HDFC and has added 20 lakh shares during 2014 around 600, they still hold around 5.58 cr shares. New buying again can be done during any fall near 950 with the target of 8000 in 2030 with consistent Earnings.



SHP 2001



SHP-2020



Historical data of HdfcBank:

[https://docs.google.com/spreadsheets/d/e/2PACX-1vRg1tSKFe-u3gKrsjyojpraa0BgCp8uc91CDC5EW5wLCHb\\_RJ8\\_6sbNVHNBntQ6Ww/pubhtml?gid=1098740149&single=true](https://docs.google.com/spreadsheets/d/e/2PACX-1vRg1tSKFe-u3gKrsjyojpraa0BgCp8uc91CDC5EW5wLCHb_RJ8_6sbNVHNBntQ6Ww/pubhtml?gid=1098740149&single=true)

- **Tcs: 2223:** [ Sales Growth: 0.4% | Profits: -13.5% ]

Historical data Along with expectations are uploaded below:

[https://docs.google.com/spreadsheets/d/e/2PACX-1vRSzhfaAjiF1k83LQEAtU\\_n9uY8EWbuQMNw2tOH\\_AjV6bK\\_bJkdAYpQIcFtupm0Yw/pubhtml?gid=352024333&single=true](https://docs.google.com/spreadsheets/d/e/2PACX-1vRSzhfaAjiF1k83LQEAtU_n9uY8EWbuQMNw2tOH_AjV6bK_bJkdAYpQIcFtupm0Yw/pubhtml?gid=352024333&single=true)

A wealth creator from the IT Consulting segment. Only company after Reliance to cross Landmark Profit 30000 cr.

Today TCS stays at India's No#2 next in the terms of a market cap. Should be 1st or 2nd Indian Company to reach Landmark 50,000 cr Profits. Many People in this group hold Tcs for a long time. TCS was having very High growth with good R-O-E and Debt-free status. They were making a Profit of 1800 cr during 2005 and this year they were with Profits of 33000 cr. Their reserve was around 3000 cr during 2005 while Now it is around 85000 cr despite several bonuses, dividends & Buy-backs. Offering a 30% profit in dividends consistently every year hence the whole investment has returned in dividends if Invested 1 lakh just 13 years back its valuation should be 15X. As too many people already accumulated again or did SIP in Tcs near 1050 since even 2 years back as well as last year accumulated near 1532. Currently in the downturn due to the Corona effect, still no need to worry. The current Q1 results were as expected. Have distributed around 80% dividends this year as we are with dividends of 73 last year & more 5 Rs announced in Q1.

Sales have this year grown by just 0.4% but better than expected due to corona along with the fall in profits by 14%. The revenue impact of the pandemic played out broadly along the lines we had anticipated at the start of the quarter. It affected all verticals, with the exception of Life Sciences and Healthcare, with varying levels of impact. We believe it has bottomed out, and we should now start tracing the path to growth. The strong workforce of around 4.5 lakh is India's highest private company workforce. Still, Sip or even buying be done during current fall. All those bought and are holding since long no need to sell this wealth creator, But can add again near 1820 and should be in the TOP Priorities for wealth. Long term a wealth creator and expect 14000 prices



till 2030. TataSons are with 72% strong Promoter Holding & their 70% incomes comes from TCS alone, 7% with MF & Insurance Companies while 16% with FPI. Just 3% of the Indian retail Investor holds such a wealth creator company.

- **Infy: cmp: 910: [ Sales Growth: 9% | Profits: 12%]**

2nd Largest It consulting Company & 8th Indian largest company as real MCap. Revenue and profits during the year 2001 were 2000 cr and 600 cr respectively While in coming 2-3 years we are going to see Infy cross 1 lakh cr sales and 20000 cr Profits. High growth of around 20% CAGR helped Investors Create wealth as Investment of 1 lakh should be more than 8cr during the past 20 years along with received dividends should be multiple times of Investment as Infy distributes around 60% profits in dividends. Current Q1 revenue and profit are flat but too better than expected as they have grown by 9% and 12% respectively which is good growth Even in this Corona Affected time. Digital has given high growth to Infy just like TCS. Old investors should stay assured and nothing to worry despite this and the coming year could be a challenging one. Can carry their investment & New Buying can again be done near 730 (upgraded from 630) and can hold it for long term wealth. Infy has planned to distribute around 85% of yearly cash flow in terms of Dividend as well as Buy-backs or Bonus shows Near term yield to be good. We Prefer TCS more than Infy due to high growth and better Margins.

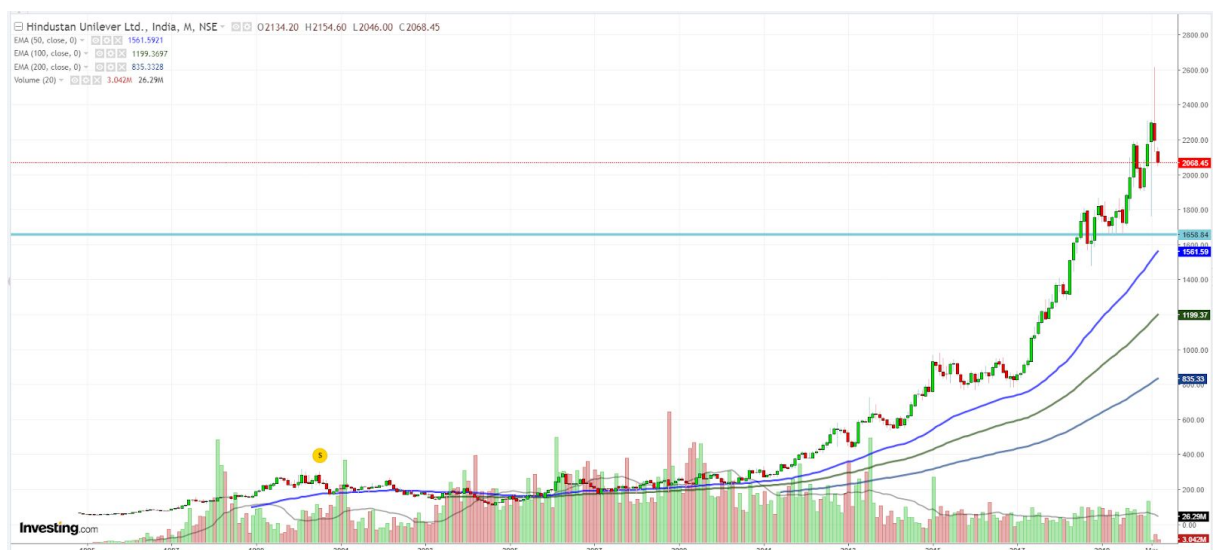
- **Hindunilvr: Cmp: 2319 : [Sales Gr: 4% | Profits: 6%]**

If You have heard the name of LifeBuoy, Lux, SurfExcel, Rin,

Wheel, VIM, Fair&Lovely, Lakme, Ponds, Dove, ClininPlus, Pepsodent, Brooke Bond, Bru, Pure than this all are brands given by HUL. & Now Horlicks and Boost have added in the list. The leader in the Indian personal care products market for 80 years with a market share of around 50% among listed entities. Vast leadership was maintained by HUL even after 70 years of Independence. They were having revenue and Profit of 10000 cr & 1300 cr during 2001 & today able to generate revenue and Profit of 40000 cr & 6700 cr respectively. Growth of around 7% CAGR for 2 decades. HUL was in Top Weightage of Nifty during 1995 today many other companies with the capability of 20% CAGR since the last 2 decades have overtaken the place. The last decade was good and HUL is still able to maintain its place in top 10, consistent performance since long history otherwise 80% TOP companies of 1990 have been replaced today by others. Investors have gained a consistent 15% CAGR return since the last 25 years along with the majority of profit from Dividend as HUL distributes 75% of the profits in Dividends. Almost Debt free company.

The spread of COVID 19 impacted the business from mid-March, which culminated into scaling down of operations post the national lockdown. Domestic Consumer Growth declined by 9% with a decline of 7% in Underlying Volume Growth. currently operating at about 70% of normative levels. Demand patterns are changing, and we are likely to see an upswing in categories like health, hygiene, and nutrition. Hence Q1 revenue & Profit have grown by 4% and 6% respectively which were as expected as impacted due to lockdown. Excluding GSK growth is -7%. Real EPS has grown by -2% despite profit growth of 6% due to increase in equity by 9%. No doubt a wealth creator company. The merger of

GlaxoSmithKline Consumer has been approved which will help HUL reach faster towards 50000 cr landmark revenue. Such in-organic growth could be seen if we have such debt-free companies with good reserves. Many people in this group are holding this company from 500 during 2014 and many are holding since 800. We have been expecting a multi-year rally. Double-digit growth is seen in homecare and Tea business. For the new buyers, we can again add near 1700 as ROI as per current price would be just 1.5% which is not attractive. Do not buy during the rally. A SIP stock as a wealth creator. 67% UK Promoter Holding while 20% with FII, MF, and Insurance Companies.



DashBoard of HUL:

[https://docs.google.com/spreadsheets/d/e/2PACX-1vQwOQCCioG8qIrz1VOBuGnwSSzkWeHc\\_BIHSH94nstV3HQC55uqykO\\_gpCgKXH7BQ/pubhtml?gid=170806146&single=true](https://docs.google.com/spreadsheets/d/e/2PACX-1vQwOQCCioG8qIrz1VOBuGnwSSzkWeHc_BIHSH94nstV3HQC55uqykO_gpCgKXH7BQ/pubhtml?gid=170806146&single=true)

- **HDFC: cmp: 1869:**

A market leader in Housing finance & also the holding company of some of the finest companies which are leaders in their segment. A housing finance company which was doing just turnover of 2300 Crore with a Net Profit of 500 crore 2 decades back is today after 18 years has become India's 4th Largest company in terms of market capitalisation & NO#1 Housing Finance company. Today making revenue of more than 1 Lakh Crore and a Net profit of 24000 Crore. Hence investment of 1 Lakh done 18 Years back is today around 75 Lakh and more than invested amount has returned in dividends. This is also a company which we can see enter the elite club of India's 1 lakh crore + profit making companies till 2030-35. Last year was bad for Housing Finance companies due to the default of some players, hence a liquidity crunch has been felt to companies and they were still not out of that panic and here is CORONA. Q1 revenue has also grown attractively by 29% while Net Profit has grown by 16% but this should not be taken into consideration as real results will be seen in Q2 post the effect of Moratorium. As per RBI Instalments falling due between 1st March to 31st August should be given benefit of Moratorium. The Real NPA calculations should be seen now. 23% Individual Loans have Opt for Moratorium. So we may see 0% to 10% growth in sales and -15 to -20% in Profits post the effect of NPA. This should be the worst case. All arms like Banking (HDFC Bank), Life Insurance (HDFC LIFE) and General Insurance (HDFC ERGO) as well as AMC (HDFC AMC) are doing well. Buying Should be done during any fall in the range of 1850-1500, Can Accumulate around 5% in Portfolio for long term wealth creation. 73% Holding with FPI & 14% MF as well as Insurance companies holding.

Data of HDFC:

<https://docs.google.com/spreadsheets/d/e/2PACX-1vSnIx9tkzReg89JJ BnHQ99y5s4R7yTU HwhY2qpw4aIDpaXbtXKOVPHbFg2EtLe4Q/pubhtml?gid=1941385577&single=true>

- **Reliance Ind: cmp: 2007**

Founded in 1973 enjoying the highest revenue and highest Profit making in India. The only company to cross 35000 cr Net profit per annum and We may see Reliance crossing 50000 cr profits in next 2-3 Years, Reliance beyond doubt A Great journey.

Today India's largest Exporter, Largest GST payer and Largest Corporate Taxpayer in the Country.

Q1 sales have fallen by -44% (we can see the effect of the muted economy & COVID) and Net Profit has grown by 31% (Exceptional gain Included). Net Debt of around 1.6 lakh cr was the major issue & was costing margins. But significant capital has been raised during this lockdown period of around 2.1 lakh cr. 53k cr by Right Issue, 1.5 Lakh cr in Jio Platform while 7600 cr from BP. Investment cycle completed - Capex intensity reducing. Ready to Launch 5G.

De-growth in Retail by -17% due to lockdown, Digital Service up 34% while the huge -ve impact was in refining and Petro.

**JIO did** 17000 cr revenue in Q1 with a growth of 34% while Profit grew by 183%. Jio Platforms valued at ₹ 5.36 lakh crore

equity value. Net addition of 10 cr Subscribers during the last 12 months. The largest base of 40 cr Subscribers as added 10 lakh new customers even during the last quarter. During Lockdown Data Traffic was Up 30%. Usage of 5 Hour/User with more than 70% usage of Video. Strong ARU of 130 Rs/Month. Jio to have the Strategic Partnership with Facebook and FB has invested for a 9.99% stake. The investment cycle for Jio is now complete with mobility coverage nearing 99% of population Jio's mission is to connect everyone and everything, everywhere – always at the highest quality and the most affordable price. Invested ~Rs3.5 Lakh crore to create pan India digital infrastructure with the largest fiber footprint. Today more than 25% EBITDA of Reliance is RelJio. Launched the JioMeet pro for online meetings. Accelerating roll-out of Jio Mart New Commerce.

**Reliance Retail:** Store functioning and digital commerce fulfillment. 50% of stores fully shut through the quarter, 29% partially operated severely impacted by lockdown and restrictions. Store closures in Electronics + Fashion & Lifestyle impact overall growth. Opened 69 new stores and SIS sections; >250 stores could not be commissioned due to the prevailing situation. Bringing New Commerce to life (online X offline) – JioMart launch, Ajio ramp up, reliance digital activation. Consumer electronics & Fashion de-grew by 70%. Dishwashers, appliances, gaming & tech accessories doubled. Overall footfalls for the quarter were down -57% YoY. (June: -39% YoY), even in Grocery stores. Largest than all other retailers combined together. Crossed Milestone of 10000 Stores with 11784 stores in 6700 towns & cities with coverage of 98% of the country, Added 1500 stores last 12 Months, 30% more space added. Over 1.13 Lakh people employed. During

2009 They were doing revenue of 3400 cr and today more than 1.6 Lakh cr shows Huge growth of 44% CAGR. 5X just in the last 6 Years. Connectivity, Consumer Electronics, and Grocery lead to 82% revenue in stores. Today they are in World Top 56th retailers & Should be in World in Top 20 in the next 5 years. This year COVID could is the Biggest Villian.

Retail was just 1.7% during 2015 while today Retail & Digital is 34% Reliance. Huge Consolidated Success. Strong growth in consumer business earnings offset weakness in energy businesses. Consumer businesses contribution at 40% (vs. 23.8%) since Q to Q & soon we would see them contributing around 50%.

**Reliance has invested 5.4 Lakh cr during the past several years to deepen the roots & now till March 2021 they would be a debt-free company from the investments done by RightIssue, FB, BP, & Several Investors. As reliance would get Debt-free we would expect Higher dividends and Bonuses in the coming time.**

**So we can** see RIL is improving broadly with different segments. Our target should be 5000 till 2030. New buying again can be done near 1600 (Upgraded from 1100) & We may see the multi-year rally here. ROI could be 50-75%/Annum in a decade. Yes, we can Invest around 5% of this wealth creator company.



Video Tutorial during 9M Results 2020 & was already published so new recording is not created, New Updation is already given above.

Video Tutorials on above Companies:

Hdfcbank: <https://youtu.be/r-QqWQj3pbI>

TCS: <https://youtu.be/MStzUC9-04Y>

HUL: <https://youtu.be/bcixGQqP86A>

HDFC: <https://youtu.be/wTTTHdelxww>

RelianceInd: <https://youtu.be/-axRWiSK294>

Disclosure: Do Not Buy or sell before consulting your advisor as the writer may have the position in the above-given stocks or indices

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