Fundamental Analysis of Selected Education Technology Stocks from BSE

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Abstract: *Fundamental analysis enables to predict future price movement of an organization and measure whether a company's stock is overvalued or undervalued. Fair price of company's share can be calculated through fundamental analysis. In the next ten years, Indian Edutech industry is poised to reach $30 billion. Many investors wish to invest in stocks which has highest growth potential. Through this study the various stocks in edutech industry is analysed and the best stock to invest is suggested based on fundamental analysis.*

Keywords: Online Learning.

I. INTRODUCTION

Education technology means the use of all kind of modern media and materials for maximising the learning experiences. Education technology is suggested by expert as one of the potential means of impairing education effectively and efficiently. Previously, teachers used to teach in rigid, formal and stereo-typed ways. Education was then conceived as the process of transmitting knowledge and ideas. Student used to get by heart whatever was given by the teacher or textbook. They often could not understand what was taught and were expected to reproduce at the time of examination. Pupils were silent audience and could not make any logical queries or independent thinking of their own. Today, the student is not considered as an empty vessel to be filled in by facts and figures. They are now expected to use so many media and materials and to get learning experience from all sides. Education is regarded as a process of interaction and interpersonal communication. The modern teacher has to help, to guide and facilitate the learner's development. The teacher has to inspire and motivate the young leaners and assist the adult learners in their quest for knowledge and skills.

1.1 Statement of the Problem

Fundamental Analysis is the upcoming tool and helps the investor to know how the company is fundamentally strong and who want to invest in a systematic manner in the competitive world. The study will help to know what strategies the investor can adopt while trading in equity Market with the help of fundamental analysis. The education technology has good growth in the last few years and who want to invest in the education technology stocks to make good returns. Through this study the various stocks in edtech industry is analysed and the best stock to invest is suggested based on fundamental analysis.

1.2 Objectives

1. To analyse the profitability ratios of selected edutech companies
2. To predict the future of the selected companies shares
3. To analyse the solvency ratios of selected edutech companies
4. To analyse on return on investment of selected edutech companies

1.3 Research Methodology

- Source of data the study based on secondary data.
- The balance sheet , cash flow and income statement got from companies web site
- Some of the information about the industry three edtech companies with highest market capitalisation rate was selected from the website

Education Technology Company
1. Shanti educational initiatives
2. Cl educate
3. Zee learn

1.4 Tools and Technique
The following ratios were calculated for the selected stocks.
1. Profitability ratios
2. Long term solvency ratios
3. Liquidity ratios

II. REVIEW OF LITERATURE

(Liping , Yujie, & Qingchun, 2022) Conducted study to examine a set of personal factors determining off task social media multitasking inside classrooms. The research aims to clarify the relationship between social media multi-tasking and self-efficiency intrinsic motivation, multitasking preference as well as peer distraction, and to elucidate the interactive relationships between these factors. Data collected from china university students, China show that academic self-efficacy fully mediates the association between intrinsic motivation and off-task multitasking. The association between peer distraction and off-task multitasking during class time from china university school through questionnaire. Findings of the study contribute to a deeper understanding of why students multitask, social media, motivation during class, which can inform the development of strategies for combating social media distraction and enhancing students' learning engagement.

(Riina & Lrja, 2022) Conducted study examine to develop innovative educational solutions to meet the competence development requirements set by the emerging future. The research aims to identify the future competences considered important for higher education students to acquire during their studies and how the development of these competences can be supported with learning analytics. These issue based on three category (subject development, object, and social environment) of future competences. A special emphasis is placed on the views of 19 teaching professionals gathered from group interviews and analysed through a qualitative content analysis. The findings indicate that subject development-related future competences, such as reflective competence, self-awareness and self-management, learning literacy, and personal agency and self-efficacy were strongly identified as necessary future competences. The findings support professionals working at higher education institutions in facilitating successful conditions for the development of future competences and in advancing purposeful use of learning analytics.

(Shakiba, Mehrak, & Ahmad, 2021) Conducted study on importance of General English, reading, impulsivity in the organization. The aim of two types of flipped instruction (FI) (low and mid-tech) with two other class conditions, a blended course and a conventional teaching, on learning outcome of language learners with different levels of impulsivity in an on-campus General English (GE) course. This research is quantitative data were analysed by a two-way analysis of variance (ANOVA) and the results revealed a statistically significant difference in reading proficiency of the four groups after the study, in favour of the mid-tech FI. The result of the results of the qualitative data analysis revealed that the majority of students in both groups had positive attitudes towards the experience, although they expressed their needs for some modifications in teacher role, their own role, and the way the instructional materials are prepared and presented.

(Hassan, 2021) Conducted study on Adaptive e-Learning, Learning style, Student engagement, E Learning, Learning impact in the development student's engagement. In the aim of the purpose of this paper is to design an adaptive e-learning environment based on students' learning styles and study the impact of the adaptive e-learning environment on students' engagement. This research attempt was compare the proposed adaptive e-learning environment with a conventional e-learning approach. The results revealed that the experimental group is statistically significantly higher than those in the control group. These experimental results imply the potential of an adaptive e-learning environment to engage students towards learning.

(Sidney, lbis m, & Anna, 2022) Conducted study on video feedback and foreign languages anxiety in face to face online settings in the online pronunciation tasks class. The purpose of students learning the pronunciation of specific sounds in a foreign language through video feedback. Adopting grounded theory as the methodology and a dialogic approach as the conceptual framework, the present study shows that anxious students welcome video feedback. The results show three aspects of teacher's corrective video feedback, perceived as more relevant: the Emotional input of feedback, referred to the feelings around the feedback delivery which foster dialogue, closeness, motivation and empathy; Enhanced understanding, related to the clarity, the usability and personalization of the feedback; and feedback engagement, Implications related to video feedback practices are also discussed.

III. FINDINGS

3.1 Profitability Ratios

Return on Investment

- Shanti educational initiatives return on investment for all the five years is less than 7 %. It is not a good return on Investment
- Another two company's return on investment was except 2021, all the four years return on investment are above 7 %. It is a good return on Investment

Return on Shareholders Fund

All the three companies return on share holders funds are below 15% and the company return on shareholders' funds are not maintained.

Return on Assets

- Shanti educational initiatives return on asset is below 5% so, it is not a good return on Asset
- CL educate return on asset is below 5% in the current year so, it is not a good return on Asset.
- Zee learn return on asset is below 5% so it is not a good return on Asset.

P/E Ratio

- Shanti educational initiatives highest value of the year 2020 P/E ratio is 30.05
- CL educate company highest value of the year 2022 P/E ratio is 37.28
- Zee learn company highest value of the year 2018 P/E ratio is 25.81

Long Term Solvency Ratios:

Debt Equity Ratio

All the three company debt equity ratio is less than 0.5 so that, lower debt indicates that it is a good debt equity ratio

Proprietary Ratio

All the three companies proprietary ratio is above 0.5 so that it indicates that it has a better financial position.

Fixed Asset Ratio

The fixed asset ratio of shanti educational initiatives has highest value in the year 2019 (0.44), CL educate has highest value in the year 2020 (0.21), zee learn has highest value in the year 2020 (26.9)

Liquidity Ratios:

Current Ratio

The current ratio of shanti educational initiatives has highest value in 2022 (2.15), CL educate has highest value in the year 2022(3.28), zee learn has highest value in the year 2018(7.23)

Liquid Ratio

All the three companies liquid ratio is greater than 1, so it is indicates that all the company has a good financial position.

IV. CONCLUSION

The researchers focused at the financial performance of selected India's education technology companies over the last five years, from 2018 to 2022. The profitability ratio, long term solvency ratios, liquidly ratios were used to analyse the data. Based on the data review, it is possible to conclude that education technology stocks will perform better in future. Zee learn company is recommended for investors to invest in the education technology stocks to make good returns by this company.

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