**SIR PADAMPAT SINGHANIA UNIVERSITY**



**Udaipur**

**Lesson Plan**

**Name of the Course Teacher** : Dr.Manish Dadhich

**Subject** : Analysis of Financial Statement

**Branch** : MBA **Semester** : II **Year:** I

**Course Code**: BM-5114 **L-T-P-C** : 4-0-0-4 **w.e.f**: 1 Jan. 2020

|  |  |  |  |
| --- | --- | --- | --- |
| **S. No.** | **Topics** | **Contact**  **Hours**  **(Lectures)** | |
| Midterm-I | 1 Jan 2019 to 31 Jan 2019 |  | |
| **Book Recommended:**  **1.** Prasanna Chandra, Financial Management, Tata Mcgraw Hill Publication, Delhi 2017.  **2.** Khan M & Jain, Financial Management, Tata Mcgraw Hill Publication, Delhi 2018. | | | |
| **Introduction to** Financial Management | | | |
|  | Economy-Industry-Company Analysis | | 1 |
|  | Top-down and bottom up approach | | 1 |
|  | Overview of different macro-economic variables | | 1 |
|  | Study of Inflation rate, Interest rates etc. | | 1 |
|  | Commodities exchange | | 1 |
|  | Commodities exchange rates and their impact on equity markets | | 1 |
| Cash Flow Statement | | | |
|  | Cash Flow Analysis: meaning | | 1 |
|  | Measuring operating / financing and investing cash  flows | | 1 |
|  | Study of cash flows and life cycle state of a company | | 1 |
|  | Cash flows and financial flexibility | | 1 |
|  | Assessing Business Performance | | 1 |
|  | Operational efficiency ratios (gross profit, net profit margins and various turnover ratios) | | 1 |
|  | Liquidity rations – current ratio, acid test ratio, Profitability ratios | | 1 |
|  | valuation ratios EPS/ROE/ROCE/Total shareholder returns | | 1 |
|  | linkages between ROE & ROCE | | 1 |
|  | optimal capital structure and determinants | | 1 |
|  | Total | | 16 |
| Mid-term II | 6 Feb 2019 to 13 March 2019  **Book Recommended:**  3. I. M. Pandey, Financial Management Vikas Publication, New Delhi, 2018. | |  |
| Financial Planning and Forecasting | | | |
|  | EV/EBDITA multiple, EVA, MVA | | 1 |
|  | Overview of industry specific ratios | | 1 |
|  | Analysis of Performance of a FMCG company | | 1 |
|  | Analysis of performance of an IT company | | 1 |
|  | CAMEL framework | | 1 |
|  | Analysis of performance of a banks under CAMEL framework | | 1 |
| Investment management | | | |
|  | Free Cash flows to Equity / Firm Capitalization leasing expense | | 1 |
|  | Study of R & D expenditure | | 1 |
|  | Treatment for amortization expense and deferred taxes | | 1 |
|  | Measuring correct ROE & ROC after adjusting for inter-corporate investments | | 1 |
|  | Implication & adjustments on fundamental valuations | | 1 |
|  | Concept of Price / Book Value or EBDITA multiple | | 1 |
| Valuation and modeling | | | |
|  | Concept of free cash flow to firm, Concept of free cash flow to equity | 1 | |
|  | Forecasting FCFE/FCFF | 1 | |
|  | Study of security Valuation | 1 | |
|  | Valuation of Company Discounted cash flows | 1 | |
|  | Terminal value Equity value multiples | 1 | |
|  | Total | 17 | |
| End Term | 19 March to 24 April 2019 |  | |
|  | Financial Modeling: meaning and concept of financial modeling | 1 | |
|  | Key financial statements | 1 | |
|  | Working capital schedule | 1 | |
|  | Depreciation schedule | 1 | |
|  | amortization schedule | 1 | |
|  | Long-term items schedule | 1 | |
|  | Building income statement, shooting | 1 | |
|  | Completing the financial models. | 1 | |
|  | Valuation in Practice | 1 | |
|  | Valuation of a company in manufacturing sector | 1 | |
|  | Valuation of a company in service sector | 1 | |
|  | Valuation of a start-up company | 1 | |
|  | Valuation of e-commerce company, conglomerate company | 1 | |
|  | Concept of pricing of stock | 1 | |
|  | Guiding for investment decision | 1 | |
|  | Total | 15 | |
| **Total Lectures** | | 48 | |

[www.swayam.gov.in/www.nptel.ac.in-](http://www.swayam.gov.in/www.nptel.ac.in-)

Will pursue course Analysis of Financial Statement from Jan. 2020 (if available on portal)

For Students:

1. There are one mid-term examination, second midterm and one final examination.
2. There should be many Quizzes to evaluate the performance of every student.
3. There will be regular presentation on any topic of syllabus.
4. Group assignment and group presentation in every term.
5. Think-pair-share (TPS): discussion with students about relevance and learning of the video.

a. Think (4 min): state present scenario and future prospect of these topics individually.

b. Pair (3 min): Students will present his/her points to the class and final answer is concluded by the teacher (Summarization).

Evolution Criteria for the students:

* Mid-term Examination I – 25 marks
* Mid-term Examination II – 25 marks
* End-term Examination – 100 marks