

SUBJECT OUTLINE

Name of Subject : Financial Statement Analysis
Term: 3
Year: 2022-23
Programme: MBA- BM
Credit: 1

2.1.c Mapping of course learning outcomes/ graduate attributes, subject learning outcomes and assessments

Course Learning Goals & Outcomes		Subject Learning Outcomes (SLO) On successful completion of this subject, the students will be able to:		Assessment Item
1	Knowledge of business and management	A	Illustrate core concepts in financial statement analysis	<ul style="list-style-type: none"> • Class Participation • Quizzes • Final Examination
2	Critical Thinking	B	Understanding the business decisions underlying the financial statements Effectively critique and communicate financial statement analysis results to stakeholders	<ul style="list-style-type: none"> • Quizzes • Final Examination
3	Effective communication	C	Effectively critique and communicate financial statement analysis results to stakeholders	<ul style="list-style-type: none"> • Group Assignment
4	Teamwork	D	Comprehensive Financial Statement Analysis	<ul style="list-style-type: none"> • Group Assignment • Group Quiz

Evaluation Package

Evaluation packages includes following

- **Quizzes (30%)**
 - There will be minimum 3 quizzes. Two quizzes at Individual level and one will be a group
- **Group Work (30%)**
 - Group work consists of a comprehensive FSA for set of companies. The details of the group work will be shared during the sessions.
- **End Term Examination (40%)**
 - The subject concludes with the individual final examination comprising main questions with several sub-sections. The format and content of questions will closely resemble with the exercises, cases, and write-ups etc., distributed in the class.

Session wise details

Session	Topic	Session Readings	Pedagogy
1	Revising Financial Statements <ul style="list-style-type: none"> • Interrelationship between financial statements 	<ul style="list-style-type: none"> • Ind AS-1 	<ul style="list-style-type: none"> • Case discussions • Exercises • Simulations
2	Projected Financial Statements		
3	Understanding Cash Flows <ul style="list-style-type: none"> • Cash from operations • Operating Cash Flows • Free Cash Flows 	<ul style="list-style-type: none"> • Ind AS-7 • Chapter 3 • Chapter 4 	
4	Introduction to Financial Statements Analysis <ul style="list-style-type: none"> • Common Size Statements • Comparative Statements Analysis 	<ul style="list-style-type: none"> • Chapter 5 	
5	Profitability Analysis <ul style="list-style-type: none"> • Dupont Analysis 	<ul style="list-style-type: none"> • Chapter 8 	
6	Profitability Analysis <ul style="list-style-type: none"> • Economic Value Added • Market Value Added 	<ul style="list-style-type: none"> • Chapter 8 	
7	Leverage and Capital Structure Analysis <ul style="list-style-type: none"> • Debt Equity Ratios • Coverage Ratios 	<ul style="list-style-type: none"> • Chapter 8 	
8	Liquidity and Bankruptcy Analysis <ul style="list-style-type: none"> • Liquidity Ratios • Altman's Z Score • M Score 	<ul style="list-style-type: none"> • Chapter 6 	
9	Comprehensive FSA	<ul style="list-style-type: none"> • Annual Reports of the listed companies 	

Prescribed Readings:

Books :Financial Statement Analysis, Charles H. Gibson, Cengage Learning

Digital Material:[Virtual Accounting Class](#): DVRamana

Additional Articles and cases:

- Hevert, K. (2013). Starbucks Corporation: Financial Analysis of a Business Strategy. Boston College.
- Morin, D., Lemaux, J. and Hamei, D. (2012). Predicting a Firm's Financial Distress: The Merrill Lynch Co. Statement of Cash Flows. Richard Ivey School of Business.
- Hertenstein, J.H. and Mckinnon, S.M. (1997). Solving the Puzzle of the Cash Flow Statement. Business Horizon.
- Demers E, O'Grady T (2010), Statements of Cash Flows: Three International Examples, Product #: INS147-PDF-ENG
- Simko Paul (2014) ,Leverage Ratios in Financial Analysis, Harvard Business Publishing, UV6901-PDF-ENG
- Kaiser Kevin; Young, S. David (2009), Need Cash? Look Inside Your Company, Harvard Business Review, R0905E-PDF-ENG