

PROGRAM	Bachelors Of Commerce / Bachelors Of Commerce(Hons)
SEMESTER	IV
COURSE TITLE	Financial Analysis And Reporting
COURSE CODE	04BC0324
COURSE CREDITS	04
COURSE DURATION	48 Hrs (48 sessions of 60 minutes each)

COURSE OUTCOMES:

- Gain in-depth Knowledge about different components in the financial statement and their significance to assess the healthiness of the firm
- Examine different financial activities of the firm between two periods and understand how those activities influence on financial healthiness of the firm
- Compare financial statement of different firms through Cash flow Analysis
- Understand the accounting for buy-back and employee stock option
- Understand the preparation of financial statements of insurance companies

Teaching and Examination Scheme

Teaching Scheme (Hours)			Credits	Internal Marks (50%)		End-Semester Examination (50%)			Total Marks
Theory	Tutorial	Practical		IA	CSE	Theory	Practical/Viva	Term Work (TW)	
3	1	0	4	30	20	50	0	0	100

Course Contents:

Unit No	Unit / Sub Unit	Sessions
I	Introduction of Financial statements & Income Statement: Financial Statements, Importance, Various users of Financial Statements, Presentation of Financial Statements. Interrelation between Income Statement and Balance Sheet Income Statement: manufacturing vs. Trade organizations. Vertical Vs Horizontal form, Components – Sales (Top line), Income from other sources, cost of goods sold, gross margin, EBITDA, EBITA, EBIT, EBT, EAT, Provisions, Earnings available to owners (Bottom Line).	08
II	Statement of Financial Position: Meaning, Definition and purpose, horizontal vs. vertical form. Assets - Fixed, tangible, Intangible assets. Current Assets – Cash, Debtors, Bills receivables, deferred payments, Bank balance, Stock/ Inventory, Tangible & Intangible Assets, Gross block, Net Block, Investments. Current assets: accounts receivables, Inventory, Loans and advances and others. Shareholders 'funds, Long term Loans.	08

	Current liabilities. Understand organisations internal perspective and external perspective, comparative study between two organizations, (Report), Owners v/s lenders perspective, Comparison between two years of same organizations. Common size, Comparative and Trend Analysis of Financial statement with a simple case study.	
III	Cash flow statement: Meaning Definition, Analysis and Applications. <ol style="list-style-type: none"> 1. Cash flow from Operations – Production, Sales, and Delivery of products, collecting payments from customers. 2. Cash flow from investment activities - Purchase/ sales of assets, Loan made to suppliers and received from customers, Payments related to merger & acquisition. 3. Cash Flow from financing activities – Inflow of cash from Investors, banks and Shareholders. 	10
IV	Final Accounts Of Insurance Companies Introduction – Types of Insurance – Relevant statutory compliances – Accounting for Claims, Co-insurance, Premium, Commission, Loans, Investments, Un-expired Risk Reserve, Re-insurance – Preparation of Financial Statements – Format of Schedule A and B .	12
V	BUY-BACK OF SECURITIES AND EMPLOYEE STOCK OPTION Buy-back of Securities – Introduction – Compliances – Equity shares with differential rights – Variation of shareholder’s rights – Protection of minority shareholders Employee Stock Option Plan – Provisions of guidance note for employee’s share-based payment.	10

SUGGESTED READINGS:
Text Books:

Sr. No	Author/s	Name of the Book	Publisher	Edition & Year of Publication
T-01	N. Ramachandran and RamkumarKakakni	Finance made easy Series (Box set)	Mac-Graw hill publication	2 nd edition 2014
T-02	CA. P. C. Tulsian and CA. Bharat Tulsian	Accountancy	S. Chand	January 2016

Reference Books:

Sr. No	Author/s	Name of the Book	Publisher	Edition and Year of Publication
R-01	Vishal Thakkar	Finance for Non-Finance	TV18 Broad cast Ltd	Revised edition 2014
R-02	CA. Vinod Kumar Agarwal	Advanced Accounting	A. S. Foundation	January 2016