



RASHTREEYA SIKSHANA SAMITHI TRUST
R V INSTITUTE OF MANAGEMENT
 CA 17, 26 Main, 36th Cross, 4th T Block, Jayanagar
 Bengaluru, Karnataka 560 041

GUEST LECTURE on Financial Statement Analysis using Du-pont and Altman Z Score Model	
Date: 17 th Jan 2020	Venue: Seminar Hall
Time: 9.00 am to 1.00 pm	Sem/Year/Group: I Semester
No. of Participant: 120	Event Coordinator: Prof. Pavithra Prof. Dileep Prof. Priya Jain
Objectives <ul style="list-style-type: none"> ▪ Introduction to Financial Statement Analysis ▪ Analysis of financial statement using Du-Pont Model ▪ Introduction to Altman Z Score model of financial statement analysis 	
Agenda/Flow of the Event <ul style="list-style-type: none"> - Session 1: Preparation of financial statement - Session 2: Analysis of financial statement using Du-Pont model - Session 3: Analysis of financial statement using Altman Z Score 	
<p>Brief Profile of the Resources Person: Dr. V Rajesh Kumar</p> <p>Dr. V. Rajesh Kumar is an M.Com Graduate from Bangalore University. He has got his Doctorate in the area of "Strategy". While Accounting and Taxation are his areas of expertise, Finance is his area of passion. He has 26 years of experience in teaching at graduate, post-graduate and professional levels and has served various Institutions in different capacities Mount Carmel Institute of Management, Bangalore University – Department of Commerce and Alliance Business Academy, to name a few. He is a faculty for Strategic Financial Management and Tax Laws at the Bangalore Branch of the Institute of Chartered Accountants of India. He has authored a book on Financial Management for the requirement of Professional Courses, and co-authored text-books on 'Accounting, Finance and Taxation' for the requirements of various universities. He has presented papers at various national and</p>	

international conferences and published articles in reputed Journals. His paper on “Capital Asset Pricing Model” was selected for an International Conference at Harvard University, Cambridge, United States of America, during May-June 2011. Dr. Rajesh also has a rich experience in research, consultancy & training – both at the academic level and corporate level. He has conducted Student Development Programs and Faculty Development Programs in various educational institutions; and has conducted training programs for executives and managers of various companies like Wipro, Godrej, FC Honeywell, KPCL, Foures Engineers, Triveni Engineering, Tyco Electronics etc., in the area of ‘accounting, finance and taxation’. He is associated as resource person for the ‘Finance for Non-financial Executives’ Program of the Bangalore Chapter of the Institute of Chartered Accountants of India. He is the Founder of ‘Vittam Pravina Gurushala (Finance Expert Academy)’ – an academy engaged in spreading the knowledge of finance to students, faculty, corporate and all others interested in the area of finance.

Presently, he is working as a Finance and Academic Consultant and visits different Management Institutions for teaching Finance courses, in and outside India.

Outcome Achieved/ Attained:

- Initially discussed about the formation of financial statement and Income Statement

Income Statement for the year ending -----

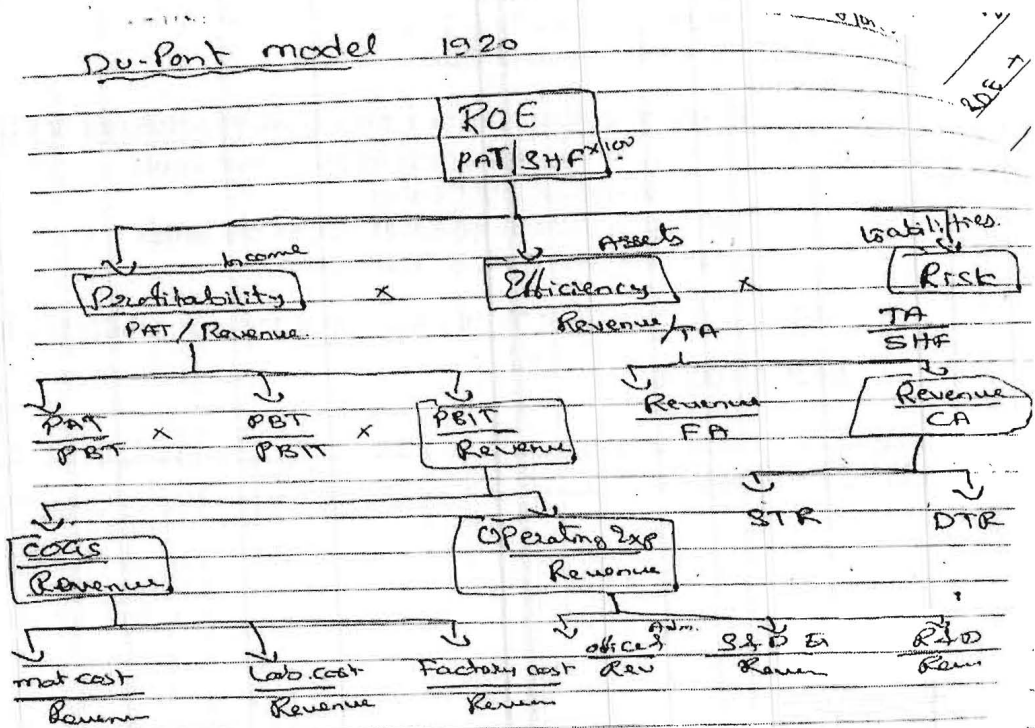
	Rs.	Rs.	
Revenues		XXXX	Top line
Less : Cost of Goods Sold		XXXX	These items are the Facts
<i>Gross Profits</i>		XXXX	
Less : Cash Operating Expenses		XXXX	
<i>EBITDA</i>		XXXX	These items are Policy
Less : Depreciation and Amortization		XXXX	
<i>EBIT</i>		XXXX	
Less : Interest on Borrowings		XXXX	
Add / Less : Non - Operating Incomes or gains or expenses or losses		XXXX	
<i>EBT</i>		XXXX	Bottom Line
Less : Taxes		XXXX	
Earnings After Tax or Profits After Tax or Net Profits		XXXX	

- Detailed discussion on the various components of financial statement

The following is the format in which companies are required to prepare Balance Sheet

LIABILITIES		Rs.	Rs.
<u>Capital</u>			
Opening Capital		XXXX	
Add: Additions during the year		XXXX	
		XXXX	
Add: Net profits for the year		XXXX	
		XXXX	
Less: Losses for the year		XXXX	
		XXXX	
Less: Drawings during the year		XXXX	
			XXXX
Loans borrowed			XXXX
Current Liabilities and Provisions			XXXX
			<u>XXXX</u>
ASSETS		Rs.	Rs.
Fixed Assets			XXXX
Investments			XXXX
Current Assets, Loans and Advances			XXXX
			<u>XXXX</u>

- Application of Du-Pont model for the analysis of financial statements and the interpretation of results.



1. Following are the details of the two firms A and B:

	Firm A	Firm B
Total Assets	Rs. 8,00,000	Rs. 10,00,000
Net Profits after Tax	12%	12%
Sales	Rs. 8,00,000	Rs. 1,00,00,000
Equity Capital	Rs. 4,00,000	Rs. 6,25,000
Rate of interest	9%	8%
Operating expenses	Rs. 6,44,924	Rs. 98,16,155
Tax rate	30%	30%

Calculate ROE and carry out Du Pont Analysis.

- Application of Altman Z Score for the analysis of financial statements and the interpretation of results.

Z-score estimated for private firms

$X_1 = (\text{current assets} - \text{current liabilities}) / \text{total assets}$

$X_2 = \text{retained earnings} / \text{total assets}$

$X_3 = \text{earnings before interest and taxes} / \text{total assets}$

$X_4 = \text{book value of equity} / \text{total liabilities}$

$X_5 = \text{sales} / \text{total assets}$

Z' Score bankruptcy model:

$$Z' = 0.717X_1 + 0.847X_2 + 3.107X_3 + 0.420X_4 + 0.998X_5$$

Zones of discrimination:

$Z' > 2.9$ – "Safe" Zone

$1.23 < Z' < 2.9$ – "Grey" Zone

$Z' < 1.23$ – "Distress" Zone

Z-score estimated for non-manufacturers & emerging markets

$X_1 = (\text{current assets} - \text{current liabilities}) / \text{total assets}$

$X_2 = \text{retained earnings} / \text{total assets}$

$X_3 = \text{earnings before interest and taxes} / \text{total assets}$

$X_4 = \text{book value of equity} / \text{total liabilities}$

- At the end they Q & A session happened and students cleared their queries with 1 resource person.

List of Participant:

Rashtriya Sevakana Samiti Trust
R V INSTITUTE OF MANAGEMENT
 Student List
 2019- 2021 Batch
 II SERIES
EQUILIBRIUM IN MARKET STRUCTURE
 section - A

S.No	Students Name	Signature
1	Abhay Pai	
2	Aakanksha Rao B S	
3	Abhishek Hatti	
4	Abhishek Vijaykumar Lakkundi	
5	Aishwarya R.K.	
6	Akash Rosario	
7	Akshatha Bopaiah M	
8	Akshatha K.M	
9	Akshatha M L	
10	Alok Krishna Hegde	
11	Amarnath P M	
12	Amogh Ashok Nimbargi	
13	Anant Bajpai	
14	Anirudh Y S	
15	Archana V	
16	Arun Raveendra Bhat	
17	Athri D A	
18	Balachandra Adiga	
19	Bharath KIRAN D V	
20	Bharath P	
21	Bhargavi	
22	Bhumika S J	
23	Bindu Priya	
24	C. Ravikumar	
25	Chaitra Hiregowdara	
26	Cherukuri Triveni	
27	Chetan Vijay	
28	Chirag M	
29	Darshan G	
30	Darshan Toolahalli	
31	Deeksha G	
32	Deeksha K	
33	Deena K	
34	Deepak Desai	
35	Deepika, M	

36	Dileep Satish Hegde	
37	Divya Mugadur	
38	Divyashree R	
39	Ganapati Janardhan Bhat	
40	Gowtham S.M	
41	Greeshma G.M	
42	Gunjan Raj	
43	Harsha N Das	
44	K.Krishnaprasad	
45	Kambham Harshitha	
46	Karthik Av	
47	Karthik N D	
48	Kriti Shukla	
49	Lathashree S	
50	Leena Parik	
51	Lokesh Mg	
52	Malapati Jaipal Reddy	
53	Mamatha	
54	Mamatha Bhaskar Gaonkar	
55	Meghana R T	
56	Nagashree Umesh K	
57	Namrata .S. Kotur	
58	Prajna Shetty	
59	Rahul Jadhav M	
60	Rajath S	

Kashiraya Sikshana Samithi Trust
R V INSTITUTE OF MANAGEMENT
Student List
2019- 2021 Batch
III SERIES
EQUILIBRIUM IN MARKET STRUCTURE
SECTION-B

S.No	Students Name	SIGNATURE
1	Ashwathi Sundaram	
2	Hirna Varsha Tharaga. T	
3	K.R. Akshay	
4	Karan S.K.	
5	Keerthan Karnath	
6	Keshav Aditya	
7	Leelavathi .B. Thite	
8	Mahesha S	
9	Mallikarjun J	
10	Manoj Basappa Katti	
11	Mohd Zeeshan Athani	
12	Narahari K.K.	
13	Nikhil .K	
14	Nikita L	
15	Nithin Shashindran	
16	Nithin Varma M	
17	Pooja Billava .L	
18	Poomina D Patil	
19	Prajceeth A Goutham	
20	Prajna Pramanik	
21	Pramod Parashar M P	
22	Pranav Pramod Kumar	
23	Prateek Bhat	
24	Pruthiksha Pawar	
25	Prithvi Shankaranarayana Hegde	
26	Priyushree. S	
27	Pushpa Pranitha T	
28	R N Rohit	
29	Rahul Nair .H	
30	Rajashree .S	
31	Rakshith P.S	
32	Rashmi	
33	Reshma Subeay Hegde	
34	S. Pavan Kumar	
35	Sagar Murlidhar Desai	

36	Sainath Vinayak Kulkarni	
37	Sandeshsavak S	
38	Shahista Parveen	
39	Sheela Ravish Hegde	
40	Shivaprasad D R	
41	Shravya Sunder Shetty	
42	Shreya S	
43	Shreya Satish Deshpande	
44	Shreya Shahapurkar	
45	Shruthi B	
46	Smeeta Patil	
47	Spoorthy M S	
48	Sravanthi T	
49	Srinidhi B K	
50	Sumanth O R	
51	Suraj Muthu	
52	Sushma Bhat K	
53	Sushmitha P	
54	Swati Kumari	
55	Syed Asif Pasha	
56	Tejashwini S	
57	Thanika Devi	
58	Thejasvi N	
59	Vandana Beejadi Venkatesha	
60	Vikram Rathod	

R V INSTITUTE OF MANAGEMENT

Student List
2019- 2021 Batch
III SERIES

EQUILIBRIUM IN MARKET STRUCTURE
SECTION- C

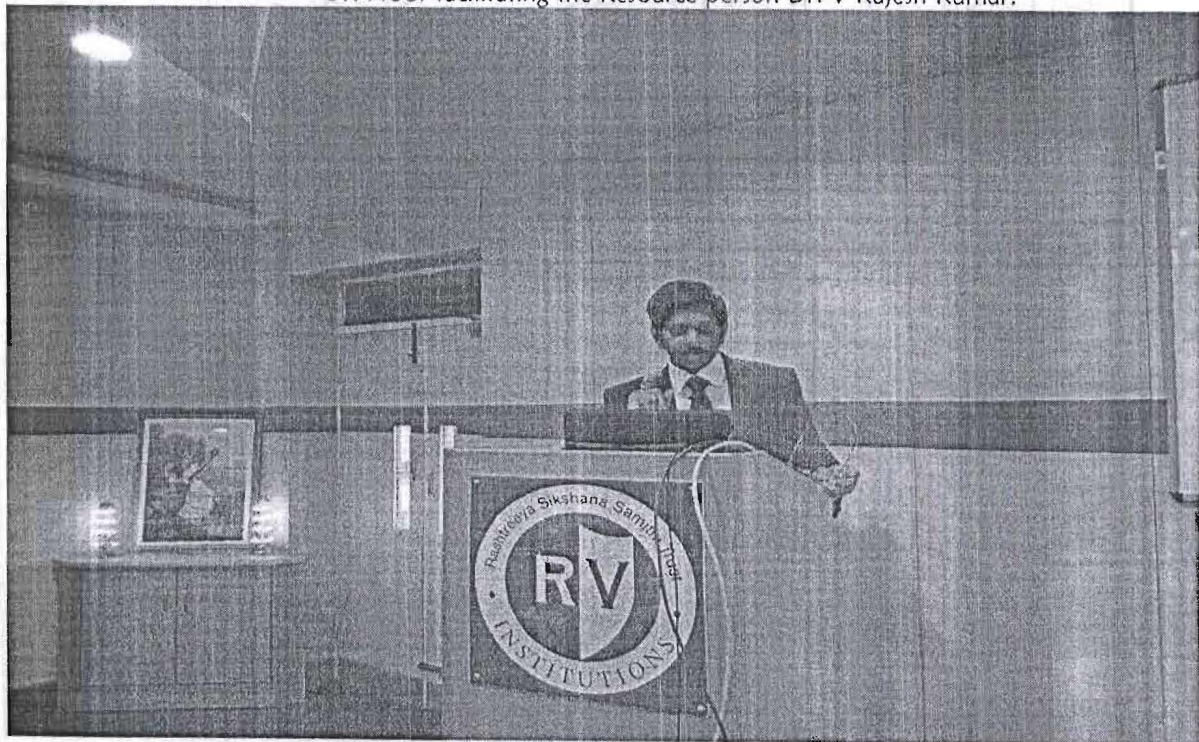
S.No	Students Name	SIGNATURE
1	Abhishek Jagadish Joshi	
2	Akshay Kumar	
3	Anjali T.M	
4	Ayushi Anand	AA
5	Balaji Raj V T	
6	Bharath Gowda M.R	
7	Chandan.S	
8	Clinton Joyan Roche	
9	Guruprasad. R	
10	Keerti.R.Patil	
11	Kuberanand N	
12	Lalitha.T.V	
13	Lavanya.H	
14	Lingraj Patil	
15	Mohan.R	
16	Muzammil	
17	N.B. Gowtami	
18	Nikita M	
19	Pooja Mallappa Patil	
20	Priyanka V Murthy	
21	Ramya. R	
22	Ranjith M. N	
23	Sahana S Gaonkar	
24	Salman Pasha	
25	Samarth M	
26	Sandesh Shridhar Shet	
27	Sandeha Timmayya Bhat	
28	Sathish Kumar .Y	
29	Satish Reddy	
30	Shashank B T	
31	Shashank Kharvi	
32	Shashi Kiran	
33	Shashinaga. C	
34	Shreya Anil Deshpande	
35	Shubham Basavara] Beesankoppa	

36	Sindhu Narasimha Hegde	
37	Sneha.M	Sneha.M.
38	Srihari V	
39	Srivalli .N. Gupta	Srivalli.N
40	Subhashini .D	
41	Sudhakara J V	
42	Sugan G.R	
43	Sunitha.S	Sunitha
44	Suprita S. Chatni	
45	Sushma	Sushma
46	Sushmitha D R	Sushmitha.
47	Swetha T R	
48	Tadavarthy Raga Hanisha	T.R.Hanisha
49	Tahsin Hadalge	
50	Tanzeel Ahmed	Tanzeel Ahmed
51	Tauheed Ahamed	
52	Tejashree Vishweshwar Bhat	
53	Udayaravikanth K.V	Udayaravikanth
54	Varshini S	Varshini
55	Vasavi .B	Vasavi.B
56	Vasavi.V	
57	Vidya V T	vidya.V.T.
58	Vignesh V Kamath	Vignesh
59	Viveka R	
60	Yashaswini H. K.	Yashaswini

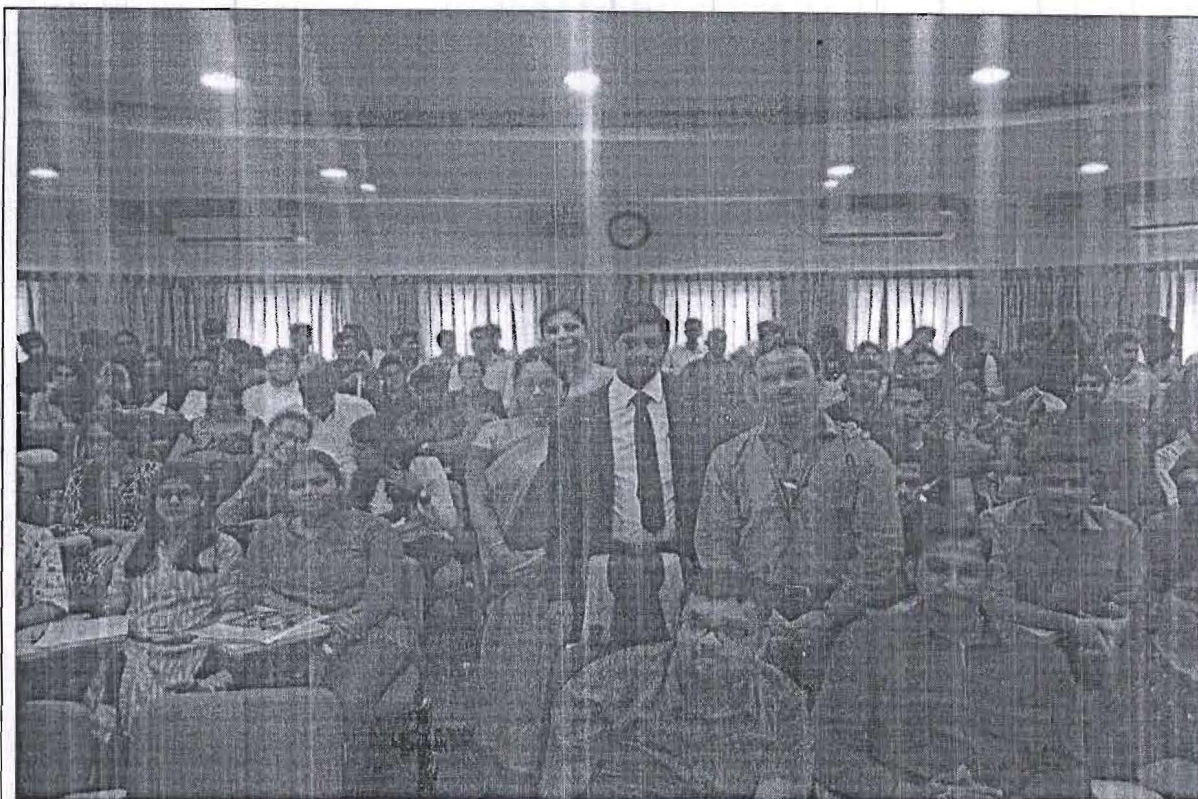
Photo Gallery



Dr. Noor facilitating the Resource person Dr. V Rajesh Kumar.



Resource Person Dr. Rajesh Kumar addressing the students



Resource person with the coordinators and participants

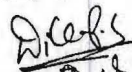
Feedback from participants:-

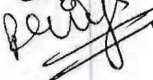
The program was excellent and the resource person was very good and well versed in his knowledge regarding the Du-Pont and Altman Z score model. It was a great program and resource person has delivered in a very simple manner and we all have understood clearly both the model. We hope to have more sessions by Dr. V Rajesh Kumar. We thank RV Institute of Management for giving us the opportunity to hear from such a dignify person.

Feedback / Coordinators Comment: The program is well received by students. They gained the knowledge about the financial statement analysis using Du-Pont model and Altman Z Score model and how to interpret the results from these models. Resource person Dr. V Rajesh Kumar got excellent feedback from the students. Overall it was a useful session for the students.

Event Coordinators

Prof. Pavithra S T

Prof. Dileep 

Prof. Priya 



Director

