

## About addskills

- Addskills is a training and consulting firm in the financial services sector. Our services include training on financial modelling, resume building workshops and investment advisory services.
- A prerequisite for working in the field of investment banking and private equity sector is knowledge of MS Excel and financial modelling (preparing company's valuation model).
- College graduates are very excited and interested in joining the financial services sector. However, our current curriculum does not focus on the basic skills required to work in the financial sector.
- On the other hand, employers are unable to find and hire candidates with these pre-requisite skill set.
- Our training program is aimed to bridge this gap and prepare students for the corporate world.
- This program is perfect for fresh graduates looking to join the financial sector as well as young professionals who want to switch to financial services sector.

### Course Summary

- Financial modelling course is designed for MBA students with focus on improving the skills required by the financial services industry.
- This course concentrates on enhancing Microsoft Excel, Microsoft PowerPoint and financial modelling skills.
- This course will help bridge the gap between the skills acquired during the academics and the skills required in the professional career.
- This is a hands on practical course where students will build an actual financial model using real life case studies. Students will get to keep the model and use it to showcase their skills during job interviews or performance review.
- A certificate will be issued after successful completion of the course

### Course outline

- Course duration – 30 hours
  - Advance Microsoft Excel
  - Microsoft PowerPoint
  - Forecasting of Financial Statements
  - Discounted Cash Flow (DCF) Valuation
  - Relative Valuation
- A detailed description of the course is listed in the appendix below.

## Our team

Name	Description
Mayur Deshmukh (Principal)	Mayur Deshmukh has over 4 years of experience. He is currently working as a research analyst at Hannam & Partners, India Pvt Ltd (A London based investment bank). He holds a MBA degree from Pune University and has successfully cleared US CFA Level 1. He also holds a NSE Academy's Certified Investment Analyst Pro certification and is certified in various modules of National Institute of Securities Markets (NISM) including Equity Derivatives Certification, Securities Markets Foundation Certification, Securities Operations and Risk Management Certification.
Ravindra Chitlangi (Faculty)	Ravindra Chitlangi has over 7 years of experience working in the financial industry. He is currently working as an Associate Director at YES Bank in Mumbai. He has a dual MBA degree from IIM Ahmedabad and Bocconi University, Italy and has a bachelor's degree from VJTI Mumbai.
Pankaj Deshmukh (Faculty)	Pankaj has over 6 years of experience working in the field of structural engineering and design. He is a licenced professional engineer in the state of California, USA and is a member of board of directors in ASEC Inc, a structural design and consulting firm. He has a master's degree from Texas A&M University one of the top ranked engineering schools and a bachelor's degree from VJTI, Mumbai.

## Sample - Excel formulas

### SUMIF AND COUNTIF

#### SUMIF

##### What Does It Do ?

This function adds the value of items which match criteria set by the user.

##### Syntax

**=SUMIF(Range Of Things To Be Examined, Criteria To Be Matched, Range Of Values To Total)**

#### COUNTIF

##### What Does It Do ?

This function counts the number of items which match criteria set by the user.

##### Syntax

**=COUNTIF(Range Of Things To Be Counted, Criteria To Be Matched)**

Example: COUNTIF

Item	Date	Cost
Brakes	01-Jan-98	80
Tyres	10-May-98	25
Brakes	01-Feb-98	80
Service	01-Mar-98	150
Service	05-Jan-98	300
Window	01-Jun-98	50
Tyres	01-Apr-98	200
Tyres	01-Mar-98	100
Clutch	01-May-98	250

How many Brake Shoes Have been bought.	2	=COUNTIF(A20:A28,"Brakes")
How many Tyres have been bought.	3	=COUNTIF(A20:A28,"Tyres")
How many items cost £100 or above.	5	=COUNTIF(C20:C28,">=100")
Type the name of the item to count.	tyres	=COUNTIF(A20:A28,B33)
Calculate total cost of Brakes	160	=SUMIF(A20:A28,"Brakes",C20:C28)
Calculate total cost of tyres	325	=SUMIF(A20:A28,"Tyres",C20:C28)

### Exercise

Company Name	Industry Classification	Market Capitalization
Wipro Limited	IT Consulting and Other Services	22482.7
Tata Consultancy Services Limited	IT Consulting and Other Services	73461
Tech Mahindra Limited	IT Consulting and Other Services	6343.2
HCL Technologies Limited	IT Consulting and Other Services	19187
Dabur India Ltd	Household Products	8636.77
Godrej Consumer Products Ltd	Household Products	9926.86
Jyothy Laboratories Ltd	Household Products	1088.94
Colgate-Palmolive (India) Ltd	Household Products	4783.04

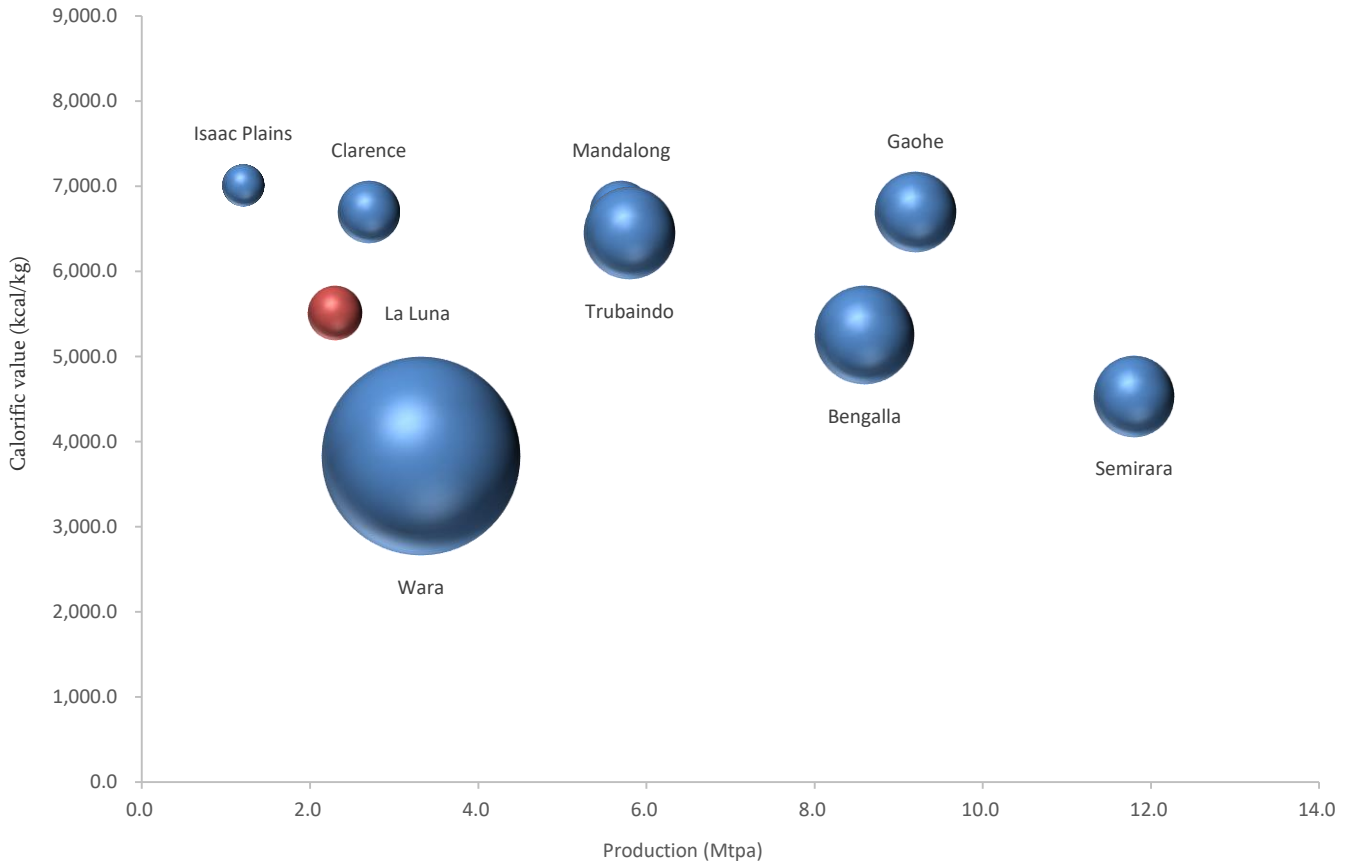
Calculate total market cap for the companies having industry classification as Household Products

Market Size

Count Number of firms having Industry Classification as IT Consulting and Other Services

No. of Firms

### 3 D Bubble chart



### Normalised share price performance



## Leverage Ratios

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- Companies need money to fund their operations. This comes in the form of equity or debt
- If a company's operations can generate a higher rate of return than the interest rate on its loans, then the debt is helping to fuel growth in profits.
- Hence companies can leverage the amount of owners' equity by taking debt. Debt is a low cost source of funds for a company (as opposed to equity\*)

\*However, too much debt may lead to bankruptcy

- Hence leverage ratios should not be too high or too low
- Leverage ratios look at how much capital in the form of debt (loans), or assesses the ability of a company to meet financial obligations.

## Leverage continued

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- **Debt Coverage Ratio (DSCR):**

- Measure of the cash flow available to pay current debt obligations.
- DSCR > 1 means the entity (person, company or government) has sufficient income (current year income) to pay its current debt obligations.
  - A DSCR < 1 means it does not. Though a company may be able to meet its obligations from cash balances, DSCR does not take that into account
  - $DSCR = \text{Net Operating Income} / \text{Total Debt Service (i.e. interest + principal)}$

- **Interest Covering Ratio:**

- Used to determine how easily a company can pay their interest expenses on outstanding debt.
- The lower the ratio, the more the company is burdened by debt expense.
- When a company's interest coverage ratio is only 1.5 or lower, its ability to meet interest expenses may be questionable.
  - $\text{Interest covering ratio} = \text{EBIT} / \text{Interest}$

