



# INSTITUTE OF AERONAUTICAL ENGINEERING

(Autonomous)

Dundigal, Hyderabad-500 043

## MASTER OF BUSINESS ADMINISTRATION ASSIGNMENT

Course Name	FINANCIAL MODELING
Course Code	CMB420
Class	MBA IV Semester
Branch	Master of Business Administration
Year	2017 – 2018
Course Coordinator	Ms.P.Bindu Madhavi, Assistant Professor, Department of MBA
Course Faculty	Ms.P Bindu Madhavi, Assistant Professor, Department of MBA

### OBJECTIVES

This course introduces the excel in finance; a financial model is simply a tool that's built in Excel to forecast a business' financial performance into the future. The forecast is typically based on the company's historical performance and requires preparing the income statement, balance sheet, cash flow statement and supporting schedules. The output of a financial model is used for decision making and performing financial analysis, whether inside or outside of the company. The main objective is to give proper awareness for student to learn how to calculate and manage the raising capital, making acquisitions, Growing the business, Selling or divesting assets and business units, Budgeting and forecasting, capital allocation and valuing a business. This course is presented to students by power point projections, lecture notes, course handouts, assignments, objective and subjective tests.

### ASSIGNMENT-I

S. No	Question	Blooms Taxonomy Level	Course Outcome
<b>UNIT-I</b>			
1	What are the types of financial modeling? Write in brief on each of them.	Understand	CCMB420.01
2	Distinguish Merger and acquisition from option pricing model.	Understand	CCMB420.01
3	Why is Excel used more as a tool for financial decision making?	Understand	CCMB420.01
4	Write the procedure for adding custom tabs to the ribbon in excel	Understand	CCMB420.01
5	Explain advanced features of excel database function in excel.	Understand	CCMB420.01
6	Illustrate how a charts are created by using forms and also explain how it can be controlled in excel.	Understand	CCMB420.01
7	Explain about excel. Write its advantages and disadvantages .	Understand	CCMB420.01
8	Under which circumstance we can add custom tabs to the ribbon.	Understand	CCMB420.01
9	Write the procedure for setting a formula in excel.	Understand	CCMB420.01
10	Discuss the following: a. Text functions with suitable examples b. Conditional functions with suitable examples	Understand	CCMB420.01
<b>UNIT – II</b>			
1	What is Goal Seek? Give a brief description.	Understand	CCMB420.02
2	Explain one variable data table.	Understand	CCMB420.02

3	Distinguish one variable data and two variable data tables.	Understand	CCMB420.02
4	What is scenario manager? How to make it in excel?	Understand	CCMB420.02
5	Discuss how to create additional scenario? Explain them in brief.	Understand	CCMB420.02
6	Explain sensitivity analysis in excel.	Understand	CCMB420.02
7	Distinguish manual what if analysis.	Understand	CCMB420.02
8	Differentiate one variable data table and two variable data table in sensitivity analysis under excel.	Understand	CCMB420.03
9	What is scenario manager? Write the procedure for make a first scenario.	Understand	CCMB420.02
10	Discuss, what you know about the other sensitivity analysis features using excel.	Understand	CCMB420.02

### UNIT – III

1	Elaborate the procedure for preparing the common size statements directly from trial balance using excel.	Understand	CCMB420.06
2	In general business needs forecasting for future analysis for decision making, now, explain how the financial statements are prepared by using excel?	Understand	CCMB420.05
3	What is revenue? Write the margin assumptions of revenue using excel.	Understand	CCMB420.05
4	Write about the depreciation with assumption.	Understand	CCMB420.05
5	What is balance sheet? Why the balance sheet is prepared. Explain the features of the balance sheet.	Understand	CCMB420.06
6	How can excel be used to Prepare common size statements from trial balance	Understand	CCMB420.06
7	Can excel be used in forecasting financial statements? If yes, Explain in brief.	Understand	CCMB420.05
8	Explain how can financial statements be analyzed by using spreadsheet model?	Understand	CCMB420.05
9	Explain the method using excel in project appraisal.	Understand	CCMB420.05
10	Enumerate the steps involved in determining project viability. Justify the use of excel in the process.	Understand	CCMB420.05

### ASSIGNMENT-II

S. No	Question	Blooms Taxonomy Level	Course Outcome
<b>UNIT – III</b>			
1	Discuss under which situation. the business is require risk analysis in project appraisal	Understand	CCMB420.06
2	What is risk analysis? Do you agree that risk analysis helps the business in risk manage?	Understand	CCMB420.05
3	Write the importance of simulation in project appraisal. Construct risk simulation model.	Understand	CCMB420.05
4	Write the formula for Net present value equation. Explain how will you substitute the values in excel.	Understand	CCMB420.05
5	Discuss about excel in valuation with suitable example.	Understand	CCMB420.06
6	What all the risks should be consider while appraisal of the project?	Understand	CCMB420.06
7	How can simulation be helpful in appraising a project?	Understand	CCMB420.05
8	What are the various kinds of valuation to ascertain financial position of a company and what role does MS Excel play in doing so?	Understand	CCMB420.05
9	What is a value driver? Write a few examples as to how a value driver can benefit a Company.	Understand	CCMB420.05
10	Define Risk. What are the models used in analyzing Risk? List out a few tools in Risk analysis and write how MS Excel can be helpful in the process.	Understand	CCMB420.05
<b>UNIT – IV</b>			
1	Explain in Detail about Efficient Portfolio. Draw Graphs wherever necessary.	Understand	CCMB420.09
2	What do you understand by Dynamic Portfolio? How to create a Dynamic Portfolio?	Understand	CCMB420.08

3	What are the Key Principles to build good Excel Models from User's perspective?				Understand	CCMB420.09	
4	List out the Steps in Documentation Tabs and also its advantages.				Understand	CCMB420.10	
5	What are the advantages of Financial Modeling using VBA?				Understand	CCMB420.09	
6	Draw a graph with the help of table given below mentioning the risk-return profile for different portfolios created by combining the two assets in different weights:				Understand	CCMB420.09	
	Portfolio	A Proportion	B Proportion	Expected Return			Standard Deviation
	1	1	0	12.00%			20.00%
	2	0.9	0.1	12.80%			17.64%
	3	0.76	0.24	13.92%			16.27%
	4	0.5	0.5	16.00%			20.41%
	5	0.25	0.75	18.00%			29.41%
6	0	1	20.00%	40.00%			
7	Mention the steps involved in plotting a graph/ bar diagram using excel (select any graph).				Understand	CCMB420.09	
8	Write a few lines on the historical background of Black & Schole's Option Pricing Model.				Understand	CCMB420.10	
9	Write the formula as per Black Scholes' model. Explain the variables contained therein.				Understand	CCMB420.09	
10	Create dummy data by your own and create a pie diagram.				Understand	CCMB420.09	
S. No	Question				Blooms Taxonomy Level	Course Outcome	
UNIT – V							
1	Explain in detail the process of recording and editing macros.				Understand	CCMB420.13	
2	Write short notes (a) Built-in functions (b) statement functions (c) debugging.				Understand	CCMB420.14	
3	Discuss where can be the decision rules can apply in excel?				Understand	CCMB420.15	
4	Where do the message box is utilized? Illustrate it in simple message program.				Understand	CCMB420.13	
5	In what way the debug is useful for the programmer, explain in detail about the debugging under excel.				Understand	CCMB420.13	
6	Explain how the VBA helps the macros in editing and recording the data in excel?				Understand	CCMB420.12	
7	Show how a subroutines works in excel under VBA and explain the meanings of the arguments and what the subprogram does under subroutines.				Understand	CCMB420.13	
8	How does a decision rules helps you to determine, which conditions are likely to result in a specific outcome in excel?				Understand	CCMB420.14	
9	message box and input box				Understand	CCMB420.15	
10	Where is the VBA debugger in excel? Explain the procedure for finding it in excel.				Understand	CCMB420.12	

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**HOD, Master of Business Administration**