**ECON F 315 - Assignment Problem Statement**

Refer to the FY 23 and FY 22 (year 2022 and 2023) annual reports and other publicly available statistics. The assignment problem statement is open-ended; use your judgment and the available data for the analysis.

The report must contain analysis on the following sections:

I. Capital Expenditure – number of major investments undertaken by the firm (relative to its size) in the past two years (i.e. 2021 and 2022). Highlight whether the capex is related to expansion in the same line of business, diversification, or replacement, R&D, and intangible asssets. Focus on growth in assets, sales, exports, partnerships, joint-ventures etc.

II. Trend analysis of the company's working capital. How does the company fulfil its requirement for working capital?

III. Capital structure – provide an analysis of the capital structure of the company over the sample period (if possible, use quarterly data). Identify major sources of funding and whether funding is related to investment requirements analyzed in part I. Is the company generating enough operating cash flow to fulfill CapEx and other requirements?

IV. Cost of capital – Provide an analysis of the firm’s cost of capital using the details available in part III. Make assumptions wherever required. Consider both the CAPM and the market value-based approach for estimating capital costs. Also, consider the possibility that depending upon the life-cycle of the firm, the firm may or may not grow at a constant growth rate.

V. Analyze the following and compare and contrast their trends with each other:

dividend yield, share price appreciation, RoCE, ROIC, WACC.

VI. Identify the three major strengths and three weak areas of the firm based on your analysis of its annual reports.

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