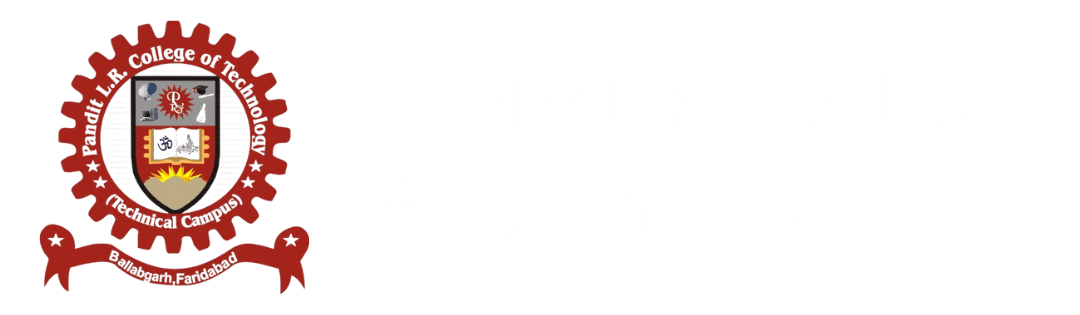
**PT.L.R.College of Management**



INTERSHIP REPORT ON

FINANCIAL MODELLING & FINANCIAL STATEMENT ANALYSIS

Ballabgarh, Faridabad, Haryana

In Partial fulfilment of Requirement for the award of the

Degree of MBA of Maharshi Dayanand University, Rohtak

JA**N: -** 2025

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**Internship Report on Financial Modelling and Financial Statement Analysis**

**Title Page**

* **Title:** Internship Report on Financial Modelling and Financial Statement Analysis
* **Your Name:** [Insert Your Name]
* **Internship Period:** [Insert Duration]
* **Company Name:** KPIT Technologies
* **Date of Submission:** [Insert Date]

**Acknowledgements**

I would like to express my sincere gratitude to my mentor, [Name of Mentor/Supervisor], for their invaluable guidance and support throughout my internship at KPIT Technologies. I also extend my thanks to the management of KPIT Technologies for providing me with this opportunity to learn and contribute to their esteemed organization. Special thanks to my academic institution and professors for their encouragement and assistance during this journey.

**Executive Summary**

This report captures my experience as an intern at KPIT Technologies, focusing on financial modelling and financial statement analysis. The primary objective of this internship was to bridge the gap between theoretical knowledge and practical application, enabling me to develop proficiency in tools and techniques crucial for analyzing financial data and creating actionable models. Through hands-on projects, collaborative teamwork, and exposure to industry practices, I gained insights into the processes of building financial models, evaluating corporate performance, and supporting strategic decision-making.

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**1. Introduction**

**Objective of the Internship**

The primary aim of this internship was to provide hands-on experience in the domains of financial modelling and financial statement analysis. These competencies are vital for evaluating organizational performance, forecasting future trends, and supporting decision-making processes within the financial sector.

**Importance in the Financial Sector**

Financial modelling and financial statement analysis are integral to various sectors, including investment banking, corporate finance, and strategic planning. These methodologies facilitate informed decision-making by leveraging historical data and predictive techniques. In a rapidly evolving market landscape, mastering these skills is essential for analyzing financial health and identifying growth opportunities.

**Structure of the Report**

This report is structured into several sections, starting with an introduction to the theoretical underpinnings of financial modelling and statement analysis. It progresses through a detailed account of my internship activities, methodologies employed, challenges encountered, and lessons learned. The concluding sections offer recommendations and appendices with supplementary material, including sample financial models and detailed analyses.

**2. Overview of KPIT Technologies**

**Company Profile**

KPIT Technologies is a global leader in providing IT consulting and product engineering solutions. Founded in [Insert Year], KPIT specializes in offering cutting-edge technology solutions across industries such as automotive, manufacturing, and energy. The company is headquartered in Pune, India, with operations spanning multiple continents.

**Mission and Vision**

* **Mission:** To drive innovation through sustainable and transformative technologies.
* **Vision:** To be a trusted partner for enterprises in their digital transformation journeys.

**Industry Overview**

KPIT operates within the technology and engineering solutions sector, a rapidly growing industry driven by advancements in artificial intelligence, data analytics, and automation. The demand for digital transformation across industries underscores the relevance of KPIT’s services.

**Key Products/Services**

KPIT offers a range of services, including:

* Embedded software and hardware solutions.
* Data-driven analytics for decision-making.
* Cloud computing and cybersecurity services.
* End-to-end product lifecycle management.

**Financial Position**

KPIT has demonstrated consistent growth over the past five years, with notable increases in revenue, profit margins, and market share. Its strategic focus on R&D and partnerships with leading enterprises has bolstered its market position and competitive advantage.

**3. Theoretical Framework**

**Financial Modelling**

Financial modelling involves constructing mathematical representations of real-world financial scenarios. These models are essential tools for decision-making, enabling stakeholders to evaluate risks, forecast outcomes, and determine valuations.

**Key Types of Financial Models:**

1. Discounted Cash Flow (DCF) Model: Used for company valuation by estimating future cash flows and discounting them to present value.
2. Leveraged Buyout (LBO) Model: Focuses on evaluating buyout scenarios using borrowed funds.
3. Three-Statement Model: Integrates the income statement, balance sheet, and cash flow statement.
4. Sensitivity Analysis: Assesses the impact of varying assumptions on model outcomes.
5. Scenario Planning: Simulates different economic or business scenarios to evaluate potential outcomes.

**Financial Statement Analysis**

Financial statement analysis involves evaluating a company’s financial performance and health through its balance sheet, income statement, and cash flow statement.

**Key Techniques:**

* **Ratio Analysis:** Analyzing profitability, liquidity, solvency, and efficiency ratios.
* **Trend Analysis:** Identifying patterns and changes over time.
* **Cash Flow Analysis:** Understanding inflows and outflows of cash.

**Tools and Technologies Used**

* **Microsoft Excel:** For building and analyzing financial models.
* **Power BI/Tableau:** For visualizing data insights.
* **SQL:** For querying and managing datasets.
* **Financial Databases:** Bloomberg, Reuters, and other platforms for accessing real-time data.

**Relevance in Decision-Making**

Integrating financial modelling with statement analysis enables businesses to:

* Optimize resource allocation.
* Identify growth opportunities.
* Mitigate risks and prepare for market uncertainties.

**4. Internship Experience**

**Roles and Responsibilities**

During my internship, I undertook various tasks, including:

* Collecting and analyzing financial data.
* Building and validating financial models.
* Conducting ratio and trend analyses on financial statements.
* Preparing detailed reports and presentations for stakeholders.

**Workflow and Processes**

The workflow typically involved the following steps:

1. Understanding project objectives and client requirements.
2. Gathering relevant financial data from internal and external sources.
3. Performing data cleaning and preprocessing.
4. Developing financial models and conducting analyses.
5. Presenting findings and recommendations to the team.

**Tools and Technologies**

I extensively used:

* **Microsoft Excel:** For building detailed financial models and performing advanced calculations.
* **Power BI/Tableau:** To create interactive dashboards and visual representations.
* **SQL:** For querying and analyzing large datasets efficiently.
* **Bloomberg/Reuters:** For accessing real-time financial data.

**Projects Undertaken**

1. **Project 1:** Developing a DCF Model for a mid-cap technology company.
2. **Project 2:** Comprehensive ratio analysis for a multinational manufacturing firm.
3. **Project 3:** Trend analysis of revenue streams for a global automotive supplier.

**5. Financial Modelling**

**Methodology**

1. **Data Collection:** Sourced historical data from financial statements, market reports, and industry trends.
2. **Assumption Setting:** Defined realistic assumptions for revenue growth, cost structures, and capital expenditures.
3. **Model Design:** Designed models using:
   * Revenue forecasting techniques.
   * Expense analysis and cost allocation.
   * Discounted cash flow (DCF) valuation methods.

**Case Study: Building a Financial Model**

[Provide a step-by-step example of creating a financial model, including screenshots, formulas, and insights derived.]

**Advanced Techniques**

* **Sensitivity Analysis:** Evaluating the impact of variable changes on financial outcomes.
* **Scenario Planning:** Comparing outcomes under different economic or business conditions.

**6. Financial Statement Analysis**

**Steps in Analysis**

1. Understanding and interpreting the balance sheet, income statement, and cash flow statement.
2. Conducting ratio analysis to evaluate profitability, liquidity, and solvency.
3. Performing trend analysis over multiple periods to identify growth patterns.

**Visualizations**

Include charts, graphs, and tables to present:

* Revenue growth trends.
* Profitability and liquidity ratios.
* Cash flow trends and insights.

**7. Challenges and Solutions**

**Challenges Faced**

* Limited availability of historical data.
* Complexity in understanding financial structures.
* Handling large datasets efficiently.

**Solutions Implemented**

* Leveraged advanced Excel functions for data management.
* Conducted in-depth research to fill data gaps.
* Utilized automation tools to streamline repetitive tasks.

**8. Key Learnings**

* Enhanced analytical and problem-solving skills.
* Improved proficiency in financial modelling tools.
* Gained deeper insights into financial statements and their implications.
* Developed effective communication and collaboration skills.

**9. Recommendations**

**For KPIT Technologies**

* Invest in advanced analytics tools for financial analysis.
* Conduct regular training sessions for employees.
* Focus on automating repetitive tasks to improve efficiency.

**For Future Interns**

* Gain proficiency in Excel and financial databases.
* Develop a strong understanding of accounting principles.
* Practice building models with real-world datasets.

**10. Conclusion**

The internship at KPIT Technologies provided a robust foundation in financial modelling and financial statement analysis. It allowed me to apply theoretical knowledge to practical scenarios, enhancing my skills and confidence in the financial domain. The experience has been instrumental in shaping my professional aspirations and career trajectory.

**11. Appendices**

* **Appendix A:** Sample Financial Models.
* **Appendix B:** Financial Statements.
* **Appendix C:** Glossary of Terms.
* **Appendix D:** References.