



## Mentored-Research

# Equity Research Initiative

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### Assignment 2: Valuation

**Objective:** Give a call on the stock of the company that has been assigned to you by making use of valuation model discussed.

- 1) Go through the Video Lectures on Valuation and the ERI Guidebook. Understand the theoretical concepts involved.
- 2) From the ERI Guidebook, please refer to the following section: *Valuation, Conclusion: (Pages 42 – 72)*
- 3) Download and go through the Lecture to understand the approach involved. Make use of the sample assignment that has been shared to better understand the lecture.
- 4) For your assignment, download the financials of your company shared in the Central Resource Page.
- 5) Find out the mutually exclusive sources of revenue for your company.
- 6) Once you have identified the sources of revenue, religiously follow the step-by-step instructions provided to estimate the Target Price of the company.
- 7) Make use of Ms-Excel's comment functionality as and when necessary, especially to elaborate the rationale behind each assumption made.

#### **Instructions:**

- Present your answers in an Excel Workbook.
- You are strongly advised to properly format your Workbook, and keep it clutter-free
- Make use of the Video Lectures, ERI Handbook and the Sample Assignment
- Please contact the query team in case of any trouble with the assignment
- Deadlines are to be followed strictly and late submissions are not encouraged
- To broaden your horizons, please refer to the Optional Resource Material provided. This is not compulsory.