



# FINANCIAL ACCOUNTING

## PROF. VARADRAJ BAPAT

Department of Management  
IIT Bombay

**INTENDED AUDIENCE :** Students, employees, entrepreneurs (The course will apply to participants various disciplines like Engineering, Sciences, Management, Commerce, Arts, Humanities, Health, Medicine).

### COURSE OUTLINE :

This course discusses the basic concepts of financial accounting and reporting. The viewpoint is that of readers of financial reports rather than the accountants who prepare them.

This course is designed with the following objectives:

- (i) Help the participants to become intelligent users of accounting information
  - (a) Understand the basic accounting and financial terminology.
  - (b) Understand how events affect firm value
  - (c) Understand how financial transactions are recorded.
  - (d) Make the participants' comfortable looking through financial statements
- (ii) Develop the ability in participants' to use financial statements to assess a company's performance

### ABOUT INSTRUCTOR :

Prof. Varadraj Bapat has consulting and teaching experience of 25 years in Accounting, Audit and Finance. He has obtained professional qualifications in Chartered Accountancy, Cost Accountancy, and Information System Audit before obtaining PHD from IIT, Bombay. He has authored 6 books and published many research papers in high impact international journals. He has done numerous research projects. He is member of Board of Governors for IIT Guwahati and NIT Manipur. He has been member of NAAC Peer team and MHRD Autonomy team.

### COURSE LAYOUT

**Week 1:** Introduction and Scope of Accounting, Financial Statements, Balance Sheet 1, Balance Sheet 2, Balance Sheet 3

**Week 2:** Balance Sheet 4, Balance Sheet 5, Profit and Loss Account 1, Profit and Loss Account 2, Profit and Loss Account 3

**Week 3:** Depreciation 1, Depreciation 2, Inventory Valuation, Cash Flow Statement 1, Cash Flow Statement 2

**Week 4:** Cash Flow Statement 3, Cash Flow Statement 4, Cash Flow Statement 5, Corporate Governance, Corporate Governance: Global Models

**Week 5:** Corporate Governance: Enron Case, Accounting Standards and Principles, Evolution of Accounting, Recording of Financial Transactions, Zee Case: Profit & Loss and Balance Sheet

**Week 6:** Zee Case: Balance Sheet, Hindalco Case: Profit & Loss and Balance Sheet, Hindalco Case: Balance Sheet and Cash Flow Statement, Interpretation and Analysis of Financial Statements, Ratio Analysis and Interpretation 1

**Week 7:** Ratio Analysis and Interpretation 2, Interpretation and Analysis of Financial Statements: Shipping Corp. of India 1, Interpretation and Analysis of Financial Statements: Shipping Corp. of India 2, Interpretation and Analysis of Financial Statements: Shipping Corp. of India 3, Interpretation and Analysis of Financial Statements: Shipping Corp. of India 4.

**Week 8:** Financial Statement Analysis: TCS Case 1, Financial Statement Analysis: TCS Case 2, Financial Statement Analysis: RIL Case 1, Financial Statement Analysis: RIL Case 2, Revision of Course