Project: how a company makes money

This free guide walks Class 12 students through the Accountancy project: financial statement analysis of one listed company. Students choose two aspects, find every input in the company's annual report and explain what the numbers show.

5-minute prep

- Decide whether students may use any listed company or must choose from a list. A list makes checking quicker.
- Decide consolidated or standalone for the class.
- Print the project planner (the worksheet) and the marking checklist.
- Download one annual report yourself and find its four statements and the segment note, to show students where they sit.

Class	Senior secondary, Class 11–12 (Commerce)
Time	Four 40-minute periods in class, or two periods plus homework.
Edition	2026–27 first edition v1.0
Lesson page	cityfort.in/teachers/how-indian-companies-earn-and-spend/how-a-company-makes-money-project

Objective

Students can analyse one listed company's financial statements on two of the project aspects, cite every number to its filing, show their working and explain what the results say about the business.

CBSE units the lesson supports

- Accountancy (055), Class XII, Project work (CBSE Accountancy (055))
- Accountancy (055), Class XII, Part B: Analysis of Financial Statements; Cash Flow Statement (CBSE Accountancy (055)), in part
- Financial Markets Management (805), Class XII, Unit 4 (CBSE Financial Markets Management (805)), in part

For learning only. Cityfort is not a SEBI-registered adviser and does not recommend buying or selling any security. Prices shown are dated and may be out of date.

Timing

Minutes	Step	What happens
0–40	**Period 1: choose and plan**	Students choose one company and two aspects, download the annual report from NSE or BSE, and fill in Part A of the planner.
40–80	**Period 2: find the inputs**	Students find each statement in the annual report, copy the numbers they need into the number log with the page number, and check the units (₹ crore or ₹ lakh).
80–120	**Period 3: calculate and explain**	Students do the calculations for their two aspects, showing every step, and write what each result says about the business.
120–160	**Period 4: check and share**	Partners swap projects and check three numbers against the annual report, then students fix any errors and add one limit of their analysis.

Materials

- The project planner (one per student): the worksheet for this lesson
- The company's annual report for the chosen year, from nseindia.com or bseindia.com (the PDF, opened on a phone or computer, or printed pages)
- The marking checklist from this page (teacher), or printed for students
- A calculator

Discussion questions

1. Why does the project ask you to cite the page of the annual report for every number?
2. What changes in your analysis if you use the standalone statements instead of the consolidated ones?
3. Which of your results would you most want to explain to someone who has never read an annual report? Why?
4. What can your two aspects not tell you about the company?

Adapting the lesson

Students still building their English: Give students the word bank and the sentence starters from the planner. Let them write the explanation in short sentences, one result per sentence.

Students who need more support: Pre-select a company with a short annual report and mark the four statement pages. Students do one aspect fully and a second aspect with two calculations only.

Students ready for more: Students compare two financial years for both aspects and explain one change between them with a reason the annual report gives, quoted with its page.

Extension: Students compare their company with a second company in the same industry on one aspect only, explaining the difference without saying which company is ahead.

For learning only. Cityfort is not a SEBI-registered adviser and does not recommend buying or selling any security. Prices shown are dated and may be out of date.

Teacher background

What does the CBSE brief ask for?

"One specific project based on financial statement analysis of a company covering any two aspects" (CBSE Accountancy curriculum 2026–27). The aspects listed are comparative and common-size statements, accounting ratios, segment reports and cash flow statements.

Which statements should students use?

Use the consolidated statements (the whole group, with subsidiaries) unless the class has agreed on standalone. Whichever students use, they say so at the top of the project and use the same set throughout.

What is different from the textbook?

Listed companies report under Ind AS, in the Schedule III format, and the cash flow statement follows Ind AS 7 rather than AS 3. The headings are close; the planner asks students to note any heading that differs from the textbook.

Where does Cityfort fit in?

Each Cityfort stock page shows where its numbers came from, so a teacher can use it as a map to the right statement and a check on a student's numbers. Students cite the annual report itself, never the Cityfort page.

If your class runs a stock-market simulation, these lessons can come before it: they explain what a company does and how it reports results. They do not suggest which companies to choose, and Cityfort does not run, rank or judge simulation picks.

Teaching notes

- Check the number log first: if every number has a page, the rest of the project is easy to mark.
- Units differ between companies: some report in ₹ crore, some in ₹ lakh. Students must keep one unit per table.
- If a student's company reports one segment only, ask them to switch the segment aspect for another one.

A worked example with a made-up company

Made-up company, Example Foods Ltd: revenue from operations ₹1,000 crore, cost of materials consumed ₹600 crore, profit for the year ₹80 crore.

Common-size: materials ₹600 crore ÷ ₹1,000 crore × 100 = 60% of revenue from operations; profit ₹80 crore ÷ ₹1,000 crore × 100 = 8%.

Explanation a student might write: "Most of the money from sales went on materials, which suits a company that turns raw food into packaged goods." The made-up numbers show the method only.

For learning only. Cityfort is not a SEBI-registered adviser and does not recommend buying or selling any security. Prices shown are dated and may be out of date.

Marking checklist

Company and filing (2), two aspects chosen (2), inputs cited (4), working shown (4), accuracy spot-check (3), explanation (3), limits (1), presentation (1): 20 suggested points. Map them to your school's marking scheme. No points for an investment opinion.

student page

Scan the code or type: **cityfort.in/class/company-project**

Sources

1. S1: Accountancy (Code 055), Senior School Curriculum 2026–27 (dated 13 Mar 2026 by the CBSE server, checked 15 Nov 2026), Central Board of Secondary Education (CBSE), 13 Mar 2026. https://cbseacademic.nic.in/web_material/CurriculumMain27/SecPart2/Accountancy_SecP2_2026-27.pdf

Credit and licence

"How Indian companies earn and spend: Project – Project: how a company makes money" by Cityfort (cityfort.in/teachers/how-indian-companies-earn-and-spend/how-a-company-makes-money-project), CC BY-NC 4.0.

If you change this material, please remove the Cityfort name or mark it as modified; changed versions are not reviewed by Cityfort. Company names are trademarks of their owners; Cityfort is not affiliated with or endorsed by them.

No ads in any lesson file. Student pages carry at most one non-personalised ad. No student logins. Questions or corrections: cityfort.in/contact.

Cityfort is not affiliated with, approved by or endorsed by CBSE, NCERT, NCFE, SEBI, NSE or BSE. Board and curriculum names are used only to say which published syllabus units a lesson supports.

For learning only. Cityfort is not a SEBI-registered adviser and does not recommend buying or selling any security. Prices shown are dated and may be out of date.

For learning only. Cityfort is not a SEBI-registered adviser and does not recommend buying or selling any security. Prices shown are dated and may be out of date.