Four traps that make a comparison unfair

Four traps is a free 40-minute Class 11–12 Commerce lesson on comparisons that look fair but are not. Groups work through DMart, ABB India and Hitachi Energy India, Tata Motors Passenger Vehicles, and HDFC Bank against Maruti Suzuki.

5-minute prep

- Print one worksheet per student. Optional: print each station page on its own as a group card.
- Plan four groups. With a large class, run two copies of each station.
- Write the four rules on the board before the lesson.
- Read the answer key for your own station notes; Station 3 has the most numbers.

Class	Senior secondary, Class 11–12 (Commerce)
Time	One 40-minute period, run as four stations. With a second period, every group can do every station.
Edition	2026–27 first edition v1.0
Lesson page	cityfort.in/teachers/comparing-companies-fairly/four-comparison-traps

Objective

Students can spot four reasons two numbers do not compare: standalone against consolidated, years covering different months, a demerger that changes the business, and a bank against a manufacturer. They can rewrite an unfair comparison so it keeps the rules.

CBSE units the lesson supports

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

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Timing

Minutes	Step	What happens
0–5	**Hook**	Project the unfair sentence: "Tata Motors Passenger Vehicles' revenue fell -23.7% in FY26." Ask: what would you check before you repeat it? Students write one check in Part A.
5–8	**Four rules**	Recall the three rules from Lesson 1: same year, same measure, same kind of statement. Add the fourth: the same business in both years.
8–22	**Stations**	Four groups, one station each: standalone or consolidated (DMart), different calendars (ABB India and Hitachi Energy India), a demerger (Tata Motors Passenger Vehicles), a bank against a carmaker (HDFC Bank and Maruti Suzuki). Each group answers its station's questions and rewrites its unfair sentence.
22–34	**Teach your trap**	Each group has three minutes: the trap, the rule it breaks and its fair sentence. Other students note each trap in Part F.
34–37	**Back to the hook**	Return to the Tata Motors sentence. The fair comparison uses FY25 re-presented, so revenue fell -8.3%, not -23.7%.
37–40	**Exit ticket**	Students answer the three exit-ticket questions on the worksheet.

Materials

- The student worksheet (one per student): each group uses its own station page
- The answer key (teacher only)
- Optional: the slides, projected, and the four station pages printed as separate cards

The numbers

Where each ₹100 went: HDFC Bank, FY26

Line	Per ₹100 that came in
Interest paid to depositors	₹37.4
Interest paid on borrowings	₹10.9
Employees	₹7.0
Other running costs	₹12.6
Provisions for bad loans and other risks	₹6.3
Tax	₹5.5
Kept as profit	₹20.2
Total	₹99.9

Source: HDFC Bank's FY26 annual report, filed with NSE on 11 Jul 2026; standalone profit and loss account, HDFC Bank alone (Cityfort calculation: each line ÷ interest earned plus other income × 100). Lines are rounded to the nearest 10 paise, so the total may differ from ₹100 by a few paise.

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Where each ₹100 went: Maruti Suzuki, FY26

Line	Per ₹100 that came in
Materials, parts and goods bought	₹70.5
Employees	₹4.8
Royalty to Suzuki Motor Corporation	₹2.9
Other running costs	₹7.9
Depreciation and interest	₹3.7
Income tax	₹2.4
Kept as profit	₹7.8
Total	₹100.0

Source: Maruti Suzuki's FY26 annual report, filed with NSE on 8 Aug 2026; consolidated statement of profit and loss (Cityfort calculation: each line ÷ revenue, other income and share of part-owned companies' profit × 100).

Discussion questions

1. DMart's stores company earned ₹3,224 crore in FY26, more than the group's ₹2,970 crore. How can a group earn less than one of its own companies?
2. ABB India's year ends in December and Hitachi Energy India's in March. Both companies call their first quarter "Q1". Why is that a trap?
3. Tata Motors Passenger Vehicles reported ₹82,390 crore of profit for owners in FY26, but the continuing business made a loss. What should a fair sentence about FY26 profit say?
4. HDFC Bank kept ₹20.2 of every ₹100 that came in, Maruti ₹7.8. What does the bank's biggest line, interest paid to depositors, tell you about why these two numbers do not compare?
5. Which of the four traps would be easiest to miss in a newspaper headline? Why?

Adapting the lesson

Students still building their English: Give each group the word bank for its station only: standalone and consolidated; calendar year and financial year; demerger and re-presented; deposits and advances. Groups can report with the sentence frames.

Students who need more support: Give the Station 4 (bank) card, which needs reading more than arithmetic. Read the card's first paragraph aloud and let students answer with the line names.

Students ready for more: Students do Station 1 for HDFC Bank as well: the bank alone made ₹74,671 crore and the group ₹76,026 crore. Why is HDFC Bank's group profit above the bank's, when DMart's is below?

Extension: Students find one more company page on Cityfort with a calendar year (CY), a demerger note or a standalone basis, and write one unfair and one fair sentence about it, naming the filing and the period.

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Teacher background

Standalone or consolidated?

Standalone statements cover the listed company alone. Consolidated statements add its subsidiaries and remove sales between group companies. A subsidiary's loss lowers group profit, so consolidated profit can sit below standalone profit.

Which Indian companies use a calendar year?

Most Indian companies report April to March. Some with foreign parents report January to December, such as ABB India, and label the year CY25. Hitachi Energy India moved from a December year end to March, so its FY22 ran 15 months.

What does re-presented mean?

After a demerger, a company shows the business it kept as "continuing operations" and re-presents the previous year on the same basis. The new annual report's previous-year column then differs from the old annual report. Always take both years from the same report.

Why does a bank's receipt look so different?

A bank's main cost is the interest it pays depositors, and its income is the interest it earns on loans. Its size shows in its loans and deposits, which are many times its yearly income. Banks are read with their own measures: net interest margin, bad loans (NPAs) and capital.

Why is HDFC Bank's receipt for the bank alone?

Cityfort's HDFC Bank receipt uses the standalone accounts, while the page's yearly numbers are consolidated and include its insurance and lending subsidiaries. The receipt's note says so. This is Station 1's trap inside Station 4.

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

- Give each group a reporter and a writer. The reporter teaches the trap in three minutes.
- Station 2 needs only addition and one division: the point is that the two years share only nine months.
- If a student asks whether a loss or a bank's profit is a reason to own a share, say the lesson only checks which numbers compare, and that Cityfort gives no advice.
- In this lesson there is no winner. We explain differences; we don't rank companies or say which is better to own.

CBSE units this lesson supports

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- Analysis of Financial Statements in Accountancy (055) Class XII, Part B (Unit 3 in the marks table, Unit 4 in the detailed syllabus): partial (what to check before comparing statements; no ratios).

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- Accountancy (055), Class XII, Project work, aspect "comparative and common-size statements": supports.
- Financial Markets Management (805), Class XII, Unit 4, financial statement analysis: partial (no market data).

Station timing

Minutes 8–22: groups work. Minute 18: a two-minute warning to write the fair sentence. Minutes 22–34: four reports of three minutes each, in station order.

student page

Scan the code or type: **cityfort.in/class/compare-traps**

Sources

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8. S8: Integrated Annual Report 2025-26 (FY26, April 2025 to March 2026), with standalone financial statements, Hitachi Energy India Limited, filed with NSE, 31 Jul 2026. https://nsearchives.nseindia.com/annual_reports/AR_30092_POWERINDIA_2025_2026_A_8152819_31072026141512.pdf
9. S9: Unaudited results, quarter ended 30 Jun 2025 (Q1 FY26), Hitachi Energy India Limited, filed with NSE, 30 Jul 2025. https://nsearchives.nseindia.com/corporate/HitachiEnergy_30072025164814_Outcome.pdf
10. S10: Unaudited results, quarter ended 30 Sep 2025 (Q2 FY26), Hitachi Energy India Limited, filed with NSE, 3 Nov 2025. https://nsearchives.nseindia.com/corporate/HitachiEnergy_03112025163102_Outcome.pdf
11. S11: Unaudited results, quarter ended 31 Dec 2025 (Q3 FY26), Hitachi Energy India Limited, filed with NSE, 5 Feb 2026. https://nsearchives.nseindia.com/corporate/HitachiEnergy_05022026165741_Binder2.pdf
12. S12: 81st Integrated Annual Report 2025-26 (FY26), with consolidated financial statements (FY25 re-presented), Tata Motors Passenger Vehicles Limited, filed with NSE, 15 Jun 2026. https://nsearchives.nseindia.com/annual_reports/AR_29395_TMPV_2025_2026_A_21445169_15062026215933.pdf
13. S13: 80th Integrated Annual Report 2024-25 (FY25), with consolidated financial statements including the commercial vehicles business, Tata Motors Limited (now Tata Motors Passenger Vehicles Limited), filed with NSE, 24 May 2025. https://nsearchives.nseindia.com/annual_reports/AR_27753_TATAMOTORS_2024_2025_A_29318961_26082025223051.pdf
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15. S15: Annual Integrated Report FY26 (2025-26), with consolidated financial statements, Maruti Suzuki India Limited, filed with NSE, 8 Aug 2026. https://nsearchives.nseindia.com/annual_reports/AR_30271_MARUTI_2025_2026_A_19335803_08082026213212.pdf

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