

FINANCE BEGINNER SERIES

3 Finance Projects Every Finance Student Should Build

A beginner-friendly, step-by-step guide to building a finance portfolio that actually gets you shortlisted — no prior work experience needed.

FINANCIAL STATEMENT ANALYSIS · WORKING CAPITAL ANALYSIS · DCF VALUATION

By @financegirlidiaries_24 — finance for beginners

Why These 3 Projects?

Every finance fresher has the same problem: a degree, some theory, and almost nothing to show for it. Recruiters don't just want to know that you understand ratios or DCF — they want proof you can actually apply them to a real company. That's exactly what these three projects give you.

Together they cover the three things every entry-level finance role tests for: reading financial statements, understanding how cash actually moves through a business, and estimating what a company is really worth. Do all three on the **same company** and you'll have a connected mini equity-research portfolio — not three random spreadsheets.

Project	Core Skill It Builds	Where It's Used
1. Financial Statement Analysis	Reading & interpreting company financials	Equity research, credit analysis, FP&A
2. Working Capital Analysis	Cash cycle & liquidity management	FP&A, treasury, operations finance
3. DCF Valuation	Estimating intrinsic value of a business	Investment banking, equity research, PE

◆ Before you start

Pick ONE listed company you're genuinely curious about (NSE/BSE, 5+ years of history) and use it across all three projects. Get financials from the company's Annual Report, [screener.in](#) or [moneycontrol.com](#) — all free.

01

Financial Statement Analysis

Learn to read a company like an analyst does

TIME 7–10 days	TOOLS Excel + Annual Report	DIFFICULTY Beginner	OUTPUT Ratio workbook + summary
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This is your foundation project. You take a company's last 3–5 years of financial statements and turn raw numbers into a story: is the company growing profitably, is it well-managed, and is it financially healthy?

1 Pick your company & pull the numbers

Download the last 3–5 years of Balance Sheet, P&L, and Cash Flow Statement from the company's Annual Report or screener.in. Build a clean Excel sheet with each year in its own column.

2 Calculate the 4 ratio families

Liquidity (Current Ratio, Quick Ratio) · **Profitability** (Gross/Net/Operating Margin, ROE, ROCE) · **Leverage** (Debt-to-Equity, Interest Coverage) · **Efficiency** (Asset Turnover, Inventory Turnover).

3 Run a trend analysis

Chart each ratio over the years. Is margin expanding or shrinking? Is debt going up faster than earnings? Trends matter more than a single year's number.

4 Add a peer benchmark

Pick 2–3 competitors and compare the same ratios side by side. This tells you whether a weakness is company-specific or an industry-wide pattern.

5 Write a 1-page summary

In plain language: is this company financially strong, stable, or stressed? Back every claim with a number. This summary is what you'll actually show in interviews.

✓ **Deliverable:** An Excel ratio workbook (3–5 yr trend + peer comps) and a 1-page written summary of your findings.

◆ Pro tip

Don't stop at calculating the ratios — the real skill is spotting WHY a ratio is moving. A shrinking margin often shows up here first, well before it becomes a full valuation problem.

02

Working Capital Analysis

Understand how cash really moves through a business

TIME 5–7 days	TOOLS Excel	DIFFICULTY Beginner–Intermediate	OUTPUT 5-yr dashboard + commentary
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Profit on paper doesn't mean cash in the bank. This project shows you exactly how long a company's money is tied up in its operating cycle — a metric recruiters in FP&A and treasury care about a lot.

1 Pull the inputs

From the same company's Balance Sheet and P&L: Receivables, Inventory, Payables, Revenue, COGS.

2 Calculate DSO, DIO, DPO

DSO (Days Sales Outstanding) = $\text{Receivables} / \text{Revenue} \times 365$ · **DIO** (Days Inventory Outstanding) = $\text{Inventory} / \text{COGS} \times 365$ · **DPO** (Days Payables Outstanding) = $\text{Payables} / \text{COGS} \times 365$.

3 Compute the Cash Conversion Cycle

CCC = **DSO** + **DIO** – **DPO**. This is the number of days cash is locked up before it comes back as sales. Lower (or negative, like top retailers) is generally better.

4 Build a 5-year trend dashboard

Chart DSO, DIO, DPO and CCC over 5 years. Is the company collecting cash faster or slower over time? Is it stretching suppliers to fund growth?

5 Interpret it like an analyst

A shrinking CCC usually signals better working-capital discipline. A rising one can be an early warning sign — even before it shows up in profit numbers.

✓ **Deliverable:** A 5-year Excel dashboard tracking DSO/DIO/DPO/CCC with a short written interpretation of the trend.

◆ Pro tip

Compare your company's CCC to one direct competitor. A company with a shorter cycle than its peers is funding growth more efficiently — that single insight makes a great interview talking point.

03

DCF Valuation

Estimate what a company is actually worth

TIME	TOOLS	DIFFICULTY	OUTPUT
2–3 weeks	Excel	Intermediate	Valuation model + thesis

This is the project that separates a fresher who "knows finance theory" from one who can actually value a business. It's more work, but it's also the single strongest resume project you can build.

1 Forecast Free Cash Flow

Project revenue, margins, and Free Cash Flow for the next 5–10 years based on historical growth and management guidance.

2 Calculate WACC

Weighted Average Cost of Capital = blend of Cost of Equity (via CAPM) and after-tax Cost of Debt, weighted by the company's capital structure. This is your discount rate.

3 Find the Terminal Value

Estimate the company's value beyond your forecast period using the Gordon Growth or Exit Multiple method, then discount it back to today.

4 Discount everything to present value

Discount each year's projected FCF and the terminal value using WACC, then sum them to get Enterprise Value → Equity Value → Intrinsic Value per Share.

5 Compare to the market price & stress-test it

Is your intrinsic value above or below the current market price? Run a sensitivity table (WACC vs growth rate) so you can defend the range, not just one number.

✓ **Deliverable:** A full DCF model in Excel, a sensitivity table, and a 1-page investment thesis (undervalued / fairly valued / overvalued, with reasoning).

◆ Pro tip

One number is never enough. Always show a sensitivity table (WACC vs growth rate) and, if you can, a quick comparable-companies check — it proves you understand the assumptions, not just the formula.

Turning This Into a Portfolio

Doing all three projects on one company gives you a mini equity-research story: how healthy is the business (Project 1), how efficiently does it run (Project 2), and what is it worth (Project 3). That narrative is far more memorable to a recruiter than three disconnected exercises.

How to showcase it

- Add each project as a bullet on your resume with one concrete number (e.g. “Built a DCF valuation estimating intrinsic value at Rs. X vs market price Rs. Y”).
- Upload the Excel files + summaries to Google Drive and link them from your resume or LinkedIn — recruiters do check.
- Keep it honest. If a number is an estimate or assumption, say so — interviewers respect a defensible model far more than an inflated one.

Suggested order

- **Week 1–2:** Financial Statement Analysis — gets you comfortable with the three statements.
- **Week 3:** Working Capital Analysis — builds directly on the same data.
- **Week 4–6:** DCF Valuation — the capstone project, using everything you've learned.

Found this useful?

Follow [@financegirlidiaries_24](#) for more beginner-friendly, real-company finance breakdowns.