

Course Code	MB18FM10	Course Name	VALUATION	Course Category		Elective course	L	T	P	C
							2	0	2	3

Pre-requisite Courses	NA	Co-requisite Courses	NA	Progressive Courses	NA
Course Offering Department	MBA	Data Book / Codes/Standards			

Course Learning Rationale (CLR):	The purpose of learning this course is to:	Learning	Program Learning Outcomes (PLO)
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CLR-1 :	Familiarize the students with basic concepts and principles of valuation	1	2	3	1	2	3	4	5	6	7	8	9	10	11	12
CLR-2 :	Enable the students to grasp the essentials of valuation techniques.															
CLR-3 :	Educate the students on valuation of tangible and intangible assets.															
CLR-4 :	Demonstrate a sound knowledge of Business valuation in mergers and acquisitions															
CLR-5 :	Balancing the decision of value versus growth dilemma															
CLR 6:	Usage of valuation as business strategies															

Course Learning Outcomes (CLO):	At the end of this course, learners will be able to:	Level of Thinking (Bloom)	Expected Proficiency (%)	Expected Attainment (%)	Effective communication skills	Initiate critical thinking	Resources analysis for organizations	Familiarize organizations and its stakeholders	Integrate functional knowledge with strategic skills	Comprehend effectively in globalized environment	Practice business ethics with integrity	Enhance careers and commitment	Instigate entrepreneurial drive	Application of multidisciplinary knowledge comprising of finance, operations, system, marketing and human resources management to integrate business projects	Use of business metrics to evaluate business projects to develop growth strategies	Authorize the students to innovate and execute the business idea during the challenging business situation
CLO-1 :	To appreciate the basic concepts and need for Valuation	2	60	50	H	M	H	M	L	M	M	M	L	M	H	L
CLO-2 :	To understand and apply different methods of valuation	2	80	70	L	H	L	L	M	M	M	L	L	M	H	H
CLO-3 :	To understand the different approaches of valuing tangible and intangible assets	1	80	75	M	H	L	L	M	M	L	L	L	M	H	M
CLO-4 :	To apply and understand business valuation in mergers and acquisitions	2	80	70	M	H	M	L	M	M	L	L	L	M	H	H
CLO-5 :	To appreciate and understand valuation as business strategies	3	90	80	M	H	H	L	M	M	L	L	L	M	H	L
Overall	To understand and apply valuation concepts and techniques	3	90	80	H	L	H	M	H	M	H	M	L	H	M	H

Duration (hour)		6	6	6	6	6
S-1	SLO-1	Introduction to Business Valuation	Need for valuation	Valuation Errors and Biases	Basic concepts	Principles and techniques of valuation
	SLO-2	Valuation - Myths and Reality	Valuation Methodology	Asset Based Method	Income Based Method	Market Based Method
S-2	SLO-1	Modern methods of valuation	Present Value (PV) and opportunity cost of capital	Basis of determining Risk free rate in PV	Various financial instruments available in markets with different cash flow patterns	Choice of interest rate or risk factor in PV method
	SLO-2	Different Methods of Valuation	Intrinsic Valuation	Discounted Cash flow method	Risk adjusted PV	DCF Choices – Equity valuation
S-3	SLO-1	DCF Choices – Firm valuation	Cash Flows and Discount Rates	Discounting Consistency Principle	Discounted Cash Flow Valuation: The Steps	Generic DCF Valuation Model
	SLO-2	Different Approaches of DCF model	The Dividend Discount Model	FCFE (Potential dividend) discount model	FCFF (firm) valuation model	Cost of Equity Capital Versus Cost of Firm Capital

<b>S-4</b>	SLO-1	Asset Based Valuation	Tangible Versus Intangible Assets	Asset based Valuation approaches	Liquidation	Accounting mission
	SLO-2	Sum of the parts	Asset Valuation methods	Intrinsic value method	Relative value method	Accounting value method
<b>S-5</b>	SLO-1	Suitability of Asset based Valuation Method	Valuation of Intellectual property rights	Value/Sales Ratio	Value Sales Ratios and Operating Margins	Brand Name Premiums in Valuation
	SLO-2	The value of a brand name	Illustration: Valuing a brand name	Business valuation in mergers and acquisitions	The seven mistakes in acquisitions	Testing sheet in acquisitions
<b>S-6</b>	SLO-1	The Value of Synergy	Growth vs Cost Synergies	3 Reasons for Acquisitions – Undervaluation, control, synergy	Net physical assets method	Yield method
	SLO-2	Value Vs growth dilemma	Value Enhancement: EVA and CFROI	Economic Value Added (EVA)	Cash flow return on investment (CFROI)	Advantages and Disadvantages of EVA and CFROI
S7	SLO-1	Measuring EVA in practice	EVA and Risk	EVA and Changes in Market Value	Valuation as business strategies	Private Company Valuation
S7	SLO-2	Valuation of human resources and branch	Valuing Employee Options	Option grants	Valuation of Liabilities	Valuation of seasonal and cyclical businesses
S8	SLO-1	Case Study – 1	Case Study – 3	Case Study – 5	Case Study – 7	Case Study – 9
S8	SLO-2					
S9	SLO-1	Case Study – 2	Case Study – 4	Case Study – 6	Case Study – 8	Case Study – 10
S9	SLO-2					

<b>Learning Resources</b>	<ol style="list-style-type: none"> <li>1. Ashwath Damodaran, The little Book of Valuation, Wiley publications – edition 2012 –reprint 2017.</li> <li>2. Prasanna Chandra. Corporate Valuation - A Guide for Analysts, Managers, and Investors, Kindle Edition.2019.</li> <li>3. Vikash Goel. Handbook on Valuation of Securities and Financial Assets, Bloomsbury Professional India, 2018</li> </ol>	<ol style="list-style-type: none"> <li>4. Srinivasan R. Guide to IBBI Valuation Examination. Kindle edition, 2018.</li> <li>5. Mckinsey &amp; Co Inc., Valuation: Measuring and Managing the Value of Companies, Wiley Finance, 2015.</li> <li>6. Benjamin Graham. The Intelligent Investor Revised Edition. - : The Definitive Book on Value Investing. Harper Collins Publisher, 2006</li> </ol>

		<b>Learning Assessment</b>											
	Bloom's Level of Thinking	Continuous Learning Assessment (50% weightage)										Final Examination (50% weightage)	
		CLA -1 (5marks)		CLA -2 (5marks)		CLA-3 (10marks)		CLA -4 (15marks)		CLA -5(15marks)		Marks -100 which will be weighted at 50%	
		Theory	Practice	Theory	Practice	Theory	Practice	Theory	Practice	Theory	Practice	Theory	Practice
Level 1	Remember Understand	20	10	25	5	20	10	30	0	25	5	30	0
Level 2	Apply Analyze	30	10	35	5	30	10	40	0	35	5	40	0
Level 3	Evaluate Create	20	10	25	5	20	10	30	0	25	5	30	0
Total		100 %		100 %		100 %		100 %		100%		100 %	

# CLA – 4 can be from any combination of these: Assignments, Seminars, Tech Talks, Mini-Projects, Case-Studies, Self-Study, MOOCs, Certifications, Conf. Paper etc.,

<b>Course Designers</b>		
Experts from Industry	Experts from Higher Technical Institutions	Internal Experts
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