Course Type	Course Code	Name of the Course	L	T	P	Credit
DE	NMSD528	Valuation Analytics	3	0	0	3

Course Objective
- The course intends to equip the students with the financial decision making related to valuing the firms and business reconstruction.
- The course offers several solutions to the financial industry problems in terms of valuation such as manufacturing, service, airline, oil and gas, start-up firms that are at different lifecycle stages.

Learning Outcome
- To provide the students with a comprehensive understanding of various valuation analysis techniques widely used in industry.
- To enable students to apply advanced modelling techniques for valuing corporate reconstruction.
- To provide rich and practical understanding to students on how the valuation is linked with the financial markets with practical cases.

Unit No	Topics to be covered	Lecture hours	Learning Outcomes
1	**Introduction to Valuation & Equity Research:** Source of bias, Approaches to valuation - DCF Valuation (Firm Valuation versus Equity Valuation), Relative Valuation (PE ratio analysis, Equity Multiples, Firm and Enterprise Value multiples), Excel modelling, Sensitivity Analysis, Monte Carlo Simulations, Scenario Analysis	10	Understand the general basis for valuation models and the role that valuation plays in different investment philosophies.
2	**Assessing the Price of Risk and Valuation of Cyclical Companies:** Classic rule of risk premium, estimating risk premium, determinants of equity risk premium using regression techniques, Valuation of Cyclical and Commodity Firms	06	Understanding the importance of real economy in equity risk premium and how it enters the valuation process.
3	**Valuation of Young & Start-up companies:** Estimate revenue growth, consider the possibility of failure, Venture Capital Approach, Top-down approach versus Bottom-Up approach, Case Study	07	Understand the complexities of valuing a young or startup business and suitable methods of valuation.
4	**Valuation of Distress Company:** IBC Code 2016, Debtor in Possession versus Creditor in Control model, Estimating Distress firm sale proceed, Warning signs of distress company and their valuation, Case Study	04	Understand the Bankruptcy Code and how to value the distressed company to facilitate decisions by the regulators on the fate of the company.
5	**Valuation of IPOs:** Reasons for IPOs, IPO investors, Determine IPO timing, Build Order Book, Pricing and Allocation, Pricing the offerings, Case Study	03	Understand the IPO process and reasons for IPOs, failure of IPOs through case study
6	**Mergers and Corporate Restructuring:** Theory of M&As, different types of restructuring in corporate control market, the process of M&A, evaluation of	12	Understand the conditions for M&A and ecosystem for business reconstruction and valuation of synergy.

	target, primer on the valuation of M&A deals, bid and offer pricing models, synergy gains, Case Study		
	Total Lecture Hours	**42**	

Textbook

1. Damodaran, A. (2012). *Investment Valuation: Tools and Techniques for Determining the Value of Any Asset*, John Wiley. 3rd Edition.

References

2. Damodaran, A. (2018). *The Dark Side of Valuation*, Pearson Financial Times Press. 3rd Edition.
3. Rosenbaum, J. & Pearl, J. (2022). Investment Banking: Valuation, Leverages Buyouts, and Mergers & Acquisitions & IPOs. John Wiley and Sons, Inc. 3rd Edition.