

ACOMVAC03 - Asset Value Assessment Methods

Learning Objectives

Learn the conceptual understanding valuation and valuation of assets

Acquire knowledge on various methods of valuation of Tangible Assets

Conceptual understanding on various approaches to assessment of intangible Assets

Course Outcomes

After successful completion of the course, the students will able to:

Understand the basic concepts of assets valuation

Apply various approaches to assets valuation

Understand various measures for valuation of fixed and current assets

Recognize various approaches to assess the value of intangible assets

Comprehend the various approaches for valuation and assessment of brands

Unit I Assets Valuation Basics

Meaning of value, Valuation, Asset valuation and Business Valuation – Principles of Valuation – Valuation Bias – Types of Values - Role of Asset valuation in Corporate Finance

Unit II Valuation Approaches

Valuation Approaches - Discounted Cash Flows (DCF) – Importance – Limitations – Application of DCF Valuation – Steps in DCF Valuation – Relative Valuation – Steps in Relative Valuation – Advantages and Disadvantages

Unit III Fixed and Current Asset Valuation

Book Value – Measuring Asset Value – Factors in Asset Valuation – Tangible Assets – Factors in Fixed Asset Valuation –Current Assets -Valuation of

Inventories – FIFO – LIFO- Weighted Average

Units IV Valuation and Assessment of Intangible Assets

Intangible Assets – Meaning - Criteria for the identification of intangible assets – cost of Intangible assets –Valuation of Goodwill, Patents and Copyrights - Intellectual Property – Definition and Classification – Components – Valuation of Intellectual Capital – Intellectual Capital Measures and Models

Unit V Valuation and Assessment of Brands

Brands – Meaning - Assessment of Value of Brands – Need for valuation of Brands – Approaches to Brand Valuation – Research Based brand Equity Valuation – Financially driven Approaches – Steps in Valuation of a Brand

Text Books:

Bhalla V.K. 2018. Investment and Portfolio Management , S. Chand & Co., New Delhi

Pandian Punithavathy, 2018. Security Analysis and Portfolio Management, Vikas Publishing Company, New Delhi.

Pretti Singh ,2019. Investment Management, Himalaya Publications . Mumbai

Supplementary Readings:

Chandra Prasanna, 2018. Investment Analysis and Portfolio Management, Tata McGraw Hill, New Delhi.

Clark and James Fransis, 2016. Investment- Analysis and Management, McGraw Hill , International Edition.

Dalton and John, M. 2017. How the Stock Markets Works, Prentice Hall, Delhi.

Damodaran Asath, 2018. Investment Valuation: Tool and Techniques for Determining the value of any Asset, Wiley Finance., New Delhi

Gitman and Joehnk, 2017. Fundamentals of Investing, Pearson Publications, New Delhi.