

M.Com (Semester –III) (Accounting & Finance) Examination, January,2021

COO 315: CORPORATE VALUATION (OA-18 A)

Duration: 2 Hours

Max. Marks: 60

Instructions:1) This paper consists of **nine** questions

2) Question No.1 consists of **5 compulsory** questions of **2 marks** each

3) Answer **any 5** questions from Question **2,3,4,5,6,7,8 and 9**

4) Figures to the **right** indicate **marks**.

- Q1) Answer the following questions (5x2=10)
- a) What is Economic Value Added (EVA)?
 - b) Explain two factors that have contributed in making Relative Valuation a popular method of Valuation.
 - c) What is Market Transaction Method?
 - d) State and explain two factors that explain the link between Intrinsic Value and Stock Market.
 - e) Explain two classes of Intangible Assets.
- Q2) Enumerate the Approaches available to appraise the value of a company. (10)
- Q3) Explain the features of Valuation Process. (10)
- Q4) What is Efficient Market Hypothesis? Explain the conditions that will lead to market efficiency. (10)
- Q5) What is Goodwill? Discuss the methods of Valuation of Goodwill. (10)
- Q6 a) Discuss the ways by which greater value can be extracted from the existing investments. (5)
- b) What are the properties of Market Value Added (MVA)? How MVA is related to the basic drivers? (5)
- Q7 a) What methods of Risk analysis are used by a Valuer while doing Valuation? (5)
- b) What information is needed for Valuation? (5)
- Q8 a) Explain the Enterprise Valuation Multiples (5)
- b) Discuss the problems with Asset-based Valuation. (5)
- Q9) How is Asset Value and Current Earnings Power Value estimated under 'the strategic approach to value'? (10)
