[This question paper contains 2 printed pages]

Your Roll No............................

Sr. No. of Question paper	:	**7957**
Unique Paper Code	:	2413090028
Name of the Paper	:	Business Valuation
Type of the Paper	:	DSE
Semester	:	VIII
Programme	:	B. Com. (P)

Duration: 3 Hrs. **Maximum Marks: 90**

Instruction for Candidates:

1. **Write your Roll No. on the top immediately on receipt of this question paper.**
2. **Attempt all questions.**
3. **All parts of a question to be attempted together.**
4. **All questions carry equal marks.**

1) a) Explain the need for valuation in business decision-making. Discuss the key issues and problems that arise during the valuation process with suitable examples. **(9)**

b) Distinguish between different types of values such as market value, fair value, investment value, and liquidation value. Explain how they relate to each other. **(9)**

OR

a) State and explain the fundamental principles of valuation. How do these principles guide a valuer in practice? **(9)**

b) Compare Indian Valuation Standards with International Valuation Standards. Why harmonization of standards important in a globalized economy? **(9)**

2) a) Explain Discounted Cash Flow (DCF) analysis in detail. What are its advantages and limitations in valuing a company? **(9)**

b) Differentiate between comparable transaction method and comparable market multiple method. Illustrate with an example how each is applied. **(9)**

OR

a) What is Free Cash Flow to Equity (FCFE) and Dividend Discount Model (DDM)? Explain the situations where each model is most appropriate. **(9)**

b) Discuss the factors that influence the choice of a valuation technique. How does the nature of the business and availability of data affect this choice? **(9)**

3) .a) Explain the methods used for valuation of property, plant and equipment. What challenges are faced in valuing tangible assets? **(9)**

b) Describe the valuation approaches for intangibles like goodwill, brand, patents, and software. Why is valuing intangibles more complex than tangibles? **(9)**

OR

a) Discuss the valuation process for start-ups and SMEs. How does it differ from valuing large, established enterprises? **(9)**

b) Explain how valuation is conducted during mergers & acquisitions and distress sales. Also, briefly explain the valuation of forward contracts and options pricing. **(9)**

4) a) How does human resource quality impact business valuation? Explain with examples. **(9)**

b) Discuss the role of top and middle-level management in determining firm value. What risks arise from weak governance? **(9)**

OR

a) Explain the concept of corporate social responsibility and its effect on valuation. Can CSR create intangible value? **(9)**

b) Why is environmental accountability becoming a key non-financial factor in valuation? Discuss with reference to recent market trends **(9)**

5. Write Short Notes on any three of the following: **(3X6=18 Marks)**

(a) Principles of Valuation

(b) Models of Valuation

(c) Valuation of Micro, Small and Medium Enterprises

(d) Patents

(e) Top and Middle-Level Management