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Shree Damodar College of Commerce & Economics, Margao-Goa
Post-Graduate Dept. of Commerce
M.Com Part-II, Semester-III, Semester End Examination, January 2021
COO315: Corporate Valuation (OA-18A)

Duration: 2 hours

Max. Marks: 40

- Instructions:** 1) This paper consists of seven questions carrying equal marks.
2) Question No.1 consists of five compulsory questions of 2 marks each.
3) Answer any three questions from question 2,3,4,5, 6and 7.
4) Each question carries 10 marks. Figures to the right indicate marks.

- Q.1) Write Short notes on: (5x2 =10)
- a) Refinements in valuation
 - b) Valuation reporting
 - c) Challenges of value enhancement
 - d) Valuation of goodwill
 - e) Drivers of value creation
- Q.2) (A) Explain briefly the three basic methods for enterprise valuation used by the investment banking industry. 06
- (B) Discuss the nature of judicial review and regulatory oversight on valuation. 04
- Q.3)(A) Explain the concept of relative valuation and also enumerate the steps involved in relative valuation with the help of a flowchart. 07
- (B)Solitaire Company's ROIC is 20 percent and its growth rate is 12 percent. Solitaire's DA is 8 percent and tax rate is 25%. What is Solitaire's EV/ EBITDA multiple? The WACC is 13%. 03
- Q.4) (A)Outline the relevance of valuation in a Merger and Acquisition (M&A) deal. 04
- (B)Discuss the Non- DCF approaches to valuation with the help of suitable examples. 06
- Q.5)(A) List out the methods commonly used for analyzing the risks in valuing intangible assets? Also discuss the types of supplementary checks to be used for verifying valuation data. 06
- (B) Identify the key information required for valuing Intangible Assets. 04
- Q.6) Discuss Strategic Approach to valuation and also explain how 'Asset value' and 'Earnings Power value' is estimated under this approach? 10

Q.7)(A) Why can EVA serve as a foundation for an Integrated Financial Management System.

04

(B) Enumerate the various approaches to value creation and also explain in brief the factors that have stimulated greater interest in value creation.

06