



# Avinashilingam Institute for Home Science and Higher Education for Women

Deemed to be University under Category 'A' by MHRD, Estd. u/s 3 of UGC Act 1956 (Now MoE)  
Re-accredited with 'A++' Grade by NAAC. CGPA 3.65/4, Category I by UGC  
Coimbatore - 641 043, Tamil Nadu, India

## Continuous Internal Assessment Test II - April 2025 IV-Semester

Class: II UG  
Major: B.COM (CS)

Time: 2 Hours  
Max.Marks:60

### 23BCRSE2B Valuations and Business Modelling

#### Course Outcome:

- CO1: Understand the importance of business valuations and its process.  
CO2: Acquire knowledge on business valuation.  
CO3: Analyze and identify strategies to value and manage tangible assets.  
CO4: Develop the skills to value and manage the intangible assets.  
CO5: Compute the business valuation modeling technique.

#### Part- A

(6X1=6)

#### Answer all questions

1. The following best describes the market value of a business C03 K1  
a) The book value of its assets b) The amount the business could be sold for in the market  
c) The present value of future expected earnings d) The total liabilities of the company
2. The following is a limitation of the market comparable approach C03 K1  
a) It may not reflect the actual value of a business due to differences in business characteristics  
b) It is difficult to apply for companies in unique or niche industries  
c) It does not take into account market volatility d) All of the above
3. The calculating Free Cash Flow (FCF) for a DCF model, which of the subtracted from operating income C04 K1  
a) Depreciation and Amortization b) Interest payments c) Capital Expenditures d) Working capital changes
4. The terminal value represent in a DCF model C04 K2  
a) The expected revenue in the final year of projection  
b) The expected cash flows beyond the projection period, discounted to present value  
c) The net book value of assets at the end of the forecast period  
d) The projected cost of capital over the business's life
5. financial statement is primarily used to estimate the free cash flow in a Discounted Cash Flow C05 K1  
A) Balance sheet B) Income statement  
C) Statement of cash flows D) Retained earnings statement
6. In a Discounted Cash Flow (DCF) analysis, what does the terminal value represent C05 K1  
A) The present value of all future cash flows B) The future sale price of the company  
C) The value of the business b the forecast period D) The current value of debt

#### Part-B

#### Answer ALL questions

(3x6=18)

7. a). Explain the concept of Capital Work in Progress. C03:K1  
(or)  
b) Define the Intangible assets. C03:K2
8. a) Explain the Marketing related to Trademarks in detail C04:K2  
(or)  
b) Elaborate the Meaning and Royalty Agreements C04: K3
9. a) Write note on Comparable Market Multiples method. C05:K2  
(or)  
b). Explain the Business Modeling in detail C05:K2

#### Part C

#### Answer ALL questions

(3x12=36)

10. a) Briefly Explain the Tangible Meaning and Valuation of Tangible Assets- C03: K3  
(or)  
b) Elaborate the Business Valuation Methods for Capital Work in Progress C03: K3
11. a) Briefly explain the difference between Trade Marks and Trade Names C04: K3  
(or)  
b) Explain about the Certification in marks. C04: K3
12. a) Describe about the BM meaning, features and significance C05: K3  
(or)  
b) Explain the Usage of Spreadsheet Techniques and spreadsheets for modeling C05:K1