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1012E1477

Candidate's Seat No : _____

IMBA in FS Sem.-5 Examination

FS-503

Business Valuation

December-2025

Time : 2-30 Hours]

[Max. Marks : 70

Instructions:

- **Figures to the right indicate Full Marks.**
- **Do not write anything on the question paper.**
- **Simple calculator is allowed. Do not use a scientific calculator.**

Q.1	Define What is Value? Also explain Scope of Business Valuation. <u>OR</u> Explain meaning of Business Valuation. Also explain in detail Elements of Business Valuation.	14
Q.2	What is DCF Valuation? Explain its advantages and limitations. <u>OR</u> Explain in detail steps of DCF Valuation.	14
Q.3	Explain in detail methods of Inventory Valuation. <u>OR</u> A Ltd. is a producer of chemicals. It provides the following information- Chemical 1- 10,000 units- Cost Price Rs. 5/unit Chemical 2- 15,000 units- Cost Price Rs. 6/unit Semi- Finished Chemical 1- 6,000 units- Cost Price Rs. 3/unit Estimated selling price: Chemical 1- Rs. 5.20 ; Chemical 2- Rs. 6.30. Commission to sale is 5% of selling price. Cost incurred for completion of Chemical-1 is Rs. 1.30/unit. Calculate the value of inventory as per AS 2. Also explain the meaning of Inventory as per AS 2.	14
Q.4	Explain how investment works and list down common types of investment. <u>OR</u> What is Marketable Securities? Explain type of Marketable Securities.	14

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Q.5	Short Questions (Attempt any 7 out of 10) <ol style="list-style-type: none">1. Define what value is.2. Define what is Enterprise Value.3. List down any 1 misconception about business valuation along with truth.4. Explain what is Inventory.5. Define what is Book Value.6. Explain application of business valuation (Any Two)7. Explain what is Financial Investment.8. Equipment purchased on July 1, 2023 for ₹3,60,000. Useful life 8 years, no residual value. Calculate depreciation for FY 2023-24 and 2024-25 using straight line method.9. How are current and long-term investments valued as per AS 13?10. What is included in the cost of an investment?	14
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