

**Vidya Vikas Mandal's**  
**Shree Damodar College of Commerce & Economics, Margao-Goa**  
**Post-Graduate Department of Commerce (M. Com)**  
**M.Com Part-I, Semester-I, Semester End Examination, November 2023**  
**(Accounting and Finance)**  
**COM-502: Entrepreneurship and Venture Capital (OA - 35)**

**Duration: 2 Hours**

**Max Marks: 40**

**Instructions:**

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

**Q.1. Answer the following sub-questions. Each question carries two marks. (5X2=10)**

- a) Equity Financing
- b) Scorecard Method of Valuation
- c) Unicorn Entrepreneurs
- d) Conditional Loan
- e) You are considering investing in a small manufacturing company. The company's financial statements show the following figures: Total Assets: Rs. 1,200,000, Total Liabilities: Rs. 600,000, Shareholder's Equity: Rs. 600,000, Number of Outstanding Shares: 50,000  
Calculate the book value per share for this company using the Book Value Method of Valuation.

**Q.2. A. What are growth agents in the context of entrepreneurship? Explain the role of growth agents that support entrepreneurial ventures. Provide two examples of growth agents that have played a significant role in the success of entrepreneurs. (5)**

**B. The economic development of India is a complex and diverse journey that spans**

thousands of years. Comment (5)

Q.3.A. Outline the different stages of venture capital financing that startups typically go through on their growth journey. (6)

B. Discuss the Venture Capital Exit Strategies. (4)

Q.4.A. What is the Berkus method of valuation, and how does it work? (6)

B. Suppose you are evaluating an investment in a startup. The startup is expected to generate the following annual cash flows for the next five years:

Year 1: Rs. 100,000

Year 2: Rs. 120,000

Year 3: Rs. 150,000

Year 4: Rs. 180,000

Year 5: Rs. 200,000

The discount rate (required rate of return) for this investment is 10%.

Calculate the present value of these cash flows using the Discounted Cash Flow (DCF) method. (4)

Q.5.A. What are the key components of a business plan, and why are they important? (8)

B. Write a short note on Vicious Cycle of Poverty. (2)

Q.6.A. "What is the primary role and significance of a venture capitalist in the startup ecosystem, and can you describe the detailed steps involved in the venture capital investment process, from the initial due diligence stage to making a final investment decision?" (10)

\*\*\*\*\*Best Wishes\*\*\*\*\*