

Valuation concepts and models

1. What is equity share? Discuss the features of equity share.
2. What is preference share? Discuss the features of preference share.
3. What is bond? Discuss the features of bond.
4. Discuss the advantages and disadvantages of equity shares.
5. Differentiate between the yields to maturity (YTM) and yield to call (YTC). (2007, 2013)
6. Why a bond is called 'fixed income security'? (2013)
7. What is common stock? Describe the features of common stock.
8. State the procedure for selling new common stock.
9. Depict the merits and demerits of common stock financing.
10. What is preferred stock? Describe the features of preferred stock.
11. Depict the merits and demerits of preferred stock financing.
12. Preferred stock is often referred to as a hybrid security. What is meant by this term as applied to preferred stock?
13. Why is the preference share financing known as hybrid form of financing?
14. Define two stage growth models. What is investment banking?
15. Explain dividend growth model.
16. What is valuation? Why valuation is important?
17. Define initial public offering.
18. How is the super normal growth pattern likely to vary from the normal, constant growth pattern in case of valuing common stock?
19. When discounted cash flow model of common stock valuation is appropriate?
20. How securities are sold through public offerings?
21. What is meant by the contingent voting rights of preferred stock?