

MMPF–002

M. B. A. (MBAOL)

CAPITAL INVESTMENT AND FINANCING DECISIONS

Time: Three Hours

Maximum Marks: 100

Note: This question paper consist of three sections and each section is compulsory.

Section–A ($5 \times 4 = 20$)

Note: Answer any five questions from this section. Each question carries 4 marks.

1. What are Investment and dividend decisions?
2. List the basic factors influencing long-term financial decisions.
3. Describe the Net Operating Income (NOI) approach.
4. What is Payback method of Capital Investment?
5. What is Go/No-go controls?
6. What are Non-voting shares?
7. What do you understand by Portfolio funds?

Section–B ($5 \times 10 = 50$)

Note: Answer any five questions from this section. Each question carries 10 marks.

8. Explain the significance of capital structure and discuss the factors influencing pattern of capital structure.

9. What is Work Breakdown Structure? Explain how it can be used for monitoring and controlling project work.
10. How are Cash flows estimated for capital budgeting? Explain the Internal Rate of Return method for capital budgeting.
11. What are Asset Betas? Explain the factors that determine asset betas.
12. Explain how project Risk is measured using Monte-Carlo Simulation.
13. What is the difference between sponsored and unsponsored depository receipts?
14. What do you understand by Reorganisation of Capital?

Section–C (2×15=30)

Note: Answer any two questions from this section. Each question carries 15 marks.

15. What are the various types of Social Cost Benefit Analysis (SCBA)? Describe the basic steps for conducting SCBA.
16. What is Financial Engineering? Discuss financial engineering in equity products and explain what is achieved by manipulating certain features of equity products.
17. What do you understand by Investor relations? Describe the types of information demanded by the type of information demanded by the various stakeholders of the company.