2nd Semester Regular / Back Examination 2017-18
MANAGERIAL COMMUNICATION
BRANCH : MBA
Time : 3 Hours
Max Marks : 100
Q.CODE : C1171
Question No1 & No 2 are compulsory and answer any four from the rest.
The figures in the right hand margin indicate marks.
Answer all parts of a question at a place.

Q1   **Fill the Blanks :**   (2 x 10)
a) As a leader following is your responsibility to keep the discussion in_____ [motion, order, control]
b) A _____response to complaints helps to maintain customer's confidence [abrupt, prompt, delayed]
c) _____ is the supplier's written estimate which includes all applicable charges and taxes on the goods. [Report, Quotation , brochure]
d) _____is a communication used in conveying information and directives within an organization. [minutes, agenda , circular]
e) When you don't know the answer asked in an interview you should_____ [bluff, guess, admit, keep mum]
f) During an oral presentation, ___ is the stage where you tell the audience, the aim of your presentation? [summarization, synchronization, Introduction]
g) ____ listening is also called as critical listening. [therapeutic, evaluative, emphatic]
h) While mentioning the previous job experience in a Resume, you should follow the ____order? [Asynchronous, haphazard, chronological, the most important first]
i) In a report, a/an _____ would briefly highlight the objective of the project and the findings in a nutshell? [introduction, narration, abstract, conclusion]
j) Communication helps establish and _____ the goals of an organization? [distinguish, disperse, disseminate, divert]

Q2   **Do as Directed :**   (2 x 10)
a) Sales letters should arouse the reader's interest and curiosity in the product [true/false]
b) The role of a moderator is considerably less in any GD   [Correct/Incorrect]
c) Verbal symbols can be interpreted clearly and unambiguously than nonverbal ones. [true/false]
d) Memorandums are usually initiated by the writer rather than signed [true/false]
e) Your name badge is placed on your left side. [Correct/Incorrect]
f) When seated at the table, in any business meeting the water glass is to your right [Correct/Incorrect]
g) Your co-worker's constant texting and playing with her phone is distracting you. What should you do?
    a. Talk to the human resources about the issue
    b. Get "No texting signs" placed in close vicinity
    c. Send a cell phone etiquette quiz to the person
    —d. Talk directly; let them know loud and clear
    e. A and B

h) Taking private calls in restroom is a good idea; at least you will not be disturbing your colleagues while working. [true/false]
i) The terms of reference for producing a specific report are given by the [reader, writer, organization, expert]
j) Which of the following is not a subsidiary part of any formal report?
a) References b) Appendix c) Glossary d) Table of contents

Q3   The rise of social media has put additional bottlenecks to the business environment; do you agree? Discuss various communication challenges now a day. **(15)**

Q4   Group work raises motivation. However the expected outcomes ought to be defined in advance. Do you agree? Explain the prerequisites of Team building in achieving organizational goals **(15)**

Q5   The role of the chairperson is paramount and critical to ensure the success of any meeting; highlight the skill components required to chair a meeting. **(15)**

Q6   Prepare a feasibility report to be presented before the board of directors of your company on a plan to establish a food processing unit in report **(15)**

Q7   As CEO of an office automation company , give a proposal to the VC of a local university for library automation and modernization of office premises **(15)**

Q8   Write a letter to one of the candidates who appeared in the interview conducted by your company informing him/her nonelection for the post applied **(15)**

Registration No :

Total Number of Pages : 03

MBA
15MNG204

2nd Semester Regular / Back Examination 2017-18
BANKING AND INSURANCE
BRANCH : MBA
Time : 3 Hours
Max Marks : 100
Q.CODE : C1047
Answer Question No.1and 2 which is compulsory and any four from the rest.
The figures in the right hand margin indicate marks.
Answer all parts of a question at a place.

Q1   **Answer the following questions by filling in the blanks:**   (2 x 10)
a)   A Bank maintains an account in the names of A&B payable jointly. On the death of A, the balance in the account is payable to-----------.
     (i) B
     (ii) A's legal representative
     (iii) B and A's legal representative in equal proportion.
     (iv) B and A's legal representative jointly.
b)   The drawee banker of a demand draft has received intimation of the loss of the draft from the purchaser. The banker should:
     (i) Stop the payment
     (ii) Exercise caution
     (iii) Refuse to accept the notice
     (iv) Issue a duplicate draft
c)   The customer when depositing or taking out articles from the safe deposit locker should------------------
     (i) Declare the value to the banker
     (ii) Declare the items to the banker
     (iii) Show the items to the banker
     (iv) Not be required to do any of the above.
d)   In case of default by the borrower, the banker can sell the pledged goods
     (i) Immediately
     (ii) After issuing notice to the borrower
     (iii) After obtaining the court order
     (iv) With the consent of the borrower
e)   The credit target for commercial banks in respect of priority sector has been fixed at
     (i) 30% of net bank credit
     (ii) 32% of net bank credit
     (iii) 40% of net bank credit
     (iv) 50% of net bank credit
f)   The voting rights of any shareholder of a banking company shall not exceed
     (i) 2%
     (ii) 5%
     (iii) 10%
     (iv) 20%

g) The tenure of appointment of the Banking Ombudsman in terms of Banking Ombudsman Scheme,1995 is

   (i) 3 years with a provision of extension of a further period of not exceeding two years

   (ii) 3 years with a provision of extension of a further period of not exceeding three years

   (iii) 5 years with a provision of extension of a further period of not exceeding five years

   (iv) 5 years with a provision of extension of a further period of not exceeding three years

h) The insurance company gets the subrogation rights from the insured against Third party only

   (i) Before the loss is paid

   (ii) When the loss is paid

   (iii) After the loss is paid

   (iv) Before the limitation period is over

i) Which type of life assurance combines insurance and investment?

   (i) Mortgage repayment

   (ii) Whole of life plan

   (iii) Family income benefit

   (iv) Level term assurance

j) Anmol Jeevan is a ------------- of LIC

   (i) Basic life insurance plan

   (ii) Term insurance plan

   (iii) Children plan

   (iv) Pension plan

Q2   **Answer the following questions:**   (2 x 10)

a) What are the advantages enjoyed by a bank for being a scheduled bank?

b) Can a fixed deposit be claimed before maturity?

c) Can a third party operate an account on the basis of a letter of authority from the account holder lodged with the bank or is a general power of attorney necessary?

d) Distinguish between an overdraft and a cash credit.

e) What does a banker do when the cheque amount stated in words and in figures differs?

f) What are the principles that a banker should adhere to while granting loans and advances?

g) State the circumstances under which the license of an insurance agent may be cancelled?

h) Why was the insurance business privatized in India?

i) What is the difference between medi claim policy and managed health care policy?.

j) Distinguish between pure risk and speculative risk.

Q3   "Banking has become a vital instrument of economic changes and   (15)
development in India". Explain this statement with the changing role of
commercial banks since nationalization of major commercial banks in 1969.

Q4   Summarize the provisions of the Banking Regulation Act,1949, regarding:

   a) Nature of business

   b) Licensing   (5)

   c) Appointment of directors of Banking companies in India.   (5)
                                                                       (5)

Q5   Explain the concept of priority sector. Enumerate the general guidelines for   **(15)** priority sector advances issued by the RBI.

Q6   Discuss factors contributing to frauds in banks. What corrective actions are   **(15)** required for prevention of such frauds?

Q7   Define a life insurance contract. Explain the essential features of such a   **(15)** contract. How the principles of insurance are modified incase of General insurance?

Q8   What is meant by Risk management? Elaborate the process involved in   **(15)** managing risks in insurance.

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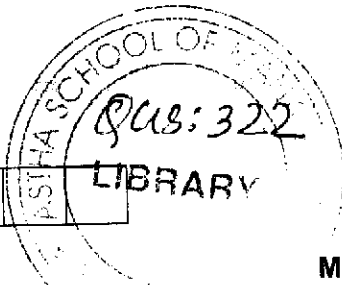
Registration No :

Total Number of Pages : 02

MBA
15MNG206

2nd Semester Regular / Back Examination 2017-18
HUMAN RESOURCE MANAGEMENT
BRANCH : MBA
Time : 3 Hours
Max Marks : 100
Q.CODE : C813
Q No 1 and 2 are compulsory and any four from the rest
The figures in the right hand margin indicate marks.
Answer all parts of a question at a place.

Q1   Answer the following questions: (2 x 10)

a) The meaning of the acronym HRM is :
   A) Human relations management   B) Humanistic resource management
   C) Human resource Management   D) Human Recruitment management

b) _____ is considered as a strategic activity
   A) Recruitment   B) Productivity
   C) Planning   D) Designing

c) _____ is defined as the record of outcomes produced on a specific job
   function or activity during a specific time period.
   A) Performance   B) Work function
   C) Evaluation   D) None of the above

d) _____ is the personnel activity by means of which the enterprise determines
   the extent to which the employee is performing the job effectively.
   A) Job evaluation   B) Work evaluation
   C) Performance evaluation   D) All of the above

e) a/an _____ is a plan or programmes to motivate individual or group
   performance.
   A) Incentive scheme   B) Promotion scheme
   C) Reward   D) None of the above

f) _____ can be defined as a written record of the duties, responsibilities and
   conditions of job.
   A) Job description   B) Job specification
   C) Job profile   D) Job recording

g) _____ appraisal done separately will provide feedback on the potentialof
   these managers. .
   A) Potential   B) Peformance
   C) Managerial   D) General

h) Executive recruiters are also called_____
   A) Head hunters   B) Staffers
   C) Technical recruiter   D) Employers

i) HRM is more_____ whereas Personnel Management is slightly narrow
   A) Complex   B) Mecahanical
   C) Detailed   D) Growth oriented

j) Scope of the HRM includes
   A) Retirement and separation of employees
   B) Industrial relations
   C) HR training and development
   D) All of the above

Q2 **Answer the following questions:** (2 x 10)
   a) Define and explain the concept of human resource management.
   b) Differentiate between recruitment and selection.
   c) Give the advantages and disadvantages of different sources of recruitment.
   d) Differentiate between performance appraisal and potential appraisal.
   e) What are the major factors that affect compensation?
   f) What are the various purposes of performance appraisal?
   g) Why maintenance of discipline is important in an industry?
   h) What are the major functions of trade union?
   i) What do you mean by talent management?
   j) What does competency mapping mean?

Q3 HRP is an important and complex part of the Human Resource Management (15) process. In light of the above, explain the human resource planning process in detail.

Q4 'Knowledge of the importance of compensation management makes you a (15) hard core Human Resource Manager'. In light of this statement explain the objectives and criteria of compensation administration.

Q5 Explain the process of performance management and analyse the role of a (15) manager in making the process effective.

Q6 What is meant by wage differentials ? Explain different types of wages. (15)

Q7 Define training evaluation. Critically analyse the Kirk Patricks model for (15) evaluating training programmes effectiveness.

Q8 Define a trade union. Write a short note on objectives and functions of trade (15) union.
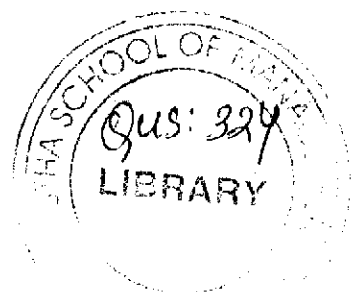
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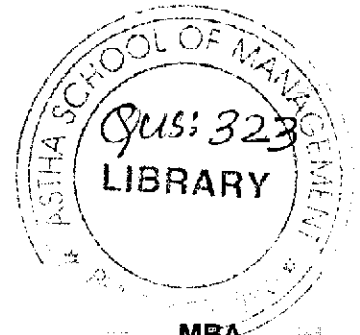
MBA
15MNG202

2nd Semester Regular / Back Examination 2017-18
BUSINESS, ENVIRONMENT AND SOCIETY
BRANCH : MBA
Time : 3 Hours
Max Marks : 100
Q.CODE : C610
Question No1 & No 2 are compulsory and answer any four from the rest.
The figures in the right hand margin indicate marks.
Answer all parts of a question at a place.

Q1   **Choose the best alternative given in bracket in the following questions :**   **(2 x 10)**
(25.7.1991, 25.1.1991, stone, Hydrogen Sulphide, Sulphur dioxide, carbon monoxide, carbon dioxide, 904kms, 1004 kms, 14yrs, 18 yrs, eradicating hunger/promoting education/ environmental care, ozone, aluminium refineries, petrol refineries, CSR , Preparation of BalanceSheet)

     a)   Liberalization policy was introduced by Govt of India on ___.
     b)   ___ is an example of non-polluting material.
     c)   ___ gas is released by burning coal, gas and fuel .
     d)   River Ganga covers a long stretch of about ___ kms.
     e)   Child labour refers to those engaged in work and are below the age of ___.
     f)   ___ is an example of CSR activity.
     g)   ___ is present in minute traces in the atmosphere which acts as natural absorption of solar radiation.
     h)   ___ is an example of Metallurgical plants.
     i)   ___ is a colourless and odourless gas produced by inefficient combustion of carbon fuels.
     j)   Schedule IV of Companies Act, 2013 describes activities to be undertaken as ___.

Q2   Explain the following concepts/ terminlogies.   **(2 x 10)**
     a)   Cyber crime
     b)   Gender bias
     c)   Waste Management
     d)   Linguist Minority
     e)   Unfair trade practices
     f)   Advantages of Globalisation
     g)   Water shortage in metro cities
     h)   Mists
     i)   Effects of Air pollutants on health
     j)   Corporate Citizenship

Q3   Explain what are micro and macro environmental factors ? Why should westudy these ? What are components of environmental pollution?   **(15)**

Q4 **a)** Explain Indian Demographic changing scenario.

b) What are government responsibilities to business ? (10)

(5)

Q5 **a)** Explain cause, effect and remedial measures related to excess population growth of India. (10)

b) Explain constitutional remedies for equality to weaker section.

(5)

Q6 **a)** Give an overview on milestones of CSR in Europe.

b) Write about CSR in PSUs. (10)

(5)

Q7 Corruption is an issue affecting the economy of corruption, municipalities, government projects and the national economy. Write are the various types of corruption, anti- corruption efforts and give some suggestive measures. (15)

Q8 **Write notes on :**

a) Disparities in Social Stratification

b) Child Labour Acts (5 x 3)

c) Corruption in Driver Licensing

7

Registration No :

Total Number of Pages : 02

2nd Semester Regular / Back Examination 2017-18
BUSINESS RESEARCH METHODS
BRANCH : MBA
Time : 3 Hours
Max Marks : 100
Q.CODE : C1128
Answer Question No.1 & 2 which are compulsory and any
four from the rest.
The figures in the right hand margin indicate marks.
Answer all parts of a question at a place.

Q1 Fill up the blanks in the following questions out of the choices given: (2 x 10)
a) ___ is a preferred sampling method for the population with finite size.
(area / cluster / purposive / systematic)
b) Type one error occurs when a null hypothesis is ___ .
(rejected even if true / accepted even if falls)
c) The Longitudinal approach of research deals with ___ researches.
(horizontal / long-term / short-term)
d) If correlation coefficient between two variables is uncertain the r value is ___.
(+1 , -1 , 0 , 0.5)
e) Most of the non-parametric methods utilize measurements on ___ scale .
(interval / nominal / ordinal / ordinal and nominal)
f) A sampling distribution is the distribution of a ___ .
(parameter / mean / statistics / proportion)
g) Survey questions can be classified into ___ forms .
(closed / open-ended / both / all)
h) The process of summarizing the raw data and showing it in a compact form is
____
(tabulation / coding / editing).
i) The basic principle of coding is ___.
(completeness / legibility / exhaustiveness)
j) The first step of business research is ___ analysis .
(product / market / finance / competitor)

Q2 Discuss the following concepts / terminologies with examples (2 x 10)
a) Research ethics.
b) Problem definition stage
c) Projective techniques
d) Secondary data.
e) Cross-sectional surveys.
f) Observation studies
g) Validity and reliability.
h) Sampling frame
i) 't – distribution' vs 'Z – distribution'
j) Type I and II error

Q3 How would you define a research design ? What are the significant elements   **(15)**
of a research design ? Illustrate with examples.

Q4 What is the difference between a questionnaire and a schedule? Write the   **(15)**
principles to be followed for an ideal questionnaire design ?

Q5 A sample of 16 MBA students of a college was taken and information was   **(15)**
obtained on their starting salary after their appointment in a company. The
mean monthly starting salary was found to be Rs.30,200 with a standard
deviation of Rs.960. The post data on the starting salary has given a mean
value of Rs.30,000. Using a 5% level of significance, can we conclude that the
average starting salary is different from Rs.30,000.

(Table value at 5%=#2.131)

Q6 The following table gives the number of good and defective parts produced by   **(15)**
each of the three shifts in a factory.

Shift	Good	Defective	Total
Day	900	130	1030
Evening	700	170	870
Night	400	200	600
	2000	500	2500

Is there any association between the shift and the equality of the products
produced ? Use a 0.05 level of significance

(Table Value 0.05 = 5.991)

Q7 An officer of the health department claims that 60% of the male population of   **(15)**
a village comprises smokers. A random sample of 50 males showed 35 of
them were smokers. Are these sample results consistent with the with the
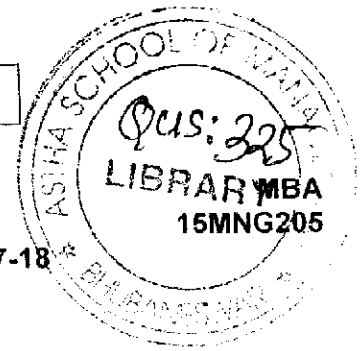claim of the health officer. Use a level of significance of 0.05.
(Table value = 1.645)

Q8 What should be the ideal structure of a research report ? What are the   **(15)**
elements of structure defined by you ?

Total Number of Pages : 03

15MNG205

2nd Semester Regular / Back Examination 2017-18
OPERATIONS MANAGEMENT
BRANCH : MBA
Time : 3 Hours
Max Marks : 100
Q.CODE : C933
Question No1 & No 2 are compulsory and answer any four from the rest.
The figures in the right hand margin indicate marks.
Answer all parts of a question at a place.

Q1 **Fill in the blanks :** (2 x 10)

a) In India BIS published ---------series of quality system standards In ISO 9000 the total number of clauses (element)are-----------.

b) -------- chart provides the management with useful record of quality history. The probability of accepting a bad lot which otherwise would have been rejected is called as ---------.

c) The three important dimension of TQM are quality planning, --------------- and ------- --.

d) The quality of performance depends upon -------- and -----------.

e) -------------lay out is to identify families of components that requires similar processing on a set of machine. -------- layout will have more material handling cost.

f) --------------- is a process that follows capacity Planning..------------ model can be used to map the aggregate planning problem.

g) Normal time is the multiple of cycle time and ------------.Standard time is a function of -------time and allowance factor.

h) Mean chart is a control chart used to control a ----------- quality. P chart used to control------- quality.

i) ---------- occurs when it costs less per unit to produce or operate at high levels of output.---------- occurs when higher level of output cost more per unit to produce.

j) A --------- is the percent of capacity held in reserve for unexpected occurance. ----- ----occurs when demand variability is magnified at various upstream points in the supply chain.

Q2 **Answer the following :** (2 x 10)

a) What are the different cycles in Supply Chain Management ?

b) Write down any three advantages of Group Technology layout.

c) What are the task that project team must perform before the project begins?

d) Which layout is suitable for batch and mass Production System?

e) Explain types of Cost of Quality.

f) Explain advantages of ISO 9000 series.

g) The time study of a work operation yield a cycle time of 10 minutes. The analyst rated the worker observed at 80%.The firm uses a 15% allowance factor. Find the standard time.

h) What is the basic difference between sequencing and scheduling?

i) What are the basic element of JIT?

j) What do you mean by pure strategy in the context of aggregate planning? Which strategy is benefit to organisation?

Q3 a) What do you mean by Work Measurement? Explain its objectives and uses What are the different steps in making a time study? **(10)**

b) A work measurement study was carried out in a firm for 10 hours and following information was generated: **(5)**

Units Produced=360, Idle time=15%, Performance rating=120%, Allowance time=10%

What is the standard time for a task?

Q4 a) Briefly explain what are the factors affecting Plant Location and also explain centroid locational model. **(10)**

b) Total output=300units,
Available time=35 hours **(5)**

Element	A	B	C	D	E	F	G	H
Precedence	NIL	A	B	NIL	D	NIL	F	C,E,G
Time(Minutes)	2	4	5	5	3	1	2	4

(i) Calculate balance efficiency and balance delay.
(ii) Rebalance the line with cycle time of 9 minutes, Find number of workstations, output and balanced efficiency

Q5 a) What is capacity Planning ? Explain its need and objectives. Explain different factors that affect the capacity planning. **(7.5)**

b) What is aggregate planning? Explain its needs and procedure. What are the costs associated in aggregate planning. **(7.5)**

Q6 a) Control chart for mean and Range are maintained on certain dimensions of a manufactured part, measured in mm. The sub group size is 4. The values of $\bar{x}$ and R are computed for each sub subgroup. After 20 subgroups $\sum \bar{x}$ =412.83 and $\sum R$=3.39. Calculate the values of 3 sigma limits for the mean and range charts and estimate the values of σ' on the assumption that the process is in statistical control. [For sub group of 4,factor d_2=2.059] **(5)**

b) A certain product is given 100% inspection as it is manicured and the resultant data are summarized by the hour. In the following table, 16 hours of data are recorded. Calculate the control limits using 3 sigma control limit and indicate values are out of control. **(5)**

Hour	1	2	3	4	5	6	7	8	9
No of units inspected	48	36	50	47	48	54	50	42	32
No of defective units	5	5	0	5	0	3	0	1	5

Hours	10	11	12	13	14	15	16		
No of units inspected	40	47	47	46	46	48	39		
No of defective units	2	2	4	1	0	3	0		

c) Explain Juran Philosophy of TQM. **(5)**

Q7 **a)** A project is having the following activities and their time estimates :   **(10)**

Activity	Predecessors	Optimistic Time(days)	Most likely Time(days)	Pessimistic Time (days)
A	NIL	2	4	6
B	A	8	12	16
C	A	14	16	30
D	B	4	10	16
E	C, B	6	12	18
F	E	6	8	22
G	D	18	18	30
H	F, G	8	14	32

b) (a) Draw the network diagram and find the critical path and duration. Find also   **(5)**
the total float, free float and independent float for each activity.

(b) What is the probability that the project will require at least 75 days? [Z value=0.4941]

Q8 **Write Short notes on any THREE :**   **(5 x 3)**

a) Push and Pull view of Supply Chain Management

b) Different principles of Total Quality Management

c) ISO 9000 Series

d) Statistical Quality Control

Registration No :

Total Number of Pages : 03

MBA
15MNG203

2nd Semester Regular / Back Examination 2017-18
FINANCIAL MANAGEMENT
BRANCH : MBA
Time : 3 Hours
Max Marks : 100
Q.CODE : C714

Answer Question No.1 and 2 which are compulsory and any four from the rest.
The figures in the right hand margin indicate marks.
Answer all parts of a question at a place.

Q1   Answer the following questions briefly :   (2 x 10)

a) Under which capital structure theories the share holders value maximization concept holds good ?

b) What do you mean by Discounted Payback period? How is it different from Pay Back Period?

c) State the residual reserve criterion of Bonus share issue. What is the mathematical equation to derive the bonus ratio?

d) What do you mean by Credit standard and credit terms?

e) The annual requirement of inventory of a firm is 2700 units. If the ordering cost is Rs 50 and Carrying cost per unit is Rs 3, compute the EOQ.

f) Explain stock split and reverse split with example.

g) What do you mean by matching policy of the working capital financing?

h) How do you compute the cost of redeemable preference share?

i) What is IRR method of evaluating investment decisions? Mention the acceptance rules under this method.

j) What is meant by Trading on Equity ?

Q2   Fill in the gaps with appropriate answer :   (2 x 10)

a) The discount rate that equates the present values of the investment's cash inflows and cash outflows is known as --------------- (NPV, IRR, PI,ARR)

b) The remaining reserves after amount capitalised for bonus issue should be at least -----------% of the increased paid up capital.(20%,30%,40%,50%)

c) When the firm finances its permanent assets and part of temporary current assets with long term financing the working capital approach is ---------------- approach. (Matching, aggressive, conservative, constant)

d) The percentage change in EBIT to a given percentage change in sales is known as Degree of -----------------(Operating leverage, financial leverage, combined leverage, debt leverage)

e) The dividend irrelevance theory that under a perfect market situation the dividend policy does not affect the value of the firm was propagated by---------------. (Walter, Gordon,Miller-Modigliani,)

f) The Baumol's model of cash management provides a formal approach for determining the firm's optimum cash balance under--------------. (Uncertainty, Certainty, all circumstances)

g) While calculating EOQ, the expenses related to godown rent and electricity come under--------------. (Inventory cost, Carrying cost, Ordering cost, godown cost)

h) The Degree of Operating Leverage of a firm is -----------when Total Sales is Rs 5,00,000, Variable cost is Rs 3,00,000 and Fixed cost is Rs 1,00,000. (2 , 3 , 4 , 5)

i) A company decides to sell a 7 year 16% Debenture of 100 each at par. The cost of Debt (Kd) is-----------(7%, 2.3%, 16%, 6.25%)

j) The present value of Rs 800 received after 15 years at discount rate of 5% when PVIF(15, 0.05)= 0.481 (Rs600, Rs384.80, Rs 120, Rs 367.40)

Q3 The statement of cost of Ambani Refractories Ltd. Is given hereunder. The current level of production is 10,000 units. Estimate the working capital requirement. **(15)**

Raw Material per unit	Rs.30
Direct wages per unit	Rs.20
Overheads per unit	Rs.25
Total cost	Rs.75
Profit	Rs.15
Selling price per unit	Rs.90

The time lags of different components of operating cycle are as under:
1) Time lag for raw material in stock is one month
2) Time lag for raw material in process is two months
3) Time lag for stock of finished goods is one month
4) Credit allowed to debtors two months
5) Credit allowed by creditors one month
6) Deferral period of wages half month
7) Deferral period of overheads one month
8) Estimated Cash requirement for working capital Rs.50,000.

Q4. Discuss the theory of relevance of capital structure under Net Income (NI) approach. Compare and contrast this view with Net Operating Income (NOI) approach. Illustrate your answer with hypothetical examples with different degrees of leverage. **(15)**

Q5 The financial manager of Trivago company has to advise the Board of Directors on choosing between two alternative project proposals Project A and Project B. The projects are expected to generate cash flows as under: **(15)**

Year	project-A	project-B
0	(-) 1,00,000	(-) 1,00,000
1	48,000	20,000
2	32,000	24,000
3	20,000	36,000
4	nil	48,000
5	24,000	16,000
6	12,000	8,000

Which project proposal should be recommended as per NPV method? Assume the cost of capital to be 10% p.a. The following are the present value factors at 10% per annum.

Year:	1	2	3	4	5	6
Factor :	0.909	0.826	0.751	0.683	0.621	0.564

Q6 a) In what ways is the wealth maximisation objective superior to the profit maximisation objective? **(5)**

b) Discuss how the financing, investment and dividend decisions of a company can help to attain the Wealth Maximization objective of Financial Management. **(10)**

Q7 Describe the assumptions and application of Walter's Dividend theory of relevance. Explain the model from the following information under the given payout conditions. **(15)**

Cost of Capital: 10 percent

Earnings per share: Rs.5 per Share

Expected rate of return: 15 percent

What will be the market price of the share, if the dividend payout ratio is 0 percent, 50 percent and 100 percent?

Q8 **Write notes on : (Any THREE)**

a) Combined Leverage **(5 x 3)**

b) WACC

c) Time value of money

d) Profitability Index