

## Capital Budgeting Practices: A Perceptual Study

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### Abstract

This paper presents the results of a survey on the preferences of capital budgeting techniques of corporate executives in India. This study is based on the perception of the executives, who have experienced more than 2 years in capital budgeting practices. The sample is selected from the agro-based, chemical and pharmaceutical and textile sector. The study is exploratory in nature. Ninety executives of 14 companies form the sample. Capital budgeting techniques i.e. Pay Back Period (PBP), Accounting Rate of Return (ARR), Net Present Value (NPV), Internal Rate of Return (IRR) and Profitability Index (PI) methods have been used as the techniques of capital budgeting. This study attempts to give a sector-wise solution with the help of a model for budgeting practices.

Keywords- Capital Budgeting Techniques, executives, perception, sector, Indian companies, experience.

### Introduction

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