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## MS-403/FM-2107

# Project Finance/Project Planning, Analysis and Management

(परियोजना नियोजन, विश्लेषण तथा प्रबन्ध)

Master of Business Administration (MBA-10/12/13/16/17)

Fourth/Third Semester, Examination, 2018

Time: 3 Hours Max. Marks: 80

**Note:** This paper is of **eighty (80)** marks containing **three** (03) Sections A, B and C. Learners are required to attempt the questions contained in these Sections according to the detailed instructions given therein.

#### Section-A

## (Long Answer Type Questions)

**Note:** Section 'A' contains four (04) long answer type questions of nineteen (19) marks each. Learners are required to answer *two* (02) questions only.

- "Project management is like juggling three balls—time, cost and quality." —G. Reiss
   Explain this statement and briefly describe three distinct phases of the development process of a project.
- 2. How do you calculate net present value of a project?
  What are its merits and demerits?

- 3. What are various sources of working capital finance of a project ?
- 4. What is Social Cost Benefit Analysis (SCBA) ? Explain the need of SCBA in appraising the projects.

#### Section-B

## (Short Answer Type Questions)

**Note:** Section 'B' contains eight (08) short answer type questions of eight (08) marks each. Learners are required to answer *four* (04) questions only.

Briefly discuss any four (04) of the following:

- 1. Infrastructure financing.
- 2. Means of finance for a project.
- 3. Technical appraisal of a project.
- 4. Risk adjusted discount rate.
- 5. The role of a project manager.
- 6. Capital budgeting techniques of project appraisal.
- 7. Break-even analysis.
- 8. Demand analysis and forecasting.

### Section-C

## (Objective Type Questions)

**Note:** Section 'C' contains ten (10) objective type questions of one (1) mark each. All the questions of this Section are compulsory.

Indicate whether the following statements are True *or* False:

- 1. Project investment decisions are irreversible in nature.
- 2. Pre-investment phase of a project comprises the formulation of design and investment.
- 3. In a mutually exclusive situation, the project with the highest NPV will be selected.

- 4. Risk management process comprises eliminating the risks, wherever possible.
- 5. The capital market is a market in which securities with maturities of less than one year are bought and sold.
- 6. Interest payable on debt is treated as an expense and it reduces taxable profits.
- 7. Market analysis is done after the DPR is finalised.
- 8. Technical appraisal deals with the engineering aspects of a project.
- 9. Project financing is similar to traditional financing.
- 10. Discounted payback acknowledges the time value of money.