

PROJECT FORMULATION, APPRAISAL AND MANAGEMENT

17PLN 5.4

Question Bank

Module I:

- 1. Explain the objectives of Project Management. 15M**
 - A. DEFINITION OF PROJECT MANAGEMENT----05M**
4 OBJECTIVES-----02.5x4=10M
- 2. Explain the steps in the Project life cycle. 15M**
 - A. 2. PLC –DEFN---05M**
4 STAGEES ----2.5X4=10M
- 3. Explain stages of project formulation 20M**
 - A. DEFINITION OF PROJECT FORMULATION----05M**
5 STAGES WITH EXPLANATION -----3x5=15M

Module II:

- 1. Write a note on SCBA. 20M**
 - A. SCBA DEFINITION---5M**
EXPLANATION OF 5 STEPS ----3X5=15M
- 2. Choose the best method by profitability index method. 10M**

	Proposal X	Proposal Y	Proposal Z
Present value of cash inflow	\$ 212,000	\$ 171,800	\$ 185,200
Investment required	(200,000)	(160,000)	(180,000)
Net present value	<u>\$ 12,000</u>	<u>\$ 11,800</u>	<u>\$ 5,200</u>

- A. FORMULA FOR PI-- 03M**
COMPUTATION OF PI--- 04M
CONCLUSION ----02 M

3. ABC Company taking three projects with the investment of 25 lakhs, 30 lakhs and 45 lakhs. The returns for 7 years is given below 20 M

Years	Cash flows in Rs		
	Project -X	Project -Y	Project -Z
1	3,00,000	2,95,000	3,25,000
2	2,96,500	3,55,600	4,23,000
3	4,56,600	3,67,500	4,47,890
4	5,51,400	4,33,470	5,67,800
5	6,23,450	5,56,780	7,60,300
6	6,45,890	8,45,000	8,79,700
7	7,15,450	8,54,800	9,50,600

Choose the best project based on NPV Method (consider the rate of interest=10 %)

A. NPV FORMULA ---5M

NPV COMPUTATION FOR THREE PROJECTS -----4X3=12M

CONCLUSION ----03M

Module III:

1. Explain the steps of Project Implementation. 20 M

A. 8 Steps---8*2=16m

DEFINITION----4m

2. The project consists of following activities

Activity	Duration (in days)		
	Optimistic	Most likely	Pessimistic
1-2	2	5	14
1-3	9	12	15
2-4	5	14	17
3-4	2	5	12
4-5	6	6	12
3-5	8	17	20

a. Determine expected time and variance for each activities.

b. Draw the network diagram, Find critical path and project completion time.

A. FORMULA ---5M

SUM and CONCLUSION ----15M

Module 4:

1. Explain stages involved in controlling of projects? 20m
A. Def-2m
6 stages- $3*6=18m$
2. Explain objectives and significance of project monitoring? 20m
A. Def-2m
4 objectives - $4*2=8m$
5 significance- $5*2=10m$
3. Explain the objectives and stages of project implementation? 20m
A. Project implementation 2m
4 objectives -8m
5 stages of project implementation - $5*2=10m$

Module 5:

1. Explain objectives and significance of project evaluation? 20m
A. Project evaluation -2m
4 objectives -8m
5 significance - $5*2=10m$
2. Write a short note SEBA and Financial cost benefit audit? 20m
A. SEBA-2m
Objectives -4m
Applications -4m
Financial cost benefit audit-2m
Objectives -4m
Applications -4m
3. Explain the growth of regional developments of projects in India? 20m
A. Any 4 projects- $4*5=20m$