

Roll No.

12047

MBA 2 Year 3rd Semester (CBCS)

Examination – December, 2017

**PROJECT MANAGEMENT AND INFRASTRUCTURE
FINANCE**

Paper : 16IMG23GF2

Time : Three Hours]

[Maximum Marks : 80

Before answering the questions, candidates should ensure that they have been supplied the correct and complete question paper. No complaint in this regard, will be entertained after examination.

Note : Attempt *five* questions in all. Question No. 1 is *compulsory* and attempt other questions selecting *one* question from each Unit.

SECTION – A

1. Short answer questions : 2 × 8
- (a) Name *five* phases of capital budgeting decision.
 - (b) Difference between Primary Information and Secondary Information.
 - (c) What is Pay Back Method ?
 - (d) Name statistical measures of risk.

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- (e) What are social and monetary benefits ?
- (f) What is meant by Right Issue ?
- (g) What is the life cycle of a project ?
- (h) Difference between BOOT/BOT system.

SECTION – B

UNIT – I

- 2. What are capital expenditure decisions ? Discuss the key aspect to be considered for preliminary screening of investment ideas. 16
- 3. What are the components of cost of project ? Discuss these in detail. 16

UNIT – II

- 4. Consider the following cash flow stream expected from a project :

Year	Cash Flow (Rs.)
0	(-25,000)
1	8,000
2	10,000
3	8,000
4	6,000
5	6,000

It is considered that 18% will be the appropriate cost of capital for the evaluation of the project.

Calculate :

- (i) (a) Net present value
- (b) Profitability index
- (ii) Advise whether the project should be accepted or not. 6 + 6 + 4

- 5. Define Risk. What are types risk ? Discuss the sensitivity analysis technique for analysing the project risk. 16

UNIT – III

- 6. Discuss the concept of Social Cost Benefit Analysis and explain the rationale for it. 16

- 7. Why has the environmental appraisal of the project been so important ? How is it done ? Explain. 16

UNIT – IV

- 8. What is Infrastructure Finance ? Explain advantages and disadvantages of BOOT/BOT system for infrastructure projects. 16

- 9. What are the steps involved in planning and organising the projects ? Discuss various forms of project organisation. 16