# DEPARTMENT OF MANAGEMENT
# SCHOOL OF MANAGEMENT &BUSINESS STUDIES
# JAMIA HAMDARD

Even Semester Examination (Online) June 2021

MBA Semester IV

**Paper Name: Project Appraisal and Finance** **MM: 75**

**Paper Code: MBA-GE-FM-06** **Time: 03 Hours**

Email Id of the Examiner: sbeg@jamiahamdard.ac.in

Email Id of the Assistant Superintendent of Exams: mba4june2021@gmail.com
Email Id of Dean: deanmanagement@jamiahamdard.ac.in

Note:

- Students have to submit the **Scanned hand written solutions** to the Examiner, Assistant Superintendent of Examination and Dean on the email ids as mentioned above.
- Students shall use **ruled white paper & blue ink** to write the solution. Each page must have a **serial number and the signature** of the student.
- An additional ½ an hour will be given to the examinees to scan the answer sheets, convert it into single PDF and upload it on the id's given on the question papers.
- If any two copies are found to be similar then both the copies shall be cancelled. Such students will be considered/ tried for unfair means.
- The attached PDF shall be named as follows –
  Full Name-Enrollment Number-Course-Semester-Subject Abbreviation (Example: Rabia Shaheen-2017-334-032-MBA-IV-QTM) and students shall also mention the <u>same in subject line of the email & his/her answer copy also</u>.
- Answer All Questions, each carry equal marks.

Q1: (a) Discuss the key issues that are examined while making a major investment decision and why they are so critical for a firm.

(b) Explain the difficulties faced in capital expenditure decisions. (9+6)

Q2: (a) Describe the aspects of business environment that need to be monitored as well as the dimensions along which a firm may appraise its strengths and weaknesses for identifying investments opportunities.

(b) Discuss the pre-requisites for successful project implementation. (10+5)

Q3: (a) Describe the aspects covered in market planning.

(b) Discuss the factors that have a bearing on the decisions regarding choice of technology. (7.5+7.5)

Q4: The expected cash flows of two mutually exclusive projects, P and Q, for which the cash flows (in thousands) are:

| YEAR | Project P | Project Q |
|---|---|---|
| 0 | (1100) | (1500) |
| 1 | (1200) | 200 |
| 2 | (600) | 400 |
| 3 | (250) | 600 |
| 4 | 2000 | 800 |
| 5 | 4000 | 200 |

Cost of capital is 15%

(a) What is the NPV and discounted payback period of each project?

(b) Which project would you choose, why? (12+5)

Q5: Write notes on any three of the following: (5+5+5)

(a) Social cost benefit analysis

(b) Project Management

(c) Project Financing

(d) Human Aspects of Project Management

(e) Work Breakdown Structure