

<b>Name:</b>	 <b>UPES</b> UNIVERSITY WITH A PURPOSE
<b>Enrolment No:</b>	

**UNIVERSITY OF PETROLEUM AND ENERGY STUDIES**  
**End Semester Examination, July 2020**

<b>Course:</b> Project Formulation, Appraisal and Management	<b>Semester:</b> 6
<b>Program:</b> Bachelor in Planning	<b>Time</b> 03 hrs.
<b>Course Code:</b> SPCC 3008	<b>Max. Marks:</b> 100

**SECTION A**

All questions are compulsory. (5 Questions x 4 Marks) = 20 Marks

S. No.	Questions	Marks	CO
<b>Q 1</b>	CPM and PERT are key tools to assess the progress of a project in its development. Elaborate on the major features of CPM and PERT with respect to the context. Support the answer with examples/sketches/graphs.	<b>4</b>	<b>CO4</b>
<b>Q 2</b>	Discuss and define in brief the 'Technical Appraisal' for any infrastructure project? What is the importance of above during development of any project? Support the answer with examples/sketches/graphs.	<b>4</b>	<b>CO3</b>
<b>Q 3</b>	Describe the role of Public Private Partnership (PPP) in development and implementation of infrastructure projects in India. Discuss the fast track and large-scale funding under the very famous JnNURM by Govt. of India. Support the answer with examples/sketches/graphs.	<b>4</b>	<b>CO2</b>
<b>Q 4</b>	Illustrate very briefly the concepts of Accounting Rate of Return and Net Present Value. How are they important in capital budgeting criteria in project? Support the answer with examples, cases, and live projects.	<b>4</b>	<b>CO3</b>
<b>Q 5</b>	Discuss and explain the various types of risks during development of any infrastructure project. How do you appreciate and appraise the risks with respect to the project management and funding parts?	<b>4</b>	<b>CO1</b>

**SECTION B**

All questions are compulsory. (4 Questions x 10 Marks) = 40 Marks

<b>Q 1</b>	Define the various components for cost of any project such as land and site development, Building and civil works, Plant and machinery, Technical know-how and engineering fees/consultancy fees, Expenses on foreign technicians and training of Indian technicians abroad etc. Support the answer with examples/sketches/graphs.	<b>10</b>	<b>CO2</b>
<b>Q 2</b>	Project appraisal is a task which has to be done very carefully and sincerely. Explain and discuss about the major key issues and problems during the project appraisal exercise. What is the role of issues in finding out the solutions? Support the answer with examples/sketches/graphs.	<b>10</b>	<b>CO3</b>

<b>Q 3</b>	Discuss the concept of Accounting Rate of Return (ARR) for any project. Discuss the importance of ARR in project finance while conducting a project development exercise. For a company, an initial investment of Rs 95, 75, 150.00 is expected to generate annual cash inflow of Rs 27, 82, 595.00 for 6 years. Depreciation is allowed on the straight-line basis. It is estimated that the project will generate scrap value of Rs 5, 85, 895.00 at end of the 6th year. Calculate its accounting rate of return assuming that there are no other expenses on the project.	<b>10</b>	<b>CO2</b>
<b>Q 4</b>	Discuss and explain the concept of Net Present Value (NPV) in project finance and appraisal. Mention about the decision rule for it. Calculate the net present value of a project which requires an initial investment of Rs 22, 45,000 and it is expected to generate a cash inflow of Rs 2, 10,000 each month for 12 months. Assume that the salvage value of the project is zero. The target rate of return is 12% per annum.  OR  Discuss about the concept of Payback Period. Resources of a company have annual cash flow of 185 cr for initial 3 yrs, 175 for next 3 yrs, 215 for next 4 yrs and 235 for next 5 yrs. MD of company has set target of 2750 cr return in 14 yrs. Salvage value of some equipment is 55 Cr. Calculate the payback period in yrs and months and check whether the company is viable or not?	<b>10</b>	<b>CO1</b>
<b>SECTION-C</b>			
All questions are compulsory. (2 Questions x 20 Marks) = 40 Marks			
<b>Q 1</b>	“Social Cost Benefit Analysis (SCBA) also called as Economic Analysis, is a methodology developed for evaluating investment projects from the point of view of the society, community and economy as a whole. SCBA aids in evaluating individual projects within the planning framework which spells out national economic objectives and broad allocation of resources to various sector. In other words, SCBA is concerned with Tactical Decision making within the framework of macro level.” Comment and review the statement. Define and Discuss the SCBA in detail. Explain the importance, approach and methods of SCBA in any project. Support your answer with examples/cases/numerical/graphs/sketches/charts. Citing calculations would be appreciated.	<b>20</b>	<b>CO3</b>
<b>Q 2</b>	“Project formulation, development, appraisal, planning and analysis is an integrated component of any project implementation or commencement. It has to be done very carefully and critically. Apart from the other core components, analysis such as marketing, technical, finance, economic, social and environmental are the integral part of this exercise.” Discuss, Review and Comment on the given statement. Define and elaborate the need of the project appraisal and analysis. Explain the behavior of the project during the analysis. Derive the framework for any project appraisal and analysis. Discuss two cases from any urban infrastructure sector. Support your answer with examples, graphs/sketches/charts. Citing cases would be appreciated.	<b>20</b>	<b>CO4</b>

OR

“Project Life Cycle consists of various major components such as Idea, Concept, Formulation, Development, Initiation, Activation, Planning, Design, Funding, Resource Allocation, Implementation, Completion, Operation, Maintenance, Assessment, Monitoring and Evaluation. These are the phases which play a critical role in success or failure of any project. These components are expected to link, precede or succeed in an appropriate manner. Project Manager is expected to take responsibility and ownership to coordinate these tasks/activities on daily basis” Discuss, review and do the critical appraisal of the above statement. Explain the importance of a complete life cycle in a project. Support your answer with examples, graphs/sketches/charts. Citing cases/examples would be appreciated.