Time: 2.30 Hrs

Marks: 75

(A) Multiple Choice Question: (Any 8) (8)

1. __________ project are those set up within the national boundaries of a country.
(i) National (ii) International (iii) Normal (iv) Private

2. __________ is the long-term strategic decision which determines a company's capability to supply products or services.
(i) Project Management Maturity Model (PMMM) (ii) Continuous improvement
(iii) Capacity planning (iv) Procedural

3. __________ is the set of tasks grouped chronologically into processes and the set of people or resources needed for those tasks.
(i) Organisation (ii) Workflow (iii) Project (iv) Organisational structure

4. __________ analysis enables the government to take up new developments which will benefit everyone and not just a few.
(i) SWOT (ii) Environmental Impact Assessment (EIA)
(iii) Feasibility studies (iv) social cost benefit

5. __________ is the process of tracking, reviewing, and reporting the progress to meet the performance objectives defined in the project management plan.
(i) Project Management Maturity Model (PMMM) (ii) Monitor and Control Project Work (iii) Project management information system (iv) Project auditing

6. ______________ are instruments for raising debt capital.
a. Equity
b. Preference
c. Factoring
d. Debenture

7. __________ is the number of days a company takes in realizing its inventories in cash.
a. Cash Cycle
b. Operating cycle
c. Debtor cycle
d. Creditor cycle

8. If PI < 1 then reject the project.
a) Accept
b) Reject
c) No effect
d) Positive effect

9. ____________ contains the recognition that process improvement is necessary to maintain a competitive advantage.
a. Level 1- Common Language
b. Level 2-Common Processes
c. Level 3-Singular Methodology
d. Level 4-Benchmarking
e. Level 5- Continuous Improvement

10. The key to a successful project is in the __________.
(i) Planning (ii) Organising (iii) Monitoring (iv) Implementation

(B) Match the following: (Any 7) **(7)**

Group 'A'	Group 'B'
(a) Feasibility study	(i) *Internal and positive factors*
(b) Technical feasibility	(ii) A tool used to identify the environmental, social and economic impacts of a project prior to decision-making.
(c) Economic viability	(iii) Financial analysis
(d) Swot	(iv) External and positive factors
(e) Strengths	(v) Strategic planning tool
(f) Weaknesses	(vi) Technology
(g) Opportunities	(vii) External and negative factors
(h) Threats	(viii) Better use of available raw material
(i) Environmental impact assessment	(ix) Improve the standard of living in society
(j) Positive NPV	(x) Internal and negative factors
	(xi) Accept the proposal

Q2. A. Discuss Project Management Maturity Model. **(8)**
Q2. B. How is project classified? **(7)**

OR

(15)

Q2. A company can make either of two investments. Assure a required rate of return at 10%, determine for each project.

(a) Net Present Value.
(b) Profitability Index.
The cash inflows of the two projects are as follows:

Particular	A	B
Cost of Investment (Rs.)	10,00,000	12,00,000
Expected Life (No Salvage)	5 Years	5 Years
Cash Inflow:		
Year 1	80,000	90,000
2	70,000	1,50,000
3	80,000	1,00,000
4	70,000	80,000
5	60,000	80,000

	Year 1	Year 2	Year 3	Year 4	Year 5
PV of Re. 1 @ 10% of:	0.909	0.826	0.751	0.683	0.621

Q3. A. What is the importance of project planning? (8)
Q3. B. Discuss government assistance toward project management for start-ups. (7)

OR

Q3. The data relating to two companies are as given below: (15)

Particular	Company A	Company B
Equity Capital @ Rs. 10/- each	Rs. 5,00,000	Rs. 3,00,000
10% Debenture	Rs. 4,00,000	Rs. 6,00,000
Output (unit) p. u.	20,000	30,000
Selling Price Per unit	Rs. 35	Rs. 30
Fixed Cost p. u.	Rs. 5,00,000	Rs. 1,00,000
Variable Cost p. u.	Rs. 20	Rs. 10

You are required to calculate the operating leverage (OL), financial leverage (FL) and combine leverage (CL) of two companies. Tax rate 30%. find out impact of leverages on Cost of Capital.

Q4. A. What is Risk? State and explain various types of risk in project. (8)
Q4. B. What are the reasons for project termination? (7)

OR

Q4. On 31st March, 2022 the balance sheet of Gomati Ltd. was as follows: (15)

Balance Sheet

Liabilities	Rs.	Assets	Rs.
Share capital:			
Authorized 20,000 equity shares of Rs. 100/- each	2,00,000	Land and buildings	3,00,000
Issued and paid up 15,000 equity share of Rs. 100/- each 15,00,000		Furniture	1,72,500
Less: Calls in arrears at Rs. 20/- each 2,000	14,98,000	Stock	4,50,000
Reserves A/c.	1,54,500	Sundry debtors	9,07,500
Bank Overdraft	32,000	Bills Receivable	20,000
Creditors	1,15,500	Bank	1,30,000
Bills Payable	67,500		
Outstanding Expenses	1,12,500		
	19,80,000		**19,80,000**

The net profits of the company after providing for tax were as follows:

Year Ended	Rs.
31st March, 2022	1,82,500
31st March, 2021	1,70,000
31st March, 2020	1,97,000
31st March, 2019	1,85,000
31st March, 2018	1,45,000

On 31st March, 2022 Land building were values at Rs. 4,75,000 and Furniture were valued at Rs. 2,05,000. Normal rate of return can considered at 10%. Goodwill is to be valued at Rs. 77,800.

Find the intrinsic value of fully paid and partly paid equity shares. Consider closing employed as average capital employed.

Q5. Calculate the important ratios for granting term loans and give your recommendations from the following information: (15)

(Rs. in Lacs)

Year	I	II	III
Profit before Interest & Tax	60.00	80.00	100.00

Tax rate 40%

Loan is repayable in equal installments at the end of the each of the 3 years along with interest.

Loan amount: Rs. 420 lacs @ 12% p.a.

Capital investment in project: Rs. 600 lacs depreciable equally over 3 years

Q5. Write Short Notes on: **Any 3** **(15)**

a. Forms of organisation structure

b. Production Planning and Control.

c. Continues improvement.

d. Significant of Demand Forecasting

e. Conflict in Project Management.

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