

TXL781 Project Appraisal and Finance

25

Minor 1:- 29th Aug 2016, 9.30-10.30AM, LH 520

- 1) Is interest outgo exempted from tax? (1)
- 2) When the capacity of plant doubles, the unit cost of capital does not double. Explain (1)
- 3) What is gross profit? (2)
- 4) What is pre-operative expenses? (2)
- 5) Write the difference written down and straight line depreciation methods (use your own data for illustration) (2)
- 6) What are the factors involved in building and civil works? (3)
- 7) Explain the strategies for growth (3)
- 8) Explain the sources of financing a project (3)
- 9) What are factors do you consider to select the technology for your project? (3)
- 10) Explain with a flowchart, how a product and its demand, Plant's size, technology and its location affects production costs, investment outlay, working capital requirements, profitability and selling price (5)