Enrollment No......................................

Faculty of Commerce / Management Studies

End Sem (Odd) Examination Dec-2019

CM3EG05 / MS3EG06 Project Management

Programme: B.Com.(Hons) /   Branch/Specialisation: Commerce/
BBA   Management

Duration: 3 Hrs.   **Maximum Marks: 60**

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

Q.1   i.   A project is typically defined in terms of scope, time, cost and which **1**
            another parameter?
            (a) Benefits   (b) Quality   (c) Tolerance (d) Controls

      ii.   Which one of the following statements best describes a project?   **1**
            (a) A project is a set of tools and techniques often used when
                delivering organizational change.
            (b) A project is the sum of activities needed to remove uncertainty
                from a unique piece of work.
            (c) A unique transient endeavor undertaken to achieve a desired
                outcome.
            (d) A project is a method of planning work.

      iii. Who has ultimate responsibility for project risk?   **1**
            (a) Steering group   (b) Risk owner
            (c) Project sponsor   (d) Project manager

      iv.   By technical feasibility of a solution we mean that   **1**
            (a) Technology is available to implement it
            (b) Persons are available to implement it
            (c) Persons have technical ability to implement it
            (d) Funds are available to implement it

      v.   Funds required for purchasing current assets is an example of: **1**
            (a) Fixed capital requirement
            (b) Ploughing back of profits
            (c) Working capital requirement
            (d) Lease financing

P.T.O.

vi. _____ and_____ carry a fixed rate of interest and are **1**
to be paid off irrespective of the firm's revenues.
(a) Debentures, Dividends   (b) Debentures, Bonds
(c) Dividends, Bonds   (d) Dividends, Treasury notes

vii. In the _____, the future value of all cash inflow at the end **1**
of time horizon at a particular rate of interest is calculated.
(a) Risk-free rate   (b) Compounding technique
(c) Discounting technique   (d) Risk Premium

viii. What is a visual representation of a project's planned activities against **1**
a calendar called?
(a) A Gantt chart   (b) A critical path network
(c) A product flow diagram   (d) A Pareto chart.

ix. Project risk management is best described as: **1**
(a) Managing responses to threats.
(b) Identifying and acknowledging threats and opportunities.
(c) Planning responses to threats.
(d) Minimizing threats and maximizing opportunities.

x. Who owns the Project Management Plan (PMP)? **1**
(a) The project team   (b) The chief executive
(c) The project manager   (d) The project support office.

Q.2 i. Define Project Management. **2**
     ii. Discuss any three characteristics of any project. **3**
     iii. How would you classify the projects? Explain with example. **5**
OR iv. Discuss the sources of identification and pre-feasibility of project. **5**

Q.3 i. Discuss the methods of demand forecasting. **4**
     ii. Explain the methods of collection of data for project. **6**
OR iii. How can a manager estimate the cost of project? **6**

Q.4 i. Discuss any four short term sources of finance. **4**
     ii. Discuss shares and different kinds of shares available for project **6**
financing.
OR iii. How a debenture and bonds help in project finance? Also discuss any **6**
four kinds of debentures available in market.

Q.5 i. Discuss liquidity and growth aspect of project. **2**
     ii. Campbell Industries has four potential projects all with an initial cost **8**
of Rs.1,500,000. The capital budget for the year will only allow
Swanson industries to accept one of the four projects. Given the
discount rates and the future cash flows of each project, which project
should they accept by NPV technique?

Cash Flows	Project P	Project Q	Project R	Project S
1 Year	Rs.350000	Rs.400000	Rs.700000	Rs.200000
2 Year	Rs.350000	Rs.400000	Rs.600000	Rs.400000
3 Year	Rs.350000	Rs.400000	Rs.500000	Rs.600000
4 Year	Rs.350000	Rs.400000	Rs.400000	Rs.800000
5 Year	Rs.350000	Rs.400000	Rs.300000	Rs.1000000
Discount Rate	4%	8%	13%	18%

OR iii. A project has the following time schedule: **8**

Activity	1-2	1-3	1-4	2-5	3-6	3-7
Duration	2	2	1	4	8	5
Activity	4-6	5-8	6-9	7-8	8-9	
Duration	3	1	5	4	3	

(a) Construct network diagram.
(b) Compute total float, free float and independent float for each
activity.
(c) Find critical path and its duration.

Q.6   Attempt any two:
     i. Write short note on "Cost and Time management issue in project". **5**
     ii. What are the risks associated with a project? How a project manager **5**
identified those risks?
     iii. Discuss the ways to analyse the performance and control the project. **5**

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Marking Scheme
CM3EG05 / MS3EG06 Project Management

Q.1

i. A project is typically defined in terms of scope, time, cost and which **1** another parameter?
(b) Quality

ii. Which one of the following statements best describes a project? **1**
(c) A unique transient endeavor undertaken to achieve a desired outcome.

iii. Who has ultimate responsibility for project risk? **1**
(c) Project sponsor

iv. By technical feasibility of a solution we mean that **1**
(a) Technology is available to implement it

v. Funds required for purchasing current assets is an example of: **1**
(c) Working capital requirement

vi. _____ and_____ carry a fixed rate of interest and are **1** to be paid off irrespective of the firm's revenues.
(b) Debentures, Bonds

vii. In the _____, the future value of all cash inflow at the end **1** of time horizon at a particular rate of interest is calculated.
(c) Discounting technique

viii. What is a visual representation of a project's planned activities against **1** a calendar called?
(a) A Gantt chart

ix. Project risk management is best described as: **1**
(d) Minimizing threats and maximizing opportunities.

x. Who owns the Project Management Plan (PMP)? **1**
(c) The project manager

Q.2

i. Project Management. **2**
(As per explanation)

ii. Three characteristics of any project. (1 mark*3) **3**

iii. Projects- Point wise explanation 4 mark **5**
Example. 1 mark

OR iv. Sources of identification 2.5 marks **5**
Pre-feasibility of project. 2.5 marks

Q.3

i. Methods of demand forecasting. (1 mark*4) **4**

ii. Explain the methods of collection of data for project. **6**
With example (3 marks * 2)

OR iii. Cost of project(6 Points of explanation) (1 mark*6) **6**

Q.4 i. Four short term sources of finance. (1 mark*4) **4**

ii. Meaning 2 marks **6**
Equity explanation 2 marks
Preference 2 marks

OR iii. Importance 2 marks **6**
Four Kinds (1 mark*4)

Q.5 i. Liquidity 1 mark **2**
Growth aspect of project 1 mark

ii. Four potential projects (2 marks*4) **8**
(Each potential project 2 marks)

OR iii. A project has the following time schedule: **8**
(a) Construct network diagram. 2 marks
(b) Total float, free float and independent float for each activity.
4 marks
(c) Find critical path and its duration. 2 marks

Q.6 Attempt any two:

i. Cost and Time management issue in project **5**
(Point wise explanation with example) 5 marks

ii. Risks associated with a project 2.5 marks **5**
Project manager identified those risks 2.5 marks

iii. Analyse the performance and control the project. **5**
(Point wise explanation) 5 marks

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