

MULTIPLE CHOICE QUESTIONS

10.2 Engineering Economics

1. Who is the father of Economics?

- A. Adam Smith
- B. Adam Gilchrist
- C. John Locke
- D. None of the Above

2. Who defined economics as "The practical science of the production and distribution of wealth"

- A. Adam Smith
- B. J.S. Mill
- C. John Locke
- D. Adam Gilchrist

3. The main division of economics are

- A. Consumption and Production
- B. Exchange and Distribution
- C. All of the Above
- D. None of the Above

4. What is marginal utility?

- A. The change in total utility due to one more/additional unit of consumption.
- B. The level/power of satisfaction to a consumer by consuming goods and services.
- C. It is the utility derived by single unit of consumption.
- D. Both B and C

5. The elements of cost is/are

- A. Material
- B. Labor
- C. Expenses
- D. All the Above

6. The opportunity cost is

- A. The contribution to income that is foregone by not using a limited resource in its best use
- B. The cost that has already been incurred by past actions
- C. Added cost that would result from increasing the rate of output by a single unit
- D. None of the Above

7. The Sunk Cost is

- A. The contribution to income that is foregone by not using a limited resource in its best use
- B. The cost that has already been incurred by past actions
- C. Added cost that would result from increasing the rate of output by a single unit
- D. None of the Above

8. The Marginal Cost is

- A. The contribution to income that is foregone by not using a limited resource in its best use
- B. The cost that has already been incurred by past actions
- C. Added cost that would result from increasing the rate of output by a single unit
- D. None of the Above

9. Compound interest is calculated as

- A. $P(1+i)^{N-1} i$
- B. $P(1+i)N-1 i$
- C. $P(1+i)N-1$
- D. None of the Above

10. The nominal interest rate is

- A. The periodic interest rate multiplied by the number of periods per year
- B. The interest rate that would have earned the same amount of interest in one year
- C. Both of the Above
- D. None of the Above

11. You lend Rs 100 for 3 years at 10% interest compounded annually. How much would you earn interest and get at the end of the three years?

- A. Rs. 123.10
- B. Rs. 133.10
- C. Rs. 113.10
- D. 143.10

12. Time value of money indicates that

- A. A dollar received today is worth more than a dollar received in the future
- B. A dollar received today is worth less than a dollar received in the future
- C. There is no difference in the value of money obtained today and tomorrow
- D. None of the Above

13. Which of the following best describes the concept of time value of money?

- A. Money is worth more in the present than in the future
- B. Money is worth more in the future than in the present
- C. Money has the same value regardless of when it is received
- D. Money has no value unless it is invested

14. Which of the following is NOT a factor in the time value of money?

- A. Interest Rate
- B. Time Period
- C. Inflation
- D. Tax Rate

15. What is the formula for calculating future value?

- A. $PV = FV / (1 + r)^n$
- B. $FV = PV \times (1 + r)^n$
- C. $FV = PV / (1 + r)^n$
- D. $PV = FV \times (1 + r)^n$

16. Which of the following is a measure of the rate of return on an investment?

- A. Present value
- B. Future value
- C. Net present value
- D. Internal rate of return

17. What will be the relationship between annual nominal rate of interest and annual effective rate of interest, if frequency of compounding is greater than one

- A. Effective rate > Nominal rate
- B. Effective rate < Nominal rate
- C. Effective rate = Nominal rate
- D. None of the Above

18. Key factor in determining the time value of money?

- A. Discount rate
- B. Commission
- C. Interest rate
- D. All of the Above

19. Which of the following is incorrect?

- A. The cost of capital refers to the required return needed on a project or investment to make it worthwhile.
- B. The discount rate is the interest rate used to calculate the present value of future cash flows from a project or investment.
- C. Many companies calculate their WACC and use it as their discount rate when budgeting for a new project
- D. None of the Above

20. Which of the following is correct?

- A. The value of money decreases over time due to inflation
- B. The time value of money is used to evaluate the present value of future cash flows
- C. The time value of money is used in discounted cash flow analysis and investment decision-making.
- D. All of the Above

21. The relationship between effective interest rate 'i' and nominal interest rate 'r' is
- $i = (1 + r/M) M - 1$
 - $i = (1 + M/r) M - 1$
 - $C. i = (1 + r/M) M$
 - $D. i = (1 + r/M) - 1$
22. Beginning of period cash flows are
- Rent
 - Lease
 - Insurance payments
 - All of the Above
23. End of period cash flows are
- O & M
 - Salvages and Revenues
 - Overhauls
 - All of the Above
24. Which of the following are used in engineering economics for comparing alternatives?
- Cost-Benefit Analysis
 - Net Present Value and Internal Rate of Return
 - Benefit Cost Ratio and Pay Back Period
 - All of the Above
25. If NPV is Positive, this means
- The project is expected to generate more cash flows than the initial investment
 - The project is not expected to generate enough cash flows to cover the initial investment
 - Both of the Above
 - None of the Above
26. The relationship between Economic value added and the net present value is considered as
- Valued Relationship
 - Economic Relationship
 - Direct Relationship
 - Inverse Relationship
27. Which of the following is correct?
- Inflation is difficult to measure because the prices of different goods and services do not increase or decrease by the same amount
 - Inflation rates are measured by Wholesale Price Index (WPI), Producer's Price Index (PPI)
 - Inflation rates are measured by Consumer's Price Index (CPI)
 - All of the Above
28. Full form of MARR is
- Minimum Attractive Rate of Return
 - Minimum Attract Rate of Return
 - Minimum Attractive Rate of Reunion
 - None of the Above
29. MARR is determined by taking which of the following considerations
- The amount of money available for investment, and the source and cost of these funds
 - The number of good projects available for investment and their purpose
 - The type of organization involved
 - All of the Above
30. The MARR is
- The least interest rate among all alternative projects
 - An interest rate that must be earned for a project to be accepted
 - An interest rate that allows an investor to recoup the investment
 - All of the Above
31. Which of the following best describes the purpose of a minimum attractive rate of return?
- To determine the acceptable level of risk for a project
 - To calculate the internal rate of return for an investment
 - To set the required rate of return for a lender to loan money
 - To establish a minimum level of profitability for a company to undertake an investment
32. What is the significance of the minimum attractive rate of return for a company?
- It determines the maximum price the company is willing to pay for an asset
 - It sets the lower limit for the rate of return the company will accept from an investment
 - It determines the minimum interest rate the company will pay on loans
 - It sets the minimum price the company will sell its stock for
33. Which of the following is not correct about Payback period?
- Number of years required to recover the initial investment is called payback period.
 - It focus on liquidity
 - It is a measure of profitability
 - It does not consider cash flows of entire life of project
34. The net initial investment is divided by uniform increasing in future cash flows to calculate
- Discounting Period
 - Investment Period
 - Earning Period
 - Payback Period
35. Which of the statement is true?
- The payback period is simple to calculate and understand.
 - The payback period ignores cash flows after the payback point has been reached
 - It does not takes account of the time value of money
 - All of the Above
36. Which of the following is demerits of payback period?
- Ignores the time value of money
 - Does not consider cash flows of entire life of project
 - Both A and B
 - Focus on liquidity
37. In simple payback period of uniform cash flow, if Calculated Payback Period < Standard Payback Period
- Accept the Project
 - Reject the Project
 - Accept Reject the project
 - Depends
38. Internal Rate of Return is
- Rate at which discounted cash inflow is more than discounted cash outflow
 - Rate at which discounted cash inflow is less than discounted cash outflow
 - Rate at which discounted cash inflow is equal to the discounted cash outflow
 - None of the Above
39. Which of the following statements is not correct regarding the internal rate of return (IRR) method?
- Each project has a unique internal rate of return.
 - The internal rate of return does not consider the time value of money.
 - The internal rate of return is rarely used by firms today because of the ease at which net present value is calculated.
 - All of the Above

- 40. What is the interest rate of return used for in financial analysis?**
- To determine the minimum acceptable return on an investment
 - To evaluate the profitability of a project or investment
 - To set the minimum interest rate a company will pay on loans
 - To determine the maximum price a company is willing to pay for an asset
- 41. The interest rate of return is an important factor in:**
- Determining the value of a stock
 - Deciding whether to invest in a company
 - Setting the minimum interest rate a company will pay on loans
 - Both A and B
- 42. The external rate of return (ERR) refers to**
- The rate of return generated by a project or investment compared to the cost of the capital used to finance it
 - The rate of return generated by a project or investment compared to the market rate of return
 - The rate of return generated by a project or investment compared to the inflation rate
 - The rate of return generated by a project or investment compared to the government benchmark rate
- 43. Break even analysis is**
- Point at which revenue is equal to cost
 - Point where no profit is made nor any loss is incurred
 - Both of the Above
 - None of the Above
- 44. Which of the following are equivalent worth methods?**
- Present Worth
 - Future Worth
 - Annual Worth
 - All of the Above
- 45. The future worth is calculated as**
- $$A. FW(i\%) = \sum_{k=0}^N F_k (1+i)^{N-k}$$
- $$B. FW(i\%) = \sum_{k=0}^N F_k (1-i)^{N-k}$$
- $$C. FW(i\%) = \sum_{k=0}^N F_k (1+i)^{k-N}$$
- $$D. FW(i\%) = \sum_{k=0}^N F_k (1+i)^{-k}$$
- 46. The Annual Worth is calculated as**
- E-R-CR(i%)
 - R-E-CR(i%)
 - I-E-CR(i%)
 - R-I-CR(i%)
- 47. What is Depreciation?**
- Decrease in the value of assets due to their use in production process or reduction in market value or obsolescence
 - Possession of assets over liabilities
 - Both of the Above
 - None of the Above
- 48. The main objective of Depreciation is?**
- To reduce tax
 - To calculate net profit
 - To show previous profit
 - All of the Above
- 49. Depreciation is generally generated due to**
- Decrease in the value of Assets
 - Decrease in Capital
 - Wear and Tear
 - All of the Above
- 50. The main purpose of depreciation are**
- Replacement of assets, exact pricing of the product
 - Prevent from consuming capital, reduction of tax liability directing investment towards intended area
 - Providing source of finance
 - All of the Above
- 51. Types of depreciation are**
- Tax depreciation
 - Economic depreciation
 - Both of the Above
 - None of the Above
- 52. Nepal exercised various rates of depreciation system prescribed by**
- Income tax act, 2002
 - Income tax act, 2003
 - Income tax act, 2004
 - Income tax act, 2005
- 53. Depreciation is not allowed on which of the following asset types**
- Trading stock
 - Business asset
 - Non-business chargeable asset
 - All of the Above
- 54. Types of pool for depreciation**
- Pool A and Pool B
 - Pool C and Pool D
 - Pool E
 - All of the Above
- 55. Furniture and Fixture, Office Equipment and computer falls on which pool group**
- Pool A
 - Pool B
 - Pool C
 - Pool D
- 56. Automobiles, bus and mini bus falls on which pool group**
- Pool A
 - Pool B
 - Pool C
 - Pool D
- 57. Rate of Depreciation as per Income Tax Act 2058 for Pool A**
- 5 %
 - 10%
 - 15 %
 - 20%
- 58. Rate of Depreciation as per Income Tax Act 2058 for Pool B**
- 10 %
 - 20 %
 - 25 %
 - 30 %
- 59. Rate of Depreciation as per Income Tax Act 2058 for Pool C**
- 5 %
 - 10%
 - 15 %
 - 20%
- 60. Rate of Depreciation as per Income Tax Act 2058 for Pool D**
- 5 %
 - 10%
 - 15 %
 - 20 %
- 61. The Accelerated rate of depreciation is calculated by adding**
- 1/3 of its own rate to individual pool of assets
 - 2/3 of its own rate to individual pool of assets
 - 1/5 of its own rate to individual pool of assets
 - 2/5 of its own rate to individual pool of assets
- 62. Can we claim depreciation on all depreciable assets?**
- Yes
 - No
 - May be
 - Depends on situation
- 63. The criteria that need to be fulfilled to claim depreciation for tax purposes?**
- The Asset must be owned by the person claiming the depreciation
 - The asset must be used during the income year
 - The asset should be a fixed asset and asset must be used for the production of income
 - All of the Above
- 64. What is the current corporate tax rate in Nepal for the fiscal year 2022/23?**
- 20%
 - 25%
 - 30%
 - 15%

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65. Which of the following entities are subject to corporate tax in Nepal?
 A. Public limited companies
 B. Private limited companies
 C. Partnerships
 D. All of the Above
66. Which of the following expenses can be deducted from a company's taxable income in Nepal?
 A. Salary and wages
 B. Rent and utilities
 C. Depreciation and amortization
 D. All of the above
67. What is the penalty for late filing of corporate tax returns in Nepal?
 A. 0.5% of the tax due per month
 B. 1% of the tax due per month
 C. 1.5% of the tax due per month
 D. 2% of the tax due per month
68. What is the current VAT rate in Nepal for the fiscal year 2022/23?
 A. 10%
 B. 13%
 C. 18%
 D. 22%

ANSWER SHEET

1.A	2.B	3.C	4.D	5.D	6.A	7.B	8.C	9.A	10.A
11.B	12.A	13.A	14.D	15.B	16.D	17.A	18.C	19.D	20.D
21.A	22.D	23.D	24.D	25.A	26.C	27.D	28.A	29.D	30.A
31.D	32.B	33.C	34.D	35.D	36.C	37.A	38.C	39.D	40.B
41.D	42.B	43.C	44.D	45.A	46.B	47.A	48.B	49.C	50.D
51.C	52.A	53.D	54.D	55.B	56.C	57.A	58.C	59.D	60.C
61.A	62.B	63.D	64.C	65.D	66.D	67.B	68.B		

10.3 Project Planning and Scheduling

1. Which of the following is defined as a set of activities which are networked in an order and aimed toward achieving the goals?
 A. Project
 B. Process
 C. Project Life Cycle
 D. None of the Above
2. The project life cycle consists of?
 A. Understanding the scope of the project
 B. Formulation and planning various activities
 C. Both A & B
 D. Only A
3. In Project management when does planning take place?
 A. Before the project
 B. During the project execution
 C. At the start of the project
 D. After the project
4. Which of the following is the longest phase of the project management life cycle?
 A. Initiation B. Planning
 C. Execution D. Closing
5. Which of the following phases is to establish the project's objectives, scope, and feasibility?
 A. Initiation
 B. Planning
 C. Execution
 D. Monitoring and control
6. Which of the following phases is to identify and mitigate risks, and to ensure that the project has the necessary resources and schedule
 A. Initiation
 B. Planning
 C. Execution
 D. Monitoring and control
7. Which of the following phases is to deliver the project's objectives within the defined scope, schedule, and budget.
 A. Initiation
 B. Planning
 C. Execution
 D. Monitoring and control
8. Which of the following is true?
 A. The project life cycle is the sequence of phases that a project goes through from its initiation to its closure
 B. The number and names of the phases can vary depending on the methodology used
 C. The goal of closure phase is to complete all project-related activities, and to document the project's results and lessons learned.
 D. All of the Above.
9. Which of the following are series of steps taken by project managers to develop a detailed plan for a project?
 A. Define the project objectives and goals
 B. Develop a project scope statement
 C. Create a project schedule and plan
 D. All of the Above

- 10. Feasibility study determines**
- Whether the project is possible with resources
 - Comparing the project with world class manufacturing norms
 - Calculate the cost crashing each unit
 - All of the Above
- 11. Different techniques that can be used for project scheduling are**
- Gantt charts, Critical path method (CPM)
 - PERT and Work breakdown structure (WBS)
 - Agile methodologies
 - All of the Above
- 12. Which of the following is true about gantt chart?**
- A Gantt chart is a visual representation of a project schedule that shows the start and end dates of each task
 - It consists of a horizontal axis that represents time, and a vertical axis that lists all of the tasks that need to be completed for the project
 - Gantt charts are useful for project managers because they provide a clear, visual representation of the project schedule
 - All of the Above
- 13. Advantage of a Gantt Chart is**
- It is easy to draw
 - Its ability to visually represent activities and times
 - It depicts Project Life Cycle
 - All of the Above
- 14. Which of the following is true?**
- A bar chart is used to compare and show data distribution across different categories
 - Gantt chart is used to represent and manage the schedule of a project and its tasks
 - Both of the Above
 - None of the Above
- 15. Which of the following is true?**
- A bar chart and a Gantt chart are similar in that they both use horizontal bars to represent the duration and progress of tasks
 - Bar charts are useful for quickly understanding the overall progress of a project
 - A Gantt chart is a specialized type of bar chart that is commonly used in project management
 - All of the Above
- 16. When resources required by activities are deterministic the method used in Project Management is called**
- PERT
 - AOA
 - CPM
 - Event Management
- 17. Full form of PERT is**
- Project Evaluation and Review Technique
 - Project Examination and Review Technique
 - Project Evaluation and Risk Technique
 - Project Evaluation and Review Tricks
- 18. PERT (Project Evaluation and Review Technique) analysis is based on**
- Optimistic time, Pessimistic time and Most likely time
 - Pessimistic time, Optional time, Maximum time
 - Optimistic time, Efficient time, Most likely time
 - Minimax time, Optimistic time and harmonic time
- 19. Who introduced the bar charts?**
- Williams henry
 - Henry Gantt
 - Jane Gantt
 - None of the Above
- 20. The full form of CPM is**
- Critical Path Method
 - Control Path Method
 - Critical Plan Management
 - Control Path Management
- 21. In bar charts, which color is used to show the actual progress?**
- Red
 - Yellow
 - Blue
 - Green
- 22. Which of the following is used to represent activity in a network diagram?**
- Circles
 - Squares
 - Arrows
 - Any of the above
- 23. Which of the following is a project scheduling method that can be applied to software development?**
- PERT
 - CPM
 - CMM
 - Both PERT and CPM
- 24. A horizontal bar chart that shows project tasks against a calendar is called**
- Milestone
 - Goal
 - Gantt Chart
 - PERT Chart
- 25. The statistical tool that depicts a project's tasks and the relationships between those tasks is known as**
- Milestone
 - Goal
 - Gantt Chart
 - PERT Chart
- 26. Which of the following are the process of project planning?**
- Define the project
 - Develop a project Plan
 - Identify and acquire resources
 - All of the Above
- 27. Classification of projects on the basis of as matrix, functional or projectized comes under**
- Organizational structure
 - Phase of development
 - Purpose
 - All of the above
- 28. Which of the following focus on day-to-day business operations and are designed to improve efficiency and productivity.**
- Operational projects
 - Tactical projects
 - Strategic projects
 - Portfolio projects
- 29. Which of the following address specific business needs and objectives, and are usually shorter-term in nature.**
- Operational projects
 - Tactical projects
 - Strategic projects
 - Portfolio projects

- 30. Which of the following align with the overall goals and mission of the organization, and are usually longer-term in nature?**
- A. Operational projects
 - B. Tactical projects
 - C. Strategic projects
 - D. Portfolio projects
- 31. Which of the following are a collection of projects that are grouped together to achieve specific organizational objectives?**
- A. Operational projects
 - B. Tactical projects
 - C. Strategic projects
 - D. Portfolio projects
- 32. Which of the following is true about Resource leveling and smoothing?**
- A. Are techniques used in project management to ensure that resources are used efficiently and effectively throughout the duration of a project
 - B. Resource leveling involves adjusting the schedule of a project to ensure that resources are not over-allocated at any point in time
 - C. Resource smoothing involves making small adjustments to the schedule of a project to ensure that resources are used in a more even and consistent way over time
 - D. All of the Above
- 33. Which of the following are methods for resource leveling?**
- A. Manual Levelling
 - B. Software based leveling
 - C. Heuristic leveling
 - D. All of the Above
- 34. Heuristic leveling means**
- A. Using a set of rules or guidelines to adjust the schedule of a project
 - B. Using specialized software to automatically adjust the schedule of a project
 - C. Manually adjusting the schedule of a project
 - D. None of the Above
- 35. Manual leveling means**
- A. Using a set of rules or guidelines to adjust the schedule of a project
 - B. Using specialized software to automatically adjust the schedule of a project
 - C. Manually adjusting the schedule of a project
 - D. None of the Above
- 36. Software based leveling means**
- A. Using a set of rules or guidelines to adjust the schedule of a project
 - B. Using specialized software to automatically adjust the schedule of a project
 - C. Manually adjusting the schedule of a project
 - D. None of the Above
- 37. Which of the following needs to be remembered during resource levelling?**
- A. Identify critical resources and Understand resource constraints
 - B. Analyze resource allocation and Prioritize tasks
 - C. Adjust the schedule and Monitor progress
 - D. All of the Above
- 38. Which of the following is true?**
- A. Resource smoothing is a way to optimize the use of resources over the duration of the project
 - B. Resource leveling focuses on ensuring that resources are used efficiently throughout the project
 - C. Both techniques can be used together to improve project outcomes.
 - D. All of the Above
- 39. Which of the following ensure that the project stays on track and achieves its objectives?**
- A. Monitoring
 - B. Evaluation
 - C. Controlling
 - D. All of the above
- 40. Monitoring refers to**
- A. Process of tracking the progress of the project and comparing it to the project plan
 - B. Assessing the effectiveness of the project and determining whether it is achieving its intended objectives
 - C. The process of making adjustments to the project plan as needed to ensure that the project stays on track.
 - D. All of the Above
- 41. Evaluation refers to**
- A. Ongoing process of tracking the progress of the project and comparing it to the project plan
 - B. Assessing the effectiveness of the project and determining whether it is achieving its intended objectives
 - C. The process of making adjustments to the project plan as needed to ensure that the project stays on track.
 - D. All of the Above
- 42. Controlling refers to**
- A. Ongoing process of tracking the progress of the project and comparing it to the project plan
 - B. Assessing the effectiveness of the project and determining whether it is achieving its intended objectives
 - C. The process of making adjustments to the project plan as needed to ensure that the project stays on track.
 - D. All of the Above
- 43. Which of the following is not a project management goal?**
- A. Keeping overall costs within budget
 - B. Delivering the software to the customer at the agreed time
 - C. Maintaining a happy and well-functioning development team
 - D. Avoiding customer complaints
- 44. Which of the following is not considered as a risk in project management?**
- A. Specification delays
 - B. Product competition
 - C. Testing
 - D. None of the Above
- 45. The process each manager follows during the life of a project is known as**
- A. Project Management
 - B. Manager life cycle
 - C. Project Management Life Cycle
 - D. Project Management Cycle
- 46. A 66.6% risk is considered as**
- A. Low B. Nominal
 - C. Moderate D. High
- 47. Quality planning is the process of developing a quality plan for**
- A. Practitioners B. Project
 - C. Customers D. Team Leader

48. Which of the following is incorrect activity for the configuration management of a software system?
- Internship management
 - Change management
 - Version management
 - Control Management
49. Identify the sub-process of process improvement
- Process introduction
 - Process analysis
 - De-process
 - Process distribution
50. Which of the following are the components of risk management?
- Risk Assessment
 - Risk Control
 - Risk Ranking
 - All of the above
51. Which of the following is a set of activities which are networked in an order and aimed towards achieving the goals of a project?
- Project
 - Process
 - Project Management
 - All of the Above
52. Risk mitigation can be done through a variety of strategies like
- Implementing controls and transferring risk
 - Accepting risk and avoiding risk
 - All of the Above
 - None of the Above
53. Which of the following is correct?
- Risk mitigation is an ongoing process and should be regularly reviewed and updated as the project progresses
 - Risk mitigation is the process of reducing the likelihood or impact of a potential risk
 - Project risk analysis is the process of identifying, assessing, and prioritizing potential risks to a project's success
 - All of the Above
54. What are the steps that can be taken when deciding to accept a risk?
- Identify and assess the risk
 - Prioritize the risk and develop a response plan
 - Communicate the decision and monitor the risk
 - All of the Above
55. Quantitative analysis involves
- Measurement of uncertainty in cost and time estimates
 - Probabilistic combination of individual uncertainties
 - Both of the Above
 - None of the Above
56. Normally, who is responsible for Risk Management
- Project Team
 - Developer
 - Production Team
 - None of the Above
57. What is the full form of RE?
- Risk Expense
 - Risk Exposure
 - Risk Evaluation
 - None of the Above
58. Risk Exposure (RE)
- $RE = \text{Probability} * \text{Impact}$
 - $RE = 0.1 * \text{Probability} \cdot \text{Impact}$
 - $RE = \text{Probability}/\text{Impact}$
 - $RE = \text{Impact}$
59. What is risk?
- Negative consequence that could occur
 - Negative consequence that will occur
 - Negative consequence that must occur
 - Negative consequence that shall occur
60. What assess the risk and your plans for risk mitigation and revise these when you learn more about the risk?
- Risk monitoring
 - Risk planning
 - Risk analysis
 - Risk identification
61. The impact of the risk will be reduced by means of which strategy?
- Avoidance strategies
 - Minimization strategies
 - Contingency plans
 - All of the mentioned
62. Which of the following is not risk management activity?
- Risk Assessment
 - Risk Generation
 - Risk Control
 - All of the Above
63.is a systematic attempt to specify threats to the project plan?
- Risk identification
 - Performance risk
 - Support risk
 - Risk projection
64. The primary purpose of tender is to
- To select the best bid based on cost
 - To select the best bid based on quality
 - To select the best bid based on experience
 - All of the Above
65. The process of Tender in Nepal is governed by
- Public Procurement Act, 2062
 - Public Procurement Act, 2063
 - Public Procurement Act, 2064
 - Public Procurement Act, 2065

- 70. A Public Entity should prepare a cost estimate of any procurement**
- Up to twenty five thousand rupees.
 - Above twenty five thousand rupees.
 - Both of the Above
 - None of the Above
- 71. The full form of EOI is**
- Expression of Interest
 - Expression of Information
 - Eligibility of Information
 - None of the Above
- 72. The common criteria that may include in EOI are**
- Eligibility and Experience
 - Financial Capability and Technical Capability
 - Mandatory documents to be submitted and the time frame for EOI submission
 - All of the Above
- 73. A Public Entity in procuring goods by selecting any method have to procure Nepali goods even if the price of the goods produced in Nepal is higher bypercent than the foreign goods**
- Upto 5 percent
 - Upto 10 percent
 - Upto 20 percent
 - Upto 25 percent
- 74. To procure a consultancy service valuing more than.....a Public Entity shall have to invite a expression of interest by publishing a notice**
- One Million
 - Two Million
 - Three Million
 - Four Million
- 75. If a consultancy service of an amount valuing more than.....requires to be procured, generally an international level expression of interest**
- One Million
 - Two Million
 - Three Million
 - Four Million
- 76. A Public Entity shall have to procure from the individual, firm, organization or company who have obtained**
- Permanent Account Number
 - Value Added Tax registration certificate from the Inland Revenue Office
 - Both of the Above
 - None of the Above
- 77. A Public Entity shall have to make available pre-qualification documents to an interested individual, firm, organization or a company by charging, on the basis of the cost incurred to prepare such documents,**
- One thousand to fifteen thousand Rupees.
 - Two thousand to fifteen thousand Rupees.
 - Three thousand to fifteen thousand Rupees.
 - Four thousand to fifteen thousand Rupees.
- 78. The cost estimate of a construction work of up toshall be specified in the notice of invitation to bid.**
- Five million Rupees
 - Six million Rupees
 - Seven million Rupees
 - Eight million Rupees
- 79. A bidder shall have to submit along with a bid, a bid security of at leastof the quoted amount of his/her bid in cash or the bid security issued by a commercial bank equivalent to that amount**
- 1.5 percent
 - 2 percent
 - 2.5 percent
 - 3 percent
- 80. Bid Validity Period For a bid or proposal of consultancy service with cost estimate of up to one hundred million Rupees**
- 90 days
 - 100 days
 - 110 days
 - 120 days
- 81. Bid Validity Period for a bid or proposal of a consultancy service with cost estimate whatsoever above one hundred million Rupee**
- 90 days
 - 100 days
 - 110 days
 - 120 days
- 82. Authority to Approve the Bid Up to ten million Rupees**
- Chief of the Office of Gazetted Third Class
 - Chief of the Office of Gazetted Second Class
 - Chief of the Office of Gazetted First Class
 - Chief of Department
- 83. Authority to Approve the Bid Up to thirty million Rupees**
- Chief of the Office of Gazetted Third Class
 - Chief of the Office of Gazetted Second Class
 - Chief of the Office of Gazetted First Class
 - Chief of Department
- 84. Authority to Approve the Bid Up to seventy million Rupees**
- Chief of the Office of Gazetted Third Class
 - Chief of the Office of Gazetted Second Class
 - Chief of the Office of Gazetted First Class
 - Chief of Department
- 85. Authority to Approve the Bid more than seventy million Rupees**
- Chief of the Office of Gazetted Third Class
 - Chief of the Office of Gazetted Second Class
 - Chief of the Office of Gazetted First Class
 - Chief of Department
- 86. If a consultancy service of an amount valuing more thanrequires to be procured, generally an international level expression of interest shall be invited.**
- Ten million Rupees
 - Twenty million Rupees
 - Thirty million Rupees
 - Forty million Rupees
- 87. The number of consultants to be passed on EOI at least how many consultants must be short list for further invitation to proposal**
- 2
 - 3
 - 4
 - 5
- 88. Provision Concerning Direct Procurement of Expendable or capital goods, or consultancy or other services or construction work valuing up tomay be directly procured**
- One hundred fifty thousand Rupees
 - One hundred Sixty thousand Rupees
 - One hundred Seventy thousand Rupees
 - One hundred Eighty thousand Rupees

MULTIPLE CHOICE QUESTIONS

10.4 Project Management

- Which of the following is not a project management goal?
 - Keeping overall costs within budget
 - Delivering the software to the customer at the agreed time
 - Maintaining a happy and well-functioning development team
 - Avoiding customer complaints
- Which of the following is not considered as a risk in project management?
 - Specification delays
 - Product competition
 - Testing
 - None of the Above
- The process each manager follows during the life of a project is known as
 - Project Management
 - Manager life cycle
 - Project Management Life Cycle
 - Project Management Cycle
- A 66.6% risk is considered as
 - Low
 - Nominal
 - Moderate
 - High
- Quality planning is the process of developing a quality plan for
 - Practitioners
 - Project
 - Customers
 - Team Leader
- Which of the following is incorrect activity for the configuration management of a software system?
 - Internship management
 - Change management
 - Version management
 - Control Management
- Identify the sub-process of process improvement
 - Process introduction
 - Process analysis
 - De-process
 - Process distribution
- Which of the following are the components of risk management?
 - Risk Assessment
 - Risk Control
 - Risk Ranking
 - All of the Above
- Which of the following is a set of activities which are networked in an order and aimed towards achieving the goals of a project?
 - Project
 - Process
 - Project Management
 - All of the Above
- Risk mitigation can be done through a variety of strategies like
 - Implementing controls and transferring risk
 - Accepting risk and Avoiding risk
 - All of the Above
 - None of the Above
- Which of the following is correct?
 - Risk mitigation is an ongoing process and should be regularly reviewed and updated as the project progresses
 - Risk mitigation is the process of reducing the likelihood or impact of a potential risk
 - Project risk analysis is the process of identifying, assessing, and prioritizing potential risks to a project's success
 - All of the Above

- 12. What are the steps that can be taken when deciding to accept a risk?**
- Identify and Assess the risk
 - Prioritize the risk and develop a response plan
 - Communicate the decision and monitor the risk
 - All of the Above
- 13. Quantitative analysis involves**
- Measurement of uncertainty in cost and time estimates
 - Probabilistic combination of individual uncertainties.
 - Both of the Above
 - None of the Above
- 14. Normally, who is responsible for Risk Management**
- Project Team
 - Developer
 - Production Team
 - None of the Above
- 15. What is the full form of RE?**
- Risk Expense
 - Risk Exposure
 - Risk Evaluation
 - None of the Above
- 16. Risk Exposure (RE)**
- $RE = \text{Probability} * \text{Impact}$
 - $RE = 0.1 * \text{Probability} * \text{Impact}$
 - $RE = \text{Probability}/\text{Impact}$
 - $RE = \text{Impact}$
- 17. What is risk?**
- Negative consequence that could occur
 - Negative consequence that will occur
 - Negative consequence that must occur
 - Negative consequence that shall occur
- 18. What assess the risk and your plans for risk mitigation and revise these when you learn more about the risk?**
- Risk monitoring
 - Risk planning
 - Risk analysis
 - Risk identification
- 19. The impact of the risk will be reduced by means of which strategy?**
- Avoidance strategies
 - Minimization strategies
 - Contingency plans
 - All of the mentioned
- 20. Which of the following is not risk management activity?**
- Risk Assessment
 - Risk Generation
 - Risk Control
 - All of the Above
- 21.is a systematic attempt to specify threats to the project plan?**
- Risk identification
 - Performance risk
 - Support risk
 - Risk projection
- 22. The primary purpose of tender is to**
- To select the best bid based on cost
 - To select the best bid based on quality,
 - To select the best bid based on experience
 - All of the Above
- 23. The process of Tender in Nepal is governed by**
- Public Procurement Act, 2062
 - Public Procurement Act, 2063
 - Public Procurement Act, 2064
 - Public Procurement Act, 2065
- 24. The tender Process in Nepal typically follows**
- Invitation to Tender, Bid Submission, Evaluation of Bids, Award of Contract and Implementation of project
 - Invitation to Tender, Evaluation of Bids, Bid Submission, Award of Contract and Implementation of project
 - Invitation to Tender, Bid Submission, Award of Contract Evaluation of Bids, and Implementation of project
 - None of the Above
- 25. Types of Bid that are commonly used in Nepal are**
- Open Bid and Limited Bid
 - Single Source bid
 - Two stage bid
 - All of the Above
- 26. Which of the following office monitor the procurement process and take necessary action to prevent any malpractice, corruption, or irregularities in the procurement process?**
- FCGO
 - PPMO
 - PPPO
 - None of the Above
- 27. In which case international level bidding is applicable in Nepal?**
- Where the goods or construction works as requisitioned by a Public Entity are not available under competitive price from more than one construction entrepreneur or supplier within the State of Nepal
 - Where no bid was submitted in response to invitation to national level bidding for the procurement
 - Where under an agreement entered into with a donor party, foreign goods or construction works have to be procured from foreign assistance source
 - All of the Above
- 28. A Public Entity should prepare a cost estimate of any procurement**
- Up to twenty five thousand rupees.
 - Above twenty five thousand rupees.
 - Both of the Above
 - None of the Above
- 29. The full form of EOI is**
- Expression of Interest
 - Expression of Information
 - Eligibility of Information
 - None of the Above
- 30. The common criteria that may include in EOI are**
- Eligibility and Experience
 - Financial Capability and Technical Capability
 - Mandatory documents to be submitted and the time frame for EOI submission
 - All of the Above
- 31. A Public Entity in procuring goods by selecting any method have to procure Nepali goods even if the price of the goods produced in Nepal is higher by percent than the foreign goods**
- Up to 5 percent
 - Up to 10 percent
 - Up to 20 percent
 - Up to 25 percent
- 32. To procure a consultancy service valuing more than.....a Public Entity shall have to invite a expression of interest by publishing a notice**
- One Million
 - Two Million
 - Three Million
 - Four Million
- 33. If a consultancy service of an amount valuing more than.....requires to be procured, generally an international level expression of interest**
- One Million
 - Two Million
 - Three Million
 - Four Million

34. A Public Entity shall have to procure from the individual, firm, organization or company who have obtained
- Permanent Account Number
 - Value Added Tax registration certificate from the Inland Revenue Office
 - Both of the Above
 - None of the Above
35. A Public Entity shall have to make available pre-qualification documents to an interested individual, firm, organization or a company by charging, on the basis of the cost incurred to prepare such documents, from
- One thousand to fifteen thousand Rupees.
 - Two thousand to fifteen thousand Rupees.
 - Three thousand to fifteen thousand Rupees.
 - Four thousand to fifteen thousand Rupees.
36. The cost estimate of a construction work of up toshall be specified in the notice of invitation to bid.
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 - Eight million Rupees
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- 1.5 percent
 - 2 percent
 - 2.5 percent
 - 3 percent
38. Bid Validity Period For a bid or proposal of consultancy service with cost estimate of up to one hundred million Rupees
- 90 days
 - 100 days
 - 110 days
 - 120 days
39. Bid Validity Period for a bid or proposal of a consultancy service with cost estimate whatsoever above one hundred million Rupee
- 90 days
 - 100 days
 - 110 days
 - 120 days
40. Authority to Approve the Bid Up to ten million Rupees
- Chief of the Office of Gazetted Third Class
 - Chief of the Office of Gazetted Second Class
 - Chief of the Office of Gazetted First Class
 - Chief of Department
41. Authority to Approve the Bid Up to thirty million Rupees
- Chief of the Office of Gazetted Third Class
 - Chief of the Office of Gazetted Second Class
 - Chief of the Office of Gazetted First Class
 - Chief of Department
42. Authority to Approve the Bid Up to seventy million Rupees
- Chief of the Office of Gazetted Third Class
 - Chief of the Office of Gazetted Second Class
 - Chief of the Office of Gazetted First Class
 - Chief of Department
43. Authority to Approve the Bid more than seventy million Rupees
- Chief of the Office of Gazetted Third Class
 - Chief of the Office of Gazetted Second Class
 - Chief of the Office of Gazetted First Class
 - Chief of Department
44. If a consultancy service of an amount valuing more thanrequires to be procured, generally an international level expression of interest shall be invited.
- Ten million Rupees
 - Twenty million Rupees
 - Thirty million Rupees
 - Forty million Rupees
45. The number of consultants to be passed on EOI at least how many consultants must be short list for further invitation to proposal
- 2
 - 3
 - 4
 - 5
46. Provision Concerning Direct Procurement of Expendable or capital goods, or consultancy or other services or construction work valuing up tomay be directly procured
- One hundred fifty thousand Rupees
 - One hundred Sixty thousand Rupees
 - One hundred Seventy thousand Rupees
 - One hundred Eighty thousand Rupees
47. A Public Entity may procure a consultancy service by concluding which of the following contracts:
- Lump Sum Contract
 - Time-Based Contract
 - Performance based fee paying contract
 - All of the Above
48. A Public Entity shall have to procure goods, services or a construction work valuing abovethrough a bid.
- One million Rupees
 - Two million Rupees
 - Three million Rupees
 - Four million Rupees
49. A Public Entity shall have to make available pre-qualification documents to an interested individual, firm, organization or a company by charging, on the basis of the cost incurred to prepare such documents, from
- One thousand to Fifteen thousand Rupees
 - Two thousand to fifteen thousand Rupees
 - Three thousand to fifteen thousand Rupees
 - Four thousand to fifteen thousand rupees

ANSWER SHEET

1.D	2.C	3.C	4.D	5.B	6.A	7.B	8.D	9.A	10.C
11.D	12.D	13.C	14.A	15.B	16.A	17.A	18.A	19.B	20.B

21.D	22.D	23.B	24.A	25.D	26.B	27.D	28.B	29.A	30.D
31.B	32.A	33.C	34.C	35.A	36.B	37.C	38.A	39.D	40.A
41.B	42.C	43.D	44.C	45.B	46.A	47.D	48.A	49.A	

MULTIPLE CHOICE QUESTIONS

10.6 Engineering Regulatory Body

1. Nepal Engineering Council was formed under the Nepal Engineering Council Act, 2055 promulgated by His Majesty the King on _____.
 A. B.S. 2055/11/27 B. B.S 2045/11/27
 C. B.S 2056/11/27 D. B.S 2075/11/27
2. As per the Act of _____, is vested with statutory authority for planning, formulation of norms and standards, monitoring and evaluation and ensuring coordinated and integrated development of engineering education, engineering profession within the country.
 A. Nepal Engineer's Association
 B. Nepal Engineering Council
 C. Nepal Airline Corporation
 D. Nepal Electricity Authority
3. The person who has not been registered in _____ should not perform works related to Engineering Business.
 A. Nepal Engineer's Association
 B. Nepal Engineering Council
 C. Nepal Airline Corporation
 D. Nepal Electricity Authority
4. Engineers, working with government, quasi government, private sectors, NGOs, INGOs, bilateral and multilateral agencies and consultants etc., if not registered with NEC, _____.
 A. Can be punished as it would be against the Law of Land.
 B. Can't be punished as it would not be against the Law of Land.
 C. Might be punished or might not be punished
 D. Rather not say
5. NEC is _____ for registering engineers who complete their studies from any institute or through any engineering programs unless and until such programs are inspected /monitored & approved by NEC.
 A. Responsible
 B. Not Responsible
 C. Neither Responsible nor Irresponsible
 D. None of above
6. _____ is not the professional code of conduct of Nepal Engineering Council.
 A. Discipline and Honesty
 B. Politeness and Confidentiality
 C. Non-discrimination
 D. Poverty Elimination
7. _____ is one of the professional code of conduct of Nepal Engineering Council.
 A. Personal Responsibility
 B. Professional Work
 C. Discipline and Honesty
 D. All of the above
8. _____ should be made against customers on the grounds of religion, race, sex, caste or any other things while applying professional knowledge and skills.
 A. Discrimination
 B. No Discrimination
 C. Both A and B
 D. Rather not say

9. All individuals _____ for all works performed in connection with his/her engineering profession.
 A. Must be personally responsible
 B. Must not be personally responsible
 C. Neither be responsible nor be irresponsible
 D. None of above
10. Engineers while signing the documents or descriptions such as the design, map, specifications and estimates etc., relating to the engineering profession, the details should include, _____
 A. College Roll Number, Name and Designation
 B. Name, Designation and NEC Registration Number
 C. Phone number, Designation and NEC Registration Number
 D. Name, Phone number and NEC Registration Number
11. To make the engineering profession effective by mobilizing its resources in more systematic and scientific manner is the objective of _____
 A. Nepal Nursing Council
 B. Nepal Engineering Council
 C. Nepal Airline Corporation
 D. Nepal Electricity Authority
12. _____ is not the duties and responsibilities of Nepal Engineering Council.
 A. Cancel the registration of engineer from the register list if found violation if the code of ethics.
 B. Provide unemployment allowances for all engineers who are jobless.
- C. Set norms and standards for engineering education in Nepal.
 D. Monitor and inspect the quality of engineering education provided by the engineering colleges and institutions.
13. _____ is one of the duties and responsibilities of Nepal Engineering Council.
 A. Grant permission and approval to carry out engineering education to those engineering colleges that meet the required norms and standards.
 B. Set norms and standards for engineering education in Nepal.
 C. Cancel the registration of engineer from the register list if found violation if the code of ethics.
 D. All of the above
14. Person is applicable to re-register his/her name to the engineering council only after _____ period of his registration that has been cancelled.
 A. One month
 B. Three months
 C. One year
 D. Three years
15. If a registered engineer violates the professional code of conduct, then NEC _____ the name of such engineer from the Council by fulfilling the procedures.
 A. Can't remove
 B. Can remove
 C. Can add
 D. None of above

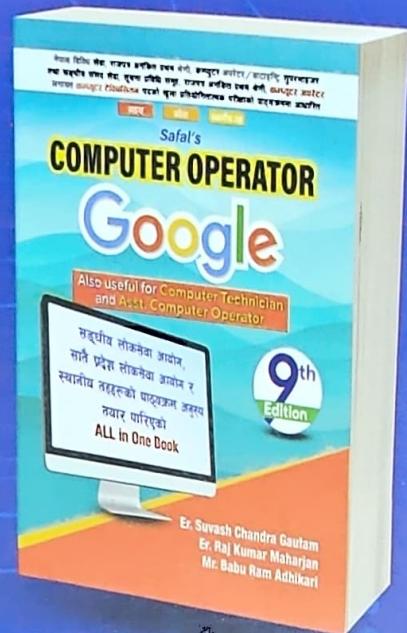
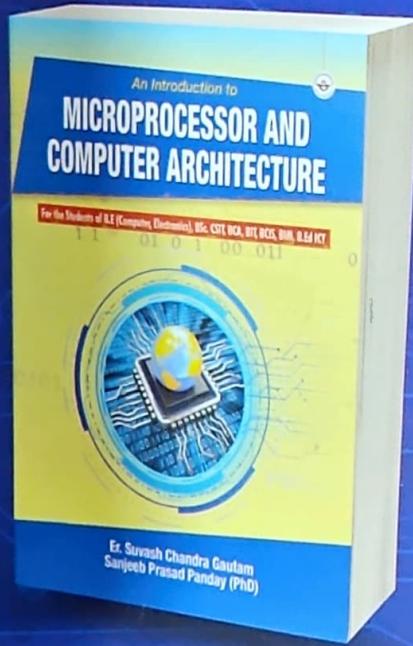
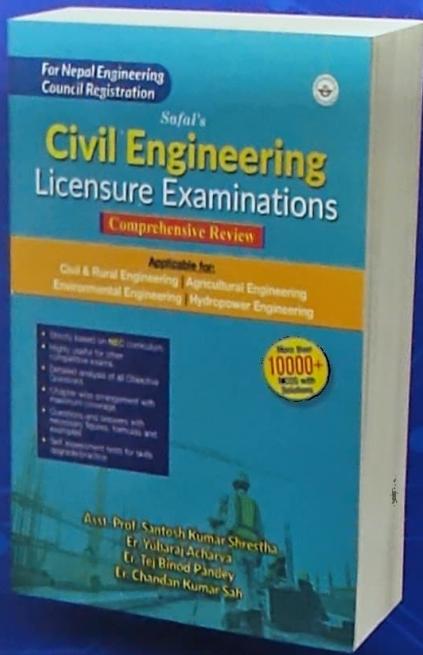
ANSWER SHEET

1.A	2.B	3.B	4.A	5.B	6.D	7.D	8.B	9.A	10.B
11.B	12.B	13.D	14.C	15.B					

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