# Vidyalankar Institute of Technology

## Semester 8 -- INFT- Mid Semester Assessment

| Date: 2025-04-21 | Project Management | 30 Marks/ 1 Hr. |
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| 1 Solve any five (2 marks each) | | CO |
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| A | Explain how the Comparative Benefit Model addresses the challenge of comparing diverse project proposals. What are its limitations? | CO1 |
| B | Explain why the payback period method can be considered an inadequate proxy for risk. | CO1 |
| C | Identify and explain at least two inherent biases that might influence the "Comparative Benefit Model". | CO1 |
| D | Calculate the payback period for a project with an initial investment of $150,000 and annual net cash inflows of $30,000. What are the limitations of this method? | CO1 |
| E | Explain the limitations of using only financial metrics in project selection models. | CO1 |

| 2 Solve any two (5 marks each) | | CO |
|---|---|---|
| A | Describe the "Sacred Cow" project selection model, highlighting its advantages and disadvantages. How does it differ from models using financial metrics? | CO2 |
| B | Explain the concept of Discounted Cash Flow (DCF) as a project selection model. Why is it considered superior to the payback period method in some situations? | CO2 |
| C | Critically evaluate the statement: "Models do not make decisions-people do." Use examples from the text to support your answer. | CO2 |

| 3 Solve anyone (10 marks each) | | CO |
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| A | What is a key limitation of the payback period method, as described in the text? | CO3 |
| B | What is the primary basis for project selection decisions, according to the text? | CO3 |

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| **CO1** | Analyze project selection models. |

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| CO2 | Apply financial metrics to projects. |
| CO3 | Evaluate project selection limitations. |