



# Sanjay Ghodawat University, Kolhapur

2018-19

Established as State Private University under Govt. of Maharashtra. Act No XL, 2017

Year and Program 2018 MBA

School - SCM

Department-- SCM

Course Code MMC FM 607

Project Appraisal and  
Financing

Semester – III

Day and Date :-

Friday 14 Dec 18

End Semester Examination

Time: Max Marks: 100

10:00 am to 1:00 pm

Instructions:

- 1) All questions are compulsory.
- 2) Assume suitable data wherever necessary.
- 3) Figures to the right indicate full marks.

Q.1	Attempt the following	Marks	Bloom's Level	CC
a)	What is the process for generation of new project ideas?	07	L <sub>3</sub>	CC
	OR			
a)	What are the characteristics of project management?	07	L <sub>3</sub>	CC
b)	What are the components of market and demand analysis?	08	L <sub>2</sub>	CC
	OR			
b)	Explain the Steps involved screening of project ideas with suitable example?	08	L <sub>2</sub>	CC
Q.2	Attempt the following			
a)	Elaborate Long term sources of project finance with its advantages and limitations?	07	L <sub>3</sub>	CC
	OR			
a)	What are the criteria or techniques of evaluate project investment?	07	L <sub>3</sub>	CC
b)	What are the Motives of Holding cash?	08	L <sub>3</sub>	CC
	OR			
b)	How Baumol model can be used for cash Management?	08	L <sub>3</sub>	CC
Q.3	Attempt any Two			
a)	Elaborate the term start up India and stand up India?	08	L <sub>4</sub>	CC
b)	Explain the elements of Technical analysis of Project Management?	08	L <sub>4</sub>	CC

	c)	What are the elements to check Financial feasibility of Project Management?	08	L <sub>2</sub>	CO3
	d)	Graphically explain the Miller-or-model of cash Management?			
Q.4		<b>Solve any Two</b>	08	L <sub>2</sub>	CO4
	a)	What are the different factors determining cash needs?	09	L <sub>3</sub>	CO5
	b)	Explain sensitivity analysis of Project risk Management?	09	L <sub>3</sub>	CO5
	c)	Discuss Break even analysis is decision making tool of Project risk Management?	09	L <sub>3</sub>	CO5
Q.5		<b>Solve any Two</b>			
	a)	You are required to prepare schedule of expenses and schedule of repayment of term loan from the following information?	09	L <sub>3</sub>	CO6
		1) Installed capacity is 2,00,000 units per annum. In the first year 50% capacity utilized and thereafter 10% increase by every year.			
		2) From one metric tons of raw material 500 units are produced. The cost of raw material is Rs. 9000/- per MT.			
		3) Selling price per unit Rs. 40.			
		4) Direct labour is Rs. 4/- and variable Expenses are Rs. 3 per unit			
		5) The project uses diesel generator for running the machine, for one hour of running it consumes fuel of Rs.100/- forty units are produced per hour.			
		6) Fixed cost at 100% capacity utilization 1,40,000/- p.a. (includes administration and selling expenses)			
		7) Depreciation to be charged on WDV on following assets Building 10%, Machinery 20%, Other fixed assets 5%.			
		8) The project cost includes Land- 5,00,000/- Building 8,00,000/- Machinery 12,00,000/- other fixed assets 3,00,000/-			
		9) Term loan obtained from bank Rs15,00,000/- repaid in 5 equal			

annual installments along with interest 14% p.a. to be charged on opening balance each year.

10) Income tax rate is to be taken @20%.

b)	You are required to prepare projected P & L A/C for the data given in (Q 5, a)	09	L <sub>3</sub>	CO6
c)	Show the DSCR workings for the data given in (Q 5, a)	09	L <sub>3</sub>	CO6
Q.6	<b>Solve any Three</b>			
a)	How Scenario analysis helps in Project risk Management?	06	L <sub>2</sub>	CO5
b)	How Decision tree analysis will help for Project risk Management	06	L <sub>2</sub>	CO5
c)	Write Note on Appraisal of term loan?	06	L <sub>2</sub>	CO6
d)	What is DSCR Ratio and its significance in Project financing?	06	L <sub>2</sub>	CO6