

**Avinashilingam Institute for Home Science and Higher Education for Women
(Deemed to be University) Coimbatore – 641 043**

**Master's Degree End Semester Examinations, November 2018
Semester – III**

**Class : II PG
Major: M.B.A. IT Organization Administration**

**Time: 3 Hours
Max. Marks: 60**

17MBMC22P – Project Management

PART – A

(10 * ½ = 5 Marks)

Choose the correct answer

1. A is a set of activities which are networked in an order and aimed towards achieving the goals.
(a) Project (b) Process (c) Project Management (d) Project cycle.
2. Project management will also be involved in making choices that require balancing in
(a) Goals of the project (b) Goals of the firm
(c) Both goals of the project and goals of the firm (d) Goals of resources
3. Appraisal cost is
(a) Prevention cost
(b) The cost of evaluating processes to ensure they are error free
(c) Cost of appraising the project's viability
(d) Cost of appraising rework.
4. Situation in which company replaces existing assets with new assets is classified as
(a) New projects (b) Replacement projects (c) Existing projects (d) Internal projects
5. The project life cycle consists of
(a) Understanding the scope of the project (b) Objectives of the project
(c) Formulation & Planning of various activities (d) All
6. In estimation of cost functions, variations in a single activity level represents the
(a) Related total cost (b) Related fixed cost
(c) Related variable cost (d) Related cost per unit
7. PERT and CPM
(a) are most valuable when a small number of activities must be scheduled
(b) have different features and are not applied to the same situation
(c) have been combined to develop a procedure that uses the best of each
(d) None of these
8. Which is not a significant challenge of project scheduling?
(a) Deadlines exist (b) Activities are independent
(c) Many employees could be required (d) Delays are costly
9. Performing quality assurance is a sub-process of the process of project quality management.
(a) Initiating (b) Monitoring and controlling (c) Closing (d) Executing

10. Root Cause Analysis relates to

- (a) A process analysis (b) Quality Audits
(c) Quality control measurements (d) Performance measurements

PART - B

(5 * 4 = 20 Marks)

Answer the following.

Answer should not exceed 200 words or one page

11. (a) Write briefly about the Project Resource Survey.

(OR)

(b) State the objectives of project management.

12. (a) Mention the significance of Social Cost Benefit Analysis.

(OR)

(b) What are the merits and demerits of Pay Back Period method?

13. (a) Bring out the advantages of Budgeting in Projects.

(OR)

(b) Briefly explain the important short term sources of finance.

14. (a) What are the various types of project contracts?

(OR)

(b) Differentiate PERT from CPM.

15. (a) Define the term 'Quality'. Give the need for Quality Control.

(OR)

(b) What is the concept of Six Sigma? State its importance.

PART - C

(5 * 7 = 35 Marks)

Answer the following.

Answer should not exceed 600 words or three pages

(Q.No. 20 is compulsory)

16. (a) Discuss the various stages of Project Life Cycle with illustrations.

(OR)

(b) Explain about the Planning and Implementation of R & D in the Project proposal.

17. (a) Examine the important environmental appraisal methods in brief.

(OR)

(b) Discuss briefly about the various project appraisal methods with examples.

18. (a) Highlight the various steps involved the System Development Cycle. Give the role of the life cycle in cost estimation of the project.

(OR)

(b) Explain the various processing stages of Cost estimation.

19. (a) What is Network Analysis? Explain the objectives and importance of Network Analysis.

(OR)

(b) Describe the advantages and disadvantages of Network Technique.

20. Case Study (Compulsory):

X Limited Company is considering investing in project requiring a capital outlay of Rs.2,00,000. Forecast for annual income after depreciation but before tax is as follows:

Year	Rs.
1	1,00,000
2	1,00,000
3	80,000
4	80,000
5	40,000

Depreciation may be taken as 20% on original cost and taxation at 50% of net income.

You are required to evaluate the project according to each of the following methods:

(a) Pay-back period, (b) Rate of Return on Average Investment method and (c) Net Present Value method taking cost of capital as 10%.

The present value of Re. 1 for 10% discount factor is as follows;

Year	1	2	3	4	5
Present value @ 10%	0.909	0.826	0.751	0.683	0.621