



**MBA DEGREE EXAMINATIONS: APRIL/MAY 2024**

(Regulation 2022)

Second Semester

**MBA – PROJECT MANAGEMENT**

P22MPB2117: Project Selection and Appraisal

**COURSE OUTCOMES**

- CO1: Demonstrate an understanding of feasibility models.
- CO2: Display the ability to implement appraisal systems for a project.
- CO3: Create a sound and robust project proposal considering all appraisal systems and the prospect of eventual commercial success.
- CO4: Develop methods to take decisions under risk and uncertainty

**Time: Three Hours**

**Maximum Marks: 100**

**PART A (5Q x 4 Marks = 20 Marks) Answer All Questions**

- |   |   |                       |
|---|---|-----------------------|
| 1 | Define what a project proposal is and explain its significance in project management.                                     | CO1 [K <sub>1</sub> ] |
| 2 | Explain the key components of baseline conditions in project management and discuss their importance in project planning. | CO2 [K <sub>2</sub> ] |
| 3 | Identify and explain two economic appraisal systems used in project evaluation.   | CO2 [K <sub>3</sub> ] |
| 4 | Define project risk considerations and discuss their importance in project appraisal.                                     | CO3 [K <sub>1</sub> ] |
| 5 | Explain the concept of project cash flow analysis and its role in project evaluation.                                     | CO4 [K <sub>2</sub> ] |

**PART B (5Q x 8 Mark = 40 Marks) Answer All Questions**

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|---|--|-----------------------|
| 6 | Critically assess the importance of risk appraisal in project management. How does considering risk and uncertainty influence project decision-making and organizational goal alignment?         | CO4 [K <sub>5</sub> ] |
| 7 | Analyze the effectiveness of economic, legal, and socio-cultural appraisal systems in project evaluation, highlighting their strengths and limitations.  | CO2 [K <sub>4</sub> ] |
| 8 | Discuss the significance of project cash flow analysis and evaluation systems, such as NPV, IRR, and Scenario Analysis, in project management. How do these systems help project managers assess | CO4 [K <sub>6</sub> ] |

project feasibility and make investment decisions?

9 Evaluate the role of project proposals in aligning the immediate and long-term goals of an organization with the intents of a project. Provide examples to illustrate your answer. CO1 [K<sub>5</sub>]

10 Define the term "project proposal" in your own words. CO1 [K<sub>1</sub>]

**Part – C (2Q x 20 Mark = 40 marks) Answer All Questions**

11 A community is considering a project to build a new public park. Explain two potential social costs and two potential benefits associated with this project. CO2 [K<sub>5</sub>]

12 **Case Study:** Revamping the Project Appraisal System at Green Tech Inc. CO3 [K<sub>6</sub>]

**Green Tech Inc.:** A company developing innovative clean energy solutions.

**Challenge:** Green Tech's current project appraisal system is subjective and lacks clear criteria. This leads to inconsistencies in project selection and missed opportunities for impactful solutions.

**Current System:** Project proposals are reviewed by a committee using a simple scoring system based on broad categories like potential impact and feasibility. Limited data is collected, and discussions often focus on personal opinions rather than objective analysis.

**Consequences:**

- ❖ Promising projects with high potential impact might be overlooked due to subjective bias.
- ❖ Projects with lower environmental benefits might be chosen due to perceived ease of execution.
- ❖ Lack of clear criteria creates confusion and frustration among project developers.

**Questions:**

1. Develop a new project appraisal system which is most suitable for the Green Tech Inc.
2. What are the expected benefits from the new project appraisal system and justify.

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