

Roll No



**PRESIDENCY UNIVERSITY  
BENGALURU**

**SET A**

**SCHOOL OF MANAGEMENT  
END TERM EXAMINATION – MAY / JUNE 2024**

**Semester :** Semester VI - 2021

**Course Code :** BBA3010

**Course Name :** Project Finance and Appraisal

**Program :** BBA

**Date :** June 03, 2024

**Time :** 09.30am to 12.30pm

**Max Marks :** 100

**Weightage :** 50%

**Instructions:**

(i) Read all questions carefully and answer accordingly.

(ii) Question paper consists of 3 parts.

(iii) Scientific and non-programmable calculator are permitted.

(iv) Do not write any information on the question paper other than Roll Number.

**PART - A**

**ANSWER ANY 5 QUESTIONS**

**5 X 2 = 10M**

1. Define a Project.

(CO1) [Knowledge]

2. Define CPM.

(CO2) [Knowledge]

3. Define Optimal capital structure.

(CO3) [Knowledge]

4. Define project feasibility.

(CO4) [Knowledge]

5. Name the techniques under idea generation of a project.

(CO1) [Knowledge]

6. Describe the requirement of 'Float' in CPM.

(CO2) [Knowledge]

7. Recall the uses of Debt securitization.

(CO3) [Knowledge]

## PART - B

### ANSWER ANY 5 QUESTIONS

5 X 10 = 50M

8. John is a project manager leading a team in the construction of a new office building. As they're entering the planning phase, John wants to ensure everyone understands how to find the critical path of the project. However, he notices some confusion among team members about the steps involved in identifying the critical path. You, as a finance student, help John's team to understand the steps in finding the critical path of the project.
- (CO1) [Comprehension]
9. "EliteBank" is a well-established financial institution aiming to improve its customer support services in response to an increase in customer complaints about long wait times and inconsistent service quality. To tackle this issue, EliteBank initiates a project to enhance its customer support quality by using various quality management tools. You as a finance expert, explain the various quality management tools used in a project.
- (CO2) [Comprehension]
10. "EvecEnergy Inc." is a startup focused on developing renewable energy solutions, particularly solar and wind energy projects. The company is gearing up for a major expansion to build a new solar farm and needs to determine the optimal capital structure to finance this project. You as a finance expert, explain the components of capital structure to the company.
- (CO3) [Comprehension]
11. "SolarTech Energy Solutions," a renewable energy company, plans to develop a large-scale solar power plant in a rural area. The project aims to generate 100 MW of clean energy, contributing to the region's energy needs and sustainability goals. To secure funding and necessary approvals, SolarTech needs to prepare a Detailed Project Report (DPR). You as their project expert, explain the components of detailed project report.
- (CO4) [Comprehension]
12. "OvaBuild Construction" is embarking on a major project to construct a sustainable office complex. To ensure the project is completed on time and within budget, the project manager decides to use the Critical Path Method (CPM) to identify the sequence of crucial activities that determine the project's duration and to optimize resource allocation. You as their expert, explain CPM to the company.
- (CO2) [Comprehension]
13. Mala corp., a financial consultancy working with a startup company that is looking to secure financing for its ambitious expansion project. The company's management team is preparing to meet with potential investors to discuss funding options. However, they are unsure about the concept of promoters' contribution and its relevance in project financing. As their trusted advisor, you have to discuss and ensure they understand this aspect thoroughly before their meetings.
- (CO3) [Comprehension]
14. "Marc Homes" is a construction company specializing in sustainable residential developments. The company has launched a new project to build a green residential community consisting of 100 homes with eco-friendly features. To ensure the project stays on schedule, within budget, and meets quality standards, Marc Homes implements a comprehensive project control system. You as their CEO, explain project control system to the company.
- (CO4) [Comprehension]

## PART - C

### ANSWER ANY 2 QUESTIONS

2 X 20 = 40M

15. At "TechVista Innovations," a leading software development company, the project manager is overseeing the development of a groundbreaking mobile application aimed at transforming digital communication. As the project progresses, it's imperative to ensure effective project management and employ appropriate evaluation techniques to gauge progress and success. You as a project management expert, explain them the two major project management and evaluation techniques with necessary diagram to support the explanation.
- (CO2) [Application]

**16.** "EcoWave Energy," is a mid-sized renewable energy company. The company is considering expanding its operations by building a new solar farm. To finance this project, there is a need to determine the best mix of debt and equity. The decision on capital structure will significantly impact the company's financial health and growth prospects. You as the CFO of the company, explain capital structure components, its contributing factors and optimal capital structure to your team to enhance the decision-making process.

(CO3) [Application]

**17.** ABC company ltd. is considering developing a new mobile application that connects local farmers directly with consumers, allowing for a more sustainable and transparent food system. The app would allow users to order fresh produce, dairy, and meat directly from nearby farms with delivery or pick-up options. You are a project manager tasked with evaluating the feasibility of this mobile application. Explain the techniques of project feasibility with the context given and quote suitable examples.

(CO4) [Application]