

**B.E (Chemical)-MBA - 9th Semester  
Project Management and Entrepreneurship  
January 2022 (2<sup>nd</sup> Periodical)**

*Time allowed: 1hour*

*Max. Marks: 25*

**Instructions**

*Attempt ONE question from Section A and TWO questions from Section B.*

**SECTION-A**

**(12 Marks)**

Attempt any **1 question** carrying **12 marks each**

- I. What is Social cost benefit analysis? What are shadow prices and how are these calculated? Explain in detail approaches of Social Cost Benefit analysis.
- II. A company is contemplating to purchase a machine. Two machine A and B are available, each costing Rs 5 lakhs. In comparing the profitability of the machines, a discounting rate of 10% is to be used and machine is to be written off in five years by straight-line method of depreciation with nil residual value. Cash inflows after tax are expected as follows:

YEAR	MACHINE A (Rs in Lakhs)	MACHINE B (Rs in Lakhs)
1	1.5	0.5
2	2.0	1.5
3	2.5	2.0
4	1.5	3.0
5	1.0	2.0

Indicate which machine would be profitable using the following methods of ranking investment proposals:

- (i) Pay-back period method
- (ii) Net present value method
- (iii) Profitability index method
- (iv) Average rate of return method

The discounting factors at 10% are

Year	1	2	3	4	5
Discounting Factors	0.909	0.826	0.751	0.683	0.621

- III. Product manager has planned a list of activities culminating in the inaugurate launch of the new products. These are given in the table below:

<i>Activity</i>	<i>PERT 3 time estimates days</i>			<i>Immediate Predecessor (s)</i>
	<i>P</i>	<i>M</i>	<i>O</i>	
a	20	10	5	–
b	12	7	5	–
c	12	10	8	a
d	40	20	6	c
e	90	60	30	d
f	14	10	7	d
g	50	30	20	c
h	12	10	8	e, f, g
i	6	4	3	b
j	1	1	1	h, i

What is the probability that product manager will be able to complete the language launch within 80 days time?

### SECTION - B

Attempt any **TWO** questions.

(6.5x2=13 Marks)

- Q1. Discuss the need for policy support to small-scale enterprises. Name the different Government Policies for Small-Scale Enterprises. Give the salient features of New Small Enterprise Policy 1991.
- Q2. “Industrial estates are a tool of rapid and balanced economic development”. Elaborate highlighting its meaning, features, objectives and types.
- Q3. What is the need for Financial Institutions in India? Explain the role of Industrial Development Bank of India (IDBI) in Industrial development. What are the different Schemes offered by it?