Code No: 761AG

Time: 2 hours   Max.Marks:75

Answer any five questions
All questions carry equal marks
- - -

1. What are the general criteria for determining when to use project management techniques and organization? Justify all the criteria with the help of one example.
                                                                                                            [15]

2. Janakiram is considering an investment which requires a current outlay of Rs. 25,000. The expected value and standard deviation of cash flows are:

Year	Expected Value (in Rs.)	Standard Deviation (in Rs.)
1	12,000	5,000
2	10,000	6,000
3	9,000	5,000
4	8,000	6,000

The cash flows are perfectly correlated. Calculate the net present value and standard deviation of the net present value of this investment, if the risk-free interest rate is 8%.
                                                                                                            [15]

3.a) Discuss the risk adjustment discount method.
  b) How is financial break-even analysis done?   [8+7]

4. The cash flow associated with three projects A, B, and C are given below-

Year	Net Cash flow (in Rs.)		
	A	B	C
0	2000	2000	2000
1	1400	500	500
2	600	1100	500
3	400	900	1600

Calculate Net Present Value (NPV) of each project at discount rate of 5%, 10%, and 25%.   [15]

5. How would you calculate the variability of project duration and probability of completion at a specified time? Illustrate with an example.   [15]

6. A project consists of 12 activities and their time estimates are shown below:

Activity		**Time (in Weeks)**	
	t_o	t_m	t_p
1-2	4	6	10
1-3	3	7	12
1-4	5	6	9
1-7	2	4	6
2-4	6	10	20
2-6	3	4	7
2-7	5	9	15
3-4	3	7	12
4-5	2	4	5
5-6	1	3	6
3-7	2	5	8
6-7	1	2	6

a) Draw the network diagram.
b) Determine the critical path.
c) Calculate the event slacks and activity floats.
d) Find the standard deviation of the critical path evaluation.   [15]

7. Explain different types of stresses with their causal effect of project implementation with the help of an example.   [15]

8. Write Short Notes on following topic:
a) Participative Management
b) Organizational Structure
c) Roles of project team   [5+5+5]

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