

## MBA371: PROJECT FORMULATION AND APPRAISAL

Teaching Scheme	Examination Scheme
Lectures: 4 hrs./Week Tutorials: 1 hrs./Week Credits: 4	Class Test -12Marks Teachers Assessment - 6Marks Attendance – 12 Marks End Semester Exam – 70 marks

### OBJECTIVE:

- To study and understand the formulation, costing of construction projects, appraisal, finance and private sector participation.

**HOURS:40**

**UNIT I (10 Hrs): PROJECT FORMULATION:** Project – Concepts – Capital investments - Generation and Screening of Project Ideas - Project identification – Preliminary Analysis, Market, Technical, Financial, Economic and Ecological - Prefeasibility Report and its Clearance, Project Estimates and Techno-Economic Feasibility Report, Detailed Project Report – Different Project Clearances required.

**UNIT II (05 Hrs): PROJECT COSTING :** Project Cash Flows – Time Value of Money – Cost of Capital.

**UNIT III (15 Hrs): PROJECT APPRAISAL:** NPV – BCR – IRR – ARR – Urgency – Pay Back Period – Assessment of Various Methods – Indian Practice of Investment Appraisal – International Practice of Appraisal – Analysis of Risk – Different Methods – Selection of a Project and Risk Analysis in Practice.


### UNIT IV (10 Hrs): PROJECT FINANCING AND PRIVATE SECTOR

**PARTICIPATION:** Project Financing – Means of Finance – Financial Institutions – Special Schemes – Key Financial, Indicators – Ratios. Private sector participation in Infrastructure Development Projects - BOT, BOLT, BOOT -Technology Transfer and Foreign Collaboration - Scope of Technology Transfer.


### REFERENCES:

1. Barcus, S.W. and Wilkinson.J.W., "Hand Book of Management Consulting Services", McGraw Hill, New York, 1986.
2. Joy P.K., "Total Project Management - The Indian Context", New Delhi, Macmillan India Ltd.,1992
3. Prasanna Chandra, "Projects – Planning, Analysis, Selection, Implementation Review", McGraw Hill Publishing Company Ltd., New Delhi. 2006.

Employable Skills	Measuring Tools
Ability to identify and apply the knowledge of subject practically in real life situations	Exercise Workshop Quiz Classroom Discussions

  
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