



BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY
& MANAGEMENT STUDIES, BHUBANEWAR

Semester: 3rd Sem. MBA/MBA(BA)
Batch : 2023-25
Subject: Project Appraisal Finance

Date: 2024
Quiz Test
Duration: 10 Min
Full Marks: 10

1. Project would normally be undertaken if its net present value is:

- (A) Negative
- (B) Exactly the same as the NPV of existing projects
- (C) Positive
- (D) Zero

2. Commercial Appraisal is otherwise known as:

- (A) Technical Appraisal
- (B) Market Appraisal
- (C) Management Appraisal
- (D) Economic Appraisal

3. Environmental appraisal is assessment of:

- (A) Harmful effect of project on environment
- (B) Harmful effect of project on locality
- (C) Positive impact on society
- (D) None of the above

4. Shadow pricing concept is related to:

- (A) Financial Appraisal
- (B) Technical Appraisal
- (C) Social Cost Benefit Analysis
- (D) Environmental Appraisal

5. Technical appraisal implies to mean –

- (A) Appraisal of project by a team of expert drawn from different disciplines.
- (B) The adequacy of the proposed plant and equipment to produce the product within the prescribed norms.
- (C) Working plan for implementation of project proposal after investment decision by a company has been taken.
- (D) To ensure before taking in hand a project whether or not the proposed project is viable.



6. The project is viable when BCR is –

- (A) One
- (B) One or more than one
- (C) Less than one
- (D) None of the above

7. The objective of economic appraisal is to -.....

- (A) Examine the project from the entire economy's point of view
- (B) Determine whether the project will improve the economic welfare of the country
- (C) Both (A) and (B)
- (D) Neither (A) nor (B)

8. Social Cost Benefit Analysis consists of -.....

- (A) Measurement of the distribution of the income due to the project.
- (B) Assessment of the impact of project on society.
- (C) Both (A) and (B)
- (D) Neither (A) nor (B)

9. _____ is an assessment which allows you to determine suitability of a particular market.

- A. Market analysis
- B. Technical analysis
- C. Financial analysis
- D. Economic analysis

10. Component of Capital cost of a Project includes followings except:

- A. Land
- B. Building
- C. Plant Machinery
- D. Collaboration Agreement