PG CERTIFICATE IN AGRICULTURE POLICY

Term-End Examination
June, 2014

MNRE-016 : PROJECT ANALYSIS

Time : 2 hours   *Maximum Marks : 50*

Note : Attempt any five questions. All questions carry equal marks.

1. Define *any ten* of the followings: 10x1=10

    (i)   Inflation

    (ii)   Perfect market

    (iii) Farm budget

    (iv)   Efficiency ratio

    (v)   Gross domestic saving (GDS)

    (vi)   Intermediate goods

    (vii) Discount rate

    (viii) Time value of money

(ix) Replacement cost

(x) Sunk cost

(xi) Plan

(xii) Credit

2. (a) Explain meaning and important features of   **5**
project.

(b) Briefly explain different types of projects.   **5**

3. Differentiate between the followings: **2½ x 4 = 10**

(i) Financial and economic analysis.

(ii) Tangible and intangible costs of project.

(iii) Investment and operating expenditure.

(iv) Real and nominal aggregates.

4. (a) Explain why market prices of inputs and   5
        outputs reflects their true value in project
        analysis.

    (b) What are the aspects that need to be   5
        considered in predicting future prices of
        agricultural project's inputs and outputs.

5. Write meaning, use and formulae of   2½ x 4 = 10
    the followings:

    (i)   Return on equity.

    (ii) Current ratio.

    (iii) Internal rate of return.

    (iv) B-C ratio.

6. Discuss the concept of economic values. Explain   10
    the estimation of economic values of labour and
    land.

7. What do you understand by undiscounted and discounted measures of project worth. Enlist the various measures of project worth and explain the payback method of measuring project worth. **10**

8. Write short notes on *any five:* **2x5 = 10**

   (i) Role of projects in overall development.

   (ii) Multiplier effect.

   (iii) Problems in finding market prices

   (iv) Cash flow statement.

   (v) Gross domestic product

   (vi) Wholesale and consumer price index.

   (vii) Sensitivity analysis.

   (viii) Choice between technologies.

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