

EASTERN UNIVERSITY, SRI LANKA

FINAL YEAR 1ST SEMESTER EXAMINATION IN AGRICULTURE-2015 (2011/2012)

EC 4101: PROJECT PLANNING AND INVESTMENT ANALYSIS

Time: 01 hour

Answer ALL questions.

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1. a) Why is Investment Appraisal important in decision making? (05 mks)
b) Briefly explain the following methods of Investment Appraisal;
 i) Payback Period (05 mks)
 ii) Net Present Value (NPV) (05 mks)
 iii) Internal Rate of Return (IRR) (05 mks)
c) What are the **BENEFITS and COSTS** of a Project? (05 mks)
2. a) What is Project Management?
b) "Activities in a project should be organised to produce tangible outputs for management to judge progress". Comment on the above statement.
c) What does the terms "**Milestones**" and "**Deliverables**" mean in project planning?
d) Explain briefly the following:
 i) Work Breakdown Structure (WBS)
 ii) PERT chart
 iii) GANTT chart
