

Program: BE Chemical Engineering
Curriculum Scheme: Revised 2016
Examination: Final Year Semester VIII

Course Code: CHC802 and Course Name: Project Engineering and Entrepreneurship Management
Time: 1 hour **Max Marks:50**

1	Pick out incorrect statement about Pay back period method of estimation of profitability
(a)	It considers complete life of project
(b)	It is the number of years in which capital cost is fully recovered
(c)	It is determined by after tax profit and discount rate
(d)	It shorter the PBP,the more viable is the project and better liquidity
2	Overhead costs does NOT include
(a)	Risk management and insurance
(b)	Travel,rent,land taxes,royalties and property taxes,
(c)	Commissioning costs
(d)	Welfare expenses and general office services costs.
3	Inflation index(method used for preparation of cost estimate) is used to estimate cost of---
(a)	Different capacity plant
(b)	Same plant
(c)	Same capacity plant
(d)	Same plant but with different raw materials
4	If installed cost of plant P-1 of annual capacity C_1 ton is rupees R_1 then installed cost R_2 of plant -2 having capacity C_2 can be estimated as:
(a)	$R_2 = R_1 / (C_2/C_1)$
(b)	$R_2 = (R_1 \times C_2)/C_1$
(c)	$R_2 = R_1 \times C_2$
(d)	$R_1 = R_2 \times C_2$
5	Turnover ratio((method used for preparation of cost estimate) is
(a)	Ratio between annual sales and investment
(b)	Ratio between annual demand and investment
(c)	Ratio between annual sales and working capital
(d)	Ratio between annual consumption and annual investment
6	Which of the following considers time value of money?
(a)	Net Present Value.
(b)	Payback Period.
(c)	Return on Investment
(d)	Return Rate.
7	An entrepreneur should select ---- as source of capital
(a)	Debt capital
(b)	Equity i.e., stock capital
(c)	Both debt and equity based on type of industry and profit margins
(d)	Own money only
8	Capital cost means
(a)	Manpower costs
(b)	Power and utilities cost
(c)	Transport costs
(d)	All costs incurred before starting project
9	Working capital means
(a)	The fund required for maintaining various inventories
(b)	The fund required for land, plant and machinery
(c)	The fund required for marketing
(d)	The funds required for lobbying
10	Operating cost are incurred on
(a)	Non recurring basis
(b)	Periodic basis
(c)	Annually
(d)	Recurring basis
11	Operating costs does not include
(a)	Labor costs
(b)	Land costs
(c)	Repair and maintenance expenses
(d)	Marketing and training expenses
12	The Explosives Act, 1884 (amended 1983) deals with
(a)	the manufacture, possession, use, sale, transport, import and export of machine tools
(b)	the manufacture, possession, use, sale, transport, import and export of computers
(c)	the manufacture, possession, use, sale, transport, import and export of explosives
(d)	the manufacture, possession, use, sale, transport, import and export of cars
13	Project success is the result of delicate balance of power between
(a)	Project Manager
(b)	Functional unit
(c)	Project and functional unit
(d)	Engineering Manager
14	The implementation plan for the project contains estimates of
(a)	Material, Cost and Time
(b)	Publicity budget
(c)	Marketing budget
(d)	Lobbying budget
15	Maintaining the balance, positive attitude among the team members is a job of
(a)	Lawyers
(b)	Project Manager
(c)	Government authorities
(d)	Journalists
16	Which of the following is NOT the responsibility (i.e.) of the project manager?
(a)	Budgeting and cost control
(b)	Allocating resources

(c)	Tracking project expenditure
(d)	Environmental research
17	Implementation stage requires _____ of efforts.
(a)	40 to 55%
(b)	55 to 70%
(c)	70 to 80%
(d)	80 to 85%
18	Detailed Engineering Design does not consist of
(a)	P and ID
(b)	Equipment specifications
(c)	Getting forest clearance
(d)	Equipment design
19	What project management helps you to achieve?
(a)	Allow budget and time overruns
(b)	Allow unplanned tasks in project
(c)	Allow worsening of stakeholder - staff communication
(d)	Improve quality,reduce costs,manage scope and reduce risks
20	The most common circumstance for project closure is simply a _____ project.
(a)	Completed
(b)	Overdue
(c)	Overbudget
(d)	Under achieveing
21	Who may NOT be involved in detail design?
(a)	Suppliers of equipment (vendors)
(b)	Project manager
(c)	Safety specialists and functional engineers(chemical,mechanical,civil etc)
(d)	Accountant
22	Which of following statement is NOT true about project management?
(a)	Project management causes delays and wastage of resources.
(b)	Project management saves money.
(c)	Project management saves time.
(d)	Project management improves quality.
23	Project Manager will be involved in making choices regarding
(a)	Objectives of the project
(b)	Goals of the Nation and Parliament
(c)	Personal Ambitions
(d)	Wishes of locals and political parties
24	Hand over of plant is done during ----- phase.
(a)	Initiating phase
(b)	Planning phase
(c)	Executing phase
(d)	Closure phase
25	What is NOT a definition of work breakdown structure?
(a)	A work breakdown structure defines all the things a project needs to accomplish, organized into multiple levels, and displayed graphically.
(b)	A definition of the hierarchy of project tasks, subtasks, and work packages
(c)	A deliverable-oriented hierarchical decomposition of the work to be executed by the project team to accomplish the project objectives and create the required deliverables.
(d)	A WBS is a method of brainstorming for new ideas for projects
26	Which is NOT included in 3 R of contracting?
(a)	Risk
(b)	Responsibility
(c)	Reimbursement
(d)	Rescheduling
27	Which is NOT TRUE with respect to deliverables in projects?
(a)	Outputs which are obtained at the end result of completion of the project
(b)	Outputs which are obtained at the end result of a life-cycle phase of the project
(c)	Measurable, tangible outputs
(d)	Only hardware can be considered to be deliverable
28	A WBS is a product-oriented family tree subdivision of the hardware, services, and data required to produce
(a)	A document
(b)	An excel file
(c)	Work package and deliverables
(d)	Contracts
29	WBS is NOT used for
(a)	Planning Tool
(b)	Project Status Reporting Tool
(c)	Preparation of responsibility matrix and assigning work responsibility to team members
(d)	Project communication
30	Turn-key contract
(a)	It involves multiple contractors, who give finished plant to owner
(b)	It involves a single contractor, who supplies a complete plant,which is ready for the owner to operate by simply turning the key.
(c)	It is ALWAYS fixed price contract
(d)	It is not covered by indian laws.
31	Which is NOT type of WBS?
(a)	Agency oriented WBS
(b)	Personnel oriented WBS
(c)	Hardware oriented WBS
(d)	Function oriented
32	A Responsibility Matrix is
(a)	Matrix used for calculations of time and costs required in project
(b)	Used for solving differential equations
(c)	Used to define who in the organization is responsible for individual work elements and deliverables

(d)	It helps in organizing documents
33	Which is NOT part of responsibility matrix?
(a)	Employed
(b)	Responsible
(c)	Consulted
(d)	Informed
34	The communication plan is usually created by the project manager and/or the project team in the _____ of project planning
(a)	End stages
(b)	Implementation phase
(c)	Early stages after scope is defined
(d)	Commissioning phase
35	Seven(7) C of team building are:
(a)	Conceiving,Compelling,Committing,Communicating,Coordinating,Counselling,Controlling
(b)	Conceiving,Concurring,Committing,Communicating,Coordinating,Counselling,Controlling
(c)	Coercing,Concurring,Committing,Communicating,Coordinating,Counselling,Controlling
(d)	Conceiving,Concurring,Committing,Communicating,Coordinating,Counselling,Commiserating
36	If Project Manager works as a Staff Assistant to the Chief Executive,then
(a)	PM(Project Manager) has full authority and can overrule functional departments.
(b)	PM(Project Manager) collects information and communicates with chief executive but does provide any staff service to the functional departments .
(c)	This arrangement is suitable for large projects.
(d)	PM(Project Manager) behaves as de facto owner of company project .
37	PERT analysis is NOT based on
(a)	Optimistic time
(b)	Pessimistic time
(c)	Most likely time
(d)	Average time
38	Which of the option is not a notable challenge while scheduling a project?
(a)	Strict deadlines.
(b)	Independent activities.
(c)	Requirement of too many workers.
(d)	Costly delays
39	The earliest start time rule
(a)	Compares the activities starting time for an activity successor.
(b)	Compares the activities end time for an activity predecessor.
(c)	Directs when a project can start.
(d)	Regulates when a project must begin.
40	The critical path
(a)	is a path that operates from the starting node to the end node
(b)	Is a mixture of all paths.
(c)	Is the longest path
(d)	Is the shortest path
41	Completion of a CPM network diagram activity is commonly known
(a)	Connector
(b)	End Event or last activity
(c)	Early End
(d)	Start
42	What is NOT TRUE while scheduling a project by CPM method?
(a)	A project is divided into various activities
(b)	Required time for each activity is established
(c)	A sequence of various activities is made according to their importance
(d)	Time and resources for dummy activities are calculated
43	The full form of PERT is
(a)	Program Evaluation and Rate Technology
(b)	Program Evaluation and Robot Technique
(c)	Program Eradication and Review Technology
(d)	Program Evaluation and Review Technique
44	A PERT network is _____ oriented while a CPM network is _____-oriented
(a)	activity,event
(b)	event,activity,
(c)	event,event
(d)	activity,activity
45	_____ are used to represent activity in a network diagram.
(a)	Circles
(b)	Squares
(c)	Rectangles
(d)	Arrows
46	The shortest possible time in which an activity can be achieved under ideal circumstances is known as
(a)	Pessimistic time estimate
(b)	Optimistic time estimate
(c)	Expected time estimate
(d)	The most likely time estimate
47	According to the time estimates made by the PERT planners, the maximum time that would be needed to complete an activity is called as
(a)	The most likely time estimate
(b)	Optimistic time estimate
(c)	Pessimistic time estimate
(d)	Expected time estimate
48	The difference between the maximum time available and the actual time needed to perform an activity is known as
(a)	Free float
(b)	Independent float
(c)	Total float
(d)	Half float

49	ABC analysis is _____.
(a)	At best Control
(b)	Always better Control
(c)	Average better Control
(d)	All best control
50	Economic order quantity is that quantity at which cost of holding and carrying inventory is:
(a)	Maximum and equal
(b)	Minimum and equal
(c)	It can be maximum or minimum depending upon case to case
(d)	Minimum and unequal
51	In selective inventory control which method is based on material's significance with respect to other material?
(a)	ABC Analysis
(b)	MEP Analysis
(c)	FSN Analysis
(d)	VED Analysis