Semester: VIII	
Programme: Bachelor of Management Studies (BMS)	
Course: Project Appraisal & Analysis	
Paper code: C4BMS2374F	**Credits: 4**
Category: Major	
Type: Theory	
No of Modules: 4	

Course Overview:
This course introduces the key principles and techniques for evaluating and appraising investment projects. It develops students' ability to assess financial, economic, technical, and social feasibility in both public and private sectors. The course focuses on decision-making tools such as cost-benefit analysis, risk assessment, and capital budgeting. It enables students to critically analyse project proposals and make informed investment decisions in a dynamic business environment.

Course Outcome:
1. Understand the concept of project management
2. Develop the profitability projections
3. Develop the strategies employed in managing risk.
4. Practice project management decisions and control

Prerequisites: Basic knowledge about any prior course

SYLLABUS

Unit/ Module	Content	Number of Classes	CO Mapping	Cognitive Level
1	**Introduction:** Concept of project, characteristics and classification of project, project management, Project Selection process, Project appraisal and evaluation, Project cycle, Project cycle management, Private and Public sector Projects; Basic Principles of Project Analysis, Entrepreneurship	7	CO1	K1-K2
2	**Market Analysis:** Market analysis of a project, Need for market analysis, Demand and supply analysis, primary /secondary data and its sources, Forecasting techniques, Uncertainties in Demand forecasting, Coping with uncertainties, Technical appraisal of a project, Business and Technology Acquisition and management of technology	7	CO2	K2-K3
3	**Investment Appraisal:** Introduction, Investment criteria and techniques-DCF and non-DCF (ARR, Payback period, Discounted Payback period, NPV, PI, IRR, Terminal Value method), Comparison between NPV & IRR, Problems on Revenue expansion and replacement decisions using NPV.	18	CO4	K2-K6
4	**Investment Appraisal under risk & uncertainty:** Types and sources of risk, conventional techniques (payback period, risk adjusted discount rate, sensitivity analysis, certainty equivalent). Statistical techniques - Concept of probability, probabilistic cash flow approaches, Application of Network Analysis and Monte Carlo Simulation techniques, abandonment value, decision trees	18	CO3	K2-K6

Text Books

1. Prasanna Chandra: Project Preparation Appraisal Budgeting and Implementation, Tata McGraw
2. M.Y. Khan, P.K.Jain: Financial Management, Mc Graw Hill
3. I.M. Pandey: Financial Management, Pearson
4. Gupta Ambrish: Project Appraisal and Financing, PHI
5. Prasanna Chandra: Financial Management: Theory and Practice McGraw Hill

Suggested readings

1. Machiraju, H.R.: Introduction to Project Finance, Vikas Publishing House
2. Anthony E. Boardman et al.: Cost–Benefit Analysis: Concepts and Practice, Cambridge University Press
3. Harold Kerzner: Project Management: A Systems Approach to Planning, Scheduling and Controlling 11th Edition Wiley
4. Erik W. Larson, Clifford F. Gray: Project Management: The Managerial Process, McGraw-Hill
5. L. S. Srinath: PERT and CPM: Principles and Applications, East-West Press

Web Resources

e-book/Journal Article:

1. Project Management for Development (World Bank / Open Access) https://openknowledge.worldbank.org/handle/10986/25030
2. FAO Market Analysis Guide (Open Access) https://www.fao.org/3/w5973e/w5973e00.htm
3. Graham & Harvey (2001) *"The Theory and Practice of Corporate Finance"* https://www.nber.org/papers/w9229
4. Brealey, Myers & Allen (Corporate Finance concepts) https://www.sciencedirect.com/topics/economics-econometrics-and-finance/net-present-value
5. Hillier, F.S. (1963) *"The Derivation of Probabilistic Information for Evaluation of Risky Investments"* https://www.jstor.org/stable/1909320

Other web resources:

1. Project appraisal documents, case studies. https://www.worldbank.org
2. Infrastructure project evaluation. https://www.adb.org
3. Public investment and appraisal. https://www.niti.gov.in

NPV, IRR, financial modelling. https://corporatefinanceinstitute.com

Course outcomes (COs) and Cognitive Level Mapping

COs	CO Description	Cognitive levels
CO1	Understand the concept of project management	K1-K2
CO2	Develop the profitability projections	K2-K3
CO3	Develop the strategies employed in managing risk	K2-K6
CO4	Practice project management decisions and control	K2-K6