



**JARAMOGI OGINGA ODINGA UNIVERSITY OF SCIENCE & TECHNOLOGY
SCHOOL OF BUSINESS AND ECONOMICS
MAIN CAMPUS**

UNIVERSITY EXAMINATION 2014

**4TH YEAR 1ST SEMESTER EXAMINATION FOR THE DEGREE OF BACHELOR OF
BUSINESS ADMINISTRATION WITH IT**

COURSE CODE: ABA 418

TITLE: PROJECT APPRAISAL AND EVALUATION

DATE: AUGUST, 2014

DURATION: 2 HOURS

INSTRUCTIONS:

1. This paper contains FIVE (5) questions
2. Answer question **ONE** and any other **TWO** questions
3. Write all answers in the booklet provided

QUESTION ONE

- a) Explain the concept of stakeholder analysis and participation in social appraisal
- b) (6 marks)
- c) Differentiate between cost benefit analysis and financial appraisal (4 marks)
- d) Give any three project risks that can be identified during appraisal (3 marks)
- e) What is the difference between project appraisal and project evaluation (4 marks)
- f) What is net present value (2 marks)

- g) Explain the characteristics of a project (8 marks)
- h) Explain the concept of Internal Rate of Return (IRR) (3 marks)

(30 marks).

QUESTION TWO

- a) Discuss the key segments of project evaluation (12 marks).
- b) Explain the importance of project appraisal in supply chain management (8 marks)

(20 marks).

QUESTION THREE

- a) Discuss the components of a project Analysis Logical frame Matrix (12 marks)
- b) Explain key areas that environmental appraisal may seek to address (8 marks)

(20 marks).

QUESTION FOUR

- a) Discuss the various stages of a project cycle **(20 marks).**

QUESTION FIVE

- a) Discuss the key issues considered in appraising a project (12 marks)
- b) Describe the steps involved in risk management (8 marks)

(20 marks).