Name: Enrolment No:	UPES

UNIVERSITY OF PETROLEUM AND ENERGY STUDIES

Online End Semester Examination, Dec 2020

Course: Law on Project Finance	**Course Code: CLBN4001**
Programme: B.B.A.LL.B (BFI)	**Time: 03 hrs.**
Semester: VII	**Max. Marks: 100**

SECTION A

1. Each Question will carry 5 Marks

2. Instruction: Fill in the blanks

S. No.	Question	**Marks**	**CO**
1	Harmonising the RBI definition of Infrastructure Lending with that of the 'Master List of Infrastructure sub-sectors' notified by the Government of India which can be covered in Project financing for infrastructure include mainly five of these :- a) b) c) d) e)	**5**	**CO1**
2	GluePost Ltd company has Rs 15lac as current liability. The current assets are double the current liability. Calculate the financial liquidity :- a) Gross Working Capital __________ b) Net Working Capital ___________ c) Current Ratio __________	**1+2+2**	**CO1**
3	The major long and short term sources of finance for massive roadways & railways infrastructure projects include a) b) c) d) e)	**5**	**CO1**
4.	The modernization proposal through the privatization route for Delhi and Mumbai airports. The bidding process began in May 2004 with an original completion date of September 2004. However, due to a variety of reasons, the bids were finally sought	**5**	**CO1**

	and received by September 2005. The Empowered Group of Ministers (EGoM) considered and approved the appointment of Air Plan, Australia as the global technical advisor (GTA) and Amarchand & Mangaldas & Suresh A Shroff & Co (AMSS) as legal consultants (LC) on June 25, 2004. Which are the five regulatory bodies from which permissions were sought by the legal and corporate consultants? a) b) c) d) e)		
5	Mention the Financial Life Cycle components in the order of creation, implementation and closure for an infrastructure development in an EME. a) b) c) d) e)	**5**	**CO1**
6	The secured loans of a subsidiary company are three times the un-secured loan which is provided by the parent group company. The un-secured loans amount to Rs100 crore. The equity and preference share capital raised funds which amount to five times the un-secured loans. The Debt-Equity ratio is __________. In subsequent year, the subsidiary company earns profit of 500crore and easily repays off its entire secured loans. The new Debt-Equity ratio will be_______.	**2.5+2.5**	**CO1**
	SECTION B **1. Each question will carry 10 marks** **2. Instruction: Write short / brief notes**		
7	Financial feasibility analysis is crucial for any project development along with time series projection of financial data. Explain those key ratios and financial aspects which need attention in project development.	**10**	**CO2**
8	Secured loans possess a feature of Registration of Charge which safeguards the loan providing financial institutions. Critically analyse the features of ROC.	**10**	**CO2**
9	The role of Credit rating agencies is important for investors to understand the successful operations of leasing and financing companies. The misleading information provided as in case of IL&FS by credit rating agencies led to penalties being imposed by SEBI of Rs One crore on ICRA, CARE, R&R of Fitch. Justify the	**10**	**CO2**

	action taken.		
10	Name the various forms of risks involved in projects. What are the symptoms and causes of financial sickness?	**5+5**	**CO2**
11	There are several defined models of PPPs. Each type differs in terms of government participation levels, risk allocations, investment responsibilities, operational requirements and incentives for operators. Elaborate on the various forms of public and private sector party associations which leads to PPPs.	**10**	**CO4**
	Section C **1. Each Question carries 20 Marks.** **2. Instruction: Write long answer.**		
12.	Africa's infrastructure stock and quality is among the least developed in the world, a challenge that significantly hinders economic development. It is estimated that the finance required to raise infrastructure in Sub Saharan Africa (SSA) to a reasonable level within the next decade is at US$93 billion per year, with two-thirds of this amount needed for capital expenditures. With the existing spending on infrastructure being estimated at US$45 billion per annum and after accounting for potential efficiency gains that could amount to US$17 billion, Africa's infrastructure funding gap remains around US$31 billion a year. One approach to address this challenge is by facilitating the increase of private provision of public infrastructure services through public-private partnerships (PPPs). This approach, which is a relatively new arrangement in SSA is multifaceted and requires strong consensus and collaboration across both public and private sectors. You are an Investor who is willing to invest in SSA. Prepare a Project Feasibility report for development of infrastructure (of your choice – highways / railways air / metro / water) considering the Infrastructure specific requirements and risks in context of a Least developed country – Africa, in order to procure subsidies / grants from the government.	**20**	**CO3**