Total No. of Questions : 8]

SEAT No. :

P253

[Total No. of Pages : 3

[6003]-330

T.E. (Civil) (Semester - I)

ENGINEERING ECONOMICS AND FINANCIAL MANAGEMENT (301004) (2019 Pattern)

Time : 2½ Hours] *[Max. Marks : 70*

Instructions to the candidates:

1) *Answer Q.1 or Q.2, Q.3 or Q.4, Q.5 or Q.6, Q.7 or Q.8.*
2) *Neat diagrams must be drawn wherever necessary.*
3) *Figures to the right side indicate full marks.*
4) *Use of Calculator is allowed.*
5) *Assume Suitable data if necessary.*

Q1) a) Elaborate the importance of financial management in construction. **[6]**

b) Explain "Why is construction financial management is different?" and enlist the various stakeholders involve in construction financial management. **[6]**

c) What is a contract account? Draw the typical format of contract account. **[5]**

OR

Q2) a) The following were the expenses on a contract which commenced on 1st January 2015. **[6]**

Particular	Amount (Rs.)
Material Purchased	1,10,000
Materials at the end	1,250
Direct Wages	15,000
Plant issued	5,000
Direct Expanses	8,000

The contract price was Rs. 1,50,000. It was duly received when the contract was completed on 31-3-2015. Charge indirect expenses at 15% on wages and provide Rs. 1,000 for depreciation on plant. Prepare the contract account.

b) Explain in detail procedure for costing of contract. **[6]**

c) What is contract and explain any two types of contract. **[5]**

P.T.O.

Q3) a) Explain in detail: Purposes of Budget. **[6]**

b) Write a note on "Net Present Value Method" of capital budgeting with its advantages and disadvantages. **[6]**

c) The initial investment in project A and B is Rs. 3000 lakh each. Rank the as per Profitability Index if the present value of cash inflow for both the projects mentioned in the following table: **[5]**

Sr. No.	Present value of cash inflow for project A (in lakh Rs.)	Present value of cash inflow for project B (in lakh Rs.)
1	1181.70	818.10
2	908.60	743.40
3	675.90	675.90
4	437.12	614.70
5	397.44	558.90

OR

Q4) a) Explain the process of capital budgeting. **[6]**

b) Write down a detailed note on "Operating Budget". **[5]**

c) A concrete mixer was purchased at Rs. 8,00,000. Assuming Scrap Value to be Rs. 5,50,000 after 10 years. Calculate the depreciation at the end of 5 years by **[6]**

i) Straight Line Method

ii) Constant Percentage Method

Q5) a) Write down the significance of working capital in construction company. Enlist any four factors considered for determination of working capital. **[6]**

b) Explain in details various Financing Resources of Working Capital. **[6]**

c) What is safety stock? Which types of costs are associated with it? Explain its importance. **[6]**

OR

Q6) a) Write a note on "Types of working capital". **[6]**

b) A construction company purchases 10000 bags of cement annually. Each bag cement cost Rs. 500 and cost incurred.in procuring each lot is Rs. 150. The cost of carrying is 25%. What are the most EOQ and number of orders? If lead time is 5 days, calculate order point. **[6]**

c) Explain the various phases of operating cycle. **[6]**

Q7) a) What is direct tax and indirect tax? Explain any one type of direct tax and any one type of indirect tax. **[6]**

b) Calculate the tax to be paid on property in Delhi, from following data: **[6]**

Covered area = 900 sq. ft.

Unit area value for one month = 6.0 per sq.ft.

Age factor = 1.0

Use factor = 1.2

Structure factor = 1.0

Occupancy factor = 1.0

Taxrate = 11%

c) Explain any six functions of Reserve Bank of India (RBI). **[6]**

OR

Q8) a) Write a note on Goods and Services Tax (GST). Also write down the impact of GST on construction industry. **[7]**

b) Explain "Capital Value System" for the calculation of property tax. **[5]**

c) Write down the roles and functions of following financial regulatory bodies: **[6]**

i) ICRA (Information and Credit Rating Agency)

ii) SEBI (Security and Exchange Board of India)

✘ ✘ ✘