

Total No. of Questions : 4]

SEAT No. :

**PE18**

[Total No. of Pages : 2

[6579] 318

**T.E. (Civil) (Insem)**

**ENGINEERING ECONOMICS AND FINANCIAL MANAGEMENT  
(2019 Pattern) (Semester -I) (301004)**

*Time : 1 Hour]*

*[Max. Marks : 30*

*Instructions to the candidates:*

- 1) *Solve Q1 or Q2 and Q3 or Q4.*
- 2) *Figures to the right indicate full marks.*

- Q1)** a) What do you understand by concept of time Value of money? Krishna invested Rs. 1,00,000 in a bank with rate of interest 5 percent compounded annually, what will be the future sum he will get after 7 years? [7]
- b) Enlist functions and limitations of balance sheet? Prepare a balance sheet for *Pioneer* construction for the year ending 31<sup>st</sup> March 2023. The particulars and amounts in Rs. are as follows. [8]

Capital	5,00,000/-
Patents	2,00,000/-
Net drawings	50,000/-
Tax payable	40,000/-
Goodwill	50,000/-
Cash in hand	1,20,000/-
Sundry debtors	30,000/-
Cash at bank	10,000/-

OR

- Q2) a)** What do you understand by sundry debtors and sundry creditors? To know financial position of any company which documents you would refer? Discuss the contents to be analyzed of the same document. [7]
- b)** Why the profit and loss account is prepared? Prepare profit and loss account for the information given below of small construction firm. what will be the net profit or net loss to the firm? [8]

Particulars	Amount (Rs.)
Salaries	80,000/-
By gross profit	1,20,000/-
Rent	50,000/-
Commission received	5,000/-
Loss by accident	60,000/-
Bad debts	15,000/-
Discount received	5000/-

- Q3) a)** How equity capital will be raised? List out salient features and pros and cons of equity funding. [7]
- b)** What are the leverage ratios? Explain its importance in a business. [8]
- EBIT and Earnings available for debt services is Rs. 4,50,000 if the total debt is Rs. 2,00,000 and installment amount to be paid Rs. 25,000 with interest Rs. 3,000, Calculate debt service coverage ratio and interest coverage ratio?

OR

- Q4) a)** What is EBIET? Calculate EBIET using direct and indirect method for the company which has reported total income of Rs. 2,550 Cr., total expenditure of Rs. 1,700 Cr., interest of Rs. 50 Cr., Taxes paid of Rs. 100 Cr., depreciation of Rs. 200 Cr and net profit of 500 Cr. [7]
- b)** What is the role of financial institutions in construction finance? List out any four banking financial institutions and their major functions. [8]

