



## Construction Cost Dynamics (1110)

P. Pages : 2

Time : Three Hours

Max. Marks : 100

Instructions to Candidates :

1. Do not write anything on question paper except Seat No.
2. Answer sheet should be written with blue ink only. Graph or diagram should be drawn with the same pen being used for writing paper or black HB pencil.
3. Students should note, no supplement will be provided.
4. Answer **any five** questions.
5. Draw neat sketches wherever necessary.
6. Assume suitable data if necessary.

1. a) Illustrate with suitable example, Benefit Cost Ratio. **10**  
b) Compare the basic evaluation methods on theoretical and practical considerations. **10**
2. a) Explain in brief, five conditions for present worth comparison. **10**  
b) Explain in brief sinking fund. If sinking fund is misused how it affects the project ? **10**
3. a) Explain in brief, methods to incorporate risk factor into capital expenditure. **10**  
b) Explain in brief, installation and running cost. **10**
4. a) Explain in brief methods of capital budgeting process. **10**  
b) Write advantages and disadvantages of debt financing. **10**
5. a) Explain decision making systems for capital investments. **10**  
b) Explain in brief cost composition & cost allocation. **10**

6. a) Write important features of capital market. 10  
b) Explain in brief budgetary control system and state its advantages. 10
7. a) Write merits and shortcomings of sensitivity analysis. 10  
b) Explain in brief five important contents of budget manual. 10
8. Write short notes **any four**. 20
- i) Term loans.
  - ii) Mutual funds.
  - iii) Cost curve.
  - iv) Stock exchange.
  - v) Benefit cost ratio.
  - vi) Cost allocation.

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