JAYPEE UNIVERSITY OF INFORMATION TECHNOLOGY, WAKNAGHAT

TEST -1 EXAMINATION- 2026

M.Tech-II Semester (CM)

COURSE CODE (CREDITS): 10M11CE214 (3) MAX. MARKS: 15

COURSE NAME: Construction Financial Management

COURSE INSTRUCTOR: Dr. Ashok Kumar Gupta MAX. TIME: 1 Hour

Note: *(a) All questions are compulsory.*

(b) The candidate is allowed to make Suitable numeric assumptions wherever required for solving problems

(c) Use of calculators is allowed

Q.No	**Question**	**Marks**
Q1	Monthly cash requirement of a project is: Month 1: ₹8 lakh, Month 2: ₹12 lakh, Month 3: ₹15 lakh, Month 4: ₹10 lakh, Month 5: ₹6 lakh. Client pays 80% after one month and 20% after two months. a) Prepare cash inflow–outflow statement. b) Determine maximum out-of-pocket commitment. c) Comment if ₹18 lakh credit limit is sufficient.	3
Q2	Contract value ₹120 lakh, duration 6 months, uniform progress. Retention 5% released at completion, payment after one month. a) Compute monthly cash inflow. b) Find peak working capital requirement.	3
Q3	Machine A: Cost ₹24 lakh, savings ₹7 lakh/year, life 6 yrs, SV ₹3 lakh. Machine B: Cost ₹30 lakh, savings ₹9 lakh/year, life 6 yrs, SV ₹6 lakh. a) Calculate payback period. b) Select suitable machine. c) State two limitations of payback method.	3
Q4	Investment ₹40 lakh with inflows ₹8,10,12,14,16 lakh for 5 years. a) Determine payback period. b) Is project acceptable if standard is 3.5 years?	3
Q5	Draw cash flow diagram: Investment ₹35 lakh at year 0, Cost ₹4 lakh/year (1–5), Revenue ₹12 lakh/year (1–5), SV ₹6 lakh at year 5. b) Compute NPV at 11%. c) Comment on viability.	3

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