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JAYPEE UNIVERSITY OF INFORMATION TECHNOLOGY, WAKNAGHAT

TEST -1 EXAMINATION- Feb-2019

M.Tech. (CM) IInd Semester

COURSE CODE: 10M11CE214

MAX. MARKS: 15

COURSE NAME: Construction Financial Management

COURSE CREDITS: 03

MAX. TIME: 1Hour

Note: All questions are compulsory. Carrying of mobile phone during examinations will be treated as case of unfair means.

- Q.1** Derive the relationships for uniform series present worth factor and SFF. (4)
- Q2.** Draw generalized cash flow diagram involving a positive uniform gradient with unknown F. Derive the relation for UGFWF. (3)
- Q3.** There are two alternatives for purchasing a concrete mixer. Both the alternatives have same useful life. The cash flow details of alternatives are as follows; Alternative-1: Initial purchase cost = Rs.250000, Annual operating and maintenance cost = Rs.20000, Expected salvage value = Rs.100000, Useful life = 5 years. Alternative-2: Initial purchase cost = Rs.275000, Annual operating and maintenance cost = Rs.35000, Expected salvage value = Rs.65000, Useful life = 5 years. Using future worth method, find out which alternative should be selected, if the rate of interest is 9.5% per year. Also compare the result with present worth method. (8)