

Bachelor of Engineering (Civil Engineering)
2nd Year 1st semester Supplementary Examinations, 2024
SUBJECT: VALUATION, PRICING & CONTRACT

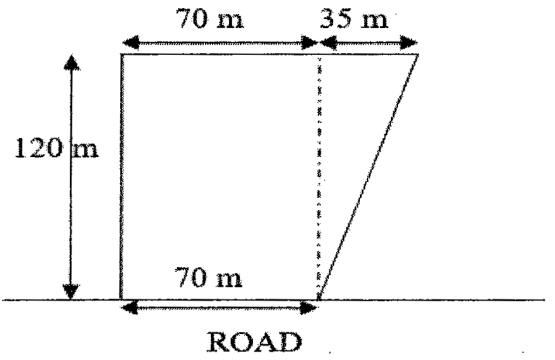
TIME: 3 HRS

Answer any Five

Full Marks: 100

No. of Q	Assume any reasonable values to data not given. .	Marks
1.a)	What is meant by depreciation of a property? For calculating depreciation of an asset, compare straight line method with respect to Reducing balance method.	2+6
b)	Enumerate the essential characteristics of Market Value.	6
c)	A manager will have to repair his factory shed and some machines at the end of 19 years and for that a sum of money of Rs 34,80,000/- will be required. What amount should he set aside each year if the sinking fund that he intends to create can yield 6% interest?	6
2 a)	A lessee has constructed a building worth Rs 3,10,00,000/- on a lease hold land held by him on 89 years lease with a ground rent of Rs 12,500 pm. The lease has 29 years of unexpired period. The building has been let out on a net rent of Rs 2,50,000 pm for the for the first 15 years of the unexpired period and thereafter for the last 14 years the net rent will be Rs 3,50,000 pm. Work out the lessee's interest in the property. (Consider rate of interest on capital @8% and 8.5% for the first 15 years and last 14 years respectively and redemption @ 4% for the entire unexpired period. Assume any other data if required)	10
b)	A Building lease has been executed for a plot of land at a ground rent of Rs 114,000 per annum. The lease is for a period of 79 years out of which there remains only 22 years of unexpired period. The free hold market value of the property is Rs 59,00,000. Under the terms of the lease, the building constructed by the lessee will revert to the lessor on expiry of the lease period. Calculate the present value of lessor's interest in the property? Assume any data if required.	10

[Turn over

No. of Q	Assume any reasonable values to data not given..	Marks
3 a)	<p>A plot of land is shown below.</p>  <p>As a valuer, assess the value of this plot using belting method of valuation. Given, an adjacent plot having frontage of 70m and depth 40m has been recently sold at Rs 2950 per sq.m.</p>	10
b)	Briefly mention Essential Elements of Contract?	8
c)	What is the purpose of keeping the clause of Mobilization Advance in Contract Agreement?	2
4a)	<p>A person X has purchased a piece of land measuring about 1200 sq.m. He has constructed a Building of Ground Floor thereon for his personal use some 30 years ago. The building is of first-class construction having a future life of 50 years and has got a cubicle content of 1200 m³. The owner now desires to sell the same and has received an offer of Rs 14,50,000/- with vacant possession or in the alternative, he has been offered a monthly rent of Rs 18,000/- for building and open plot together. Advice the owner whether he should sell the Property or give it on a rental basis with the given data:</p> <p>I. Value of land in the adjacent area for similar plots: Rs 680 per sq.m</p> <p>II. Sinking Fund Rate: 6%</p> <p>III. Outgoing: 35% of the gross rent</p> <p>IV. Cost of construction of such Building: Rs 1120 per cum.</p>	12
b)	What is the purpose of keeping Arbitration clause in contract? Mention the provision of fixing the number of Arbitrator .	2+2
c)	Differentiate between book value and scrap value of a property.	4

No. of Q	Assume any reasonable value/ data not given	marks
5.a)	<p>For receiving the payment against escalation, as per contract provision, the site engineer has to prepare the bill with the following data:</p> <p>Value of work done during the period under consideration = Rs 2,14,57,890/-</p> <p>Minimum wage payable to minimum rated worker as on the last stipulated date of receipt of tender including extension = Rs 420</p> <p>Index no of wholesale price of all commodities for the relevant period under consideration published by RBI = 151.2</p> <p>Increased /escalated minimum wage payable to minimum rated worker during the period under consideration= Rs 480</p> <p>Price of High-Speed Diesel oil as on the last date of receipt of tender at the nearest retail outlet = Rs 88.5</p> <p>Increased Price of High-Speed Diesel oil for retail consumers at the nearest retail outlet during the period under consideration= Rs 99.75</p> <p>Index no of wholesale price of all commodities for the base month (i.e. month of submission of tender) published by RBI = 129.80.</p> <p>Calculate the Escalation of Price.</p>	8
b)	Differentiate between SD and EMD. What is the purpose of providing the Specifications of civil works in Contract Agreement?	4+4
c)	Mention the importance of "Vista" in connection with comparative method of valuation	4
6	Answer any four	5x4
a)	Differentiate between Contract and Agreement	
b)	Under what ground a party may challenge the appointment of Arbitrator?	
c)	State the provision of Secured Advance in a contract.	
d)	What do you mean by "Void contract"?	
e)	Mention the advantages of "Item rate contract over percentage rate contract.	