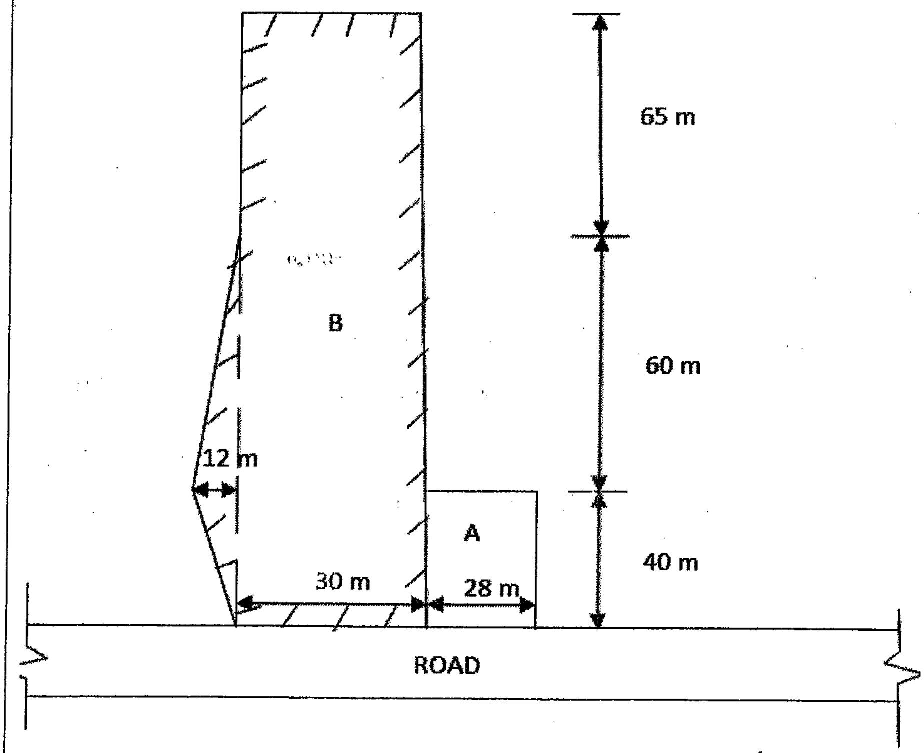
Bachelor of Engineering (Civil Engineering)
Second Year First Sem Exam-2025
Subject: Valuation, Pricing & Contract.

Time: Three hours | Answer any **five** questions | Full Marks: 100

No. of Qs	Questions Assume any data if required,	Marks
1a)	What do you understand by Valuation? Define market value. How does it differ from assessed value?	2+2+2 (CO4)
b)	Define the concept of salvage value and scrap value in property valuation.	2+2
c)	A construction company acquires an earth excavator for Rs 40,00,000. The equipment is expected to have a useful life of 5 years and a salvage value of Rs 4,00,000 at the end of this period. Calculate the annual depreciation using:	10 (CO4)
i)	The Straight-Line Method	
ii)	The Reducing Balance Method	
2a)	A person has approached you for Valuation of his property . What would you recommend as the Fair Value of the property by Belting Method of Valuation if the front belt land (depth of front belt being 40m) be estimated at Rs 1300/m^2. 	12 (CO3)

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b)	Define a contract. How does a contract differ from an agreement?	4 (CO1)
c)	What is the significance of 'free consent' in the formation of a valid contract?	4(CO1)
3a)	A developer has purchased 30,000 sq.m of land in suburb of Kolkata at Rs 885/sq.m. Thereafter he subdivided the plot into small units and observed that 6100 sq.m of land was required for the amenities like roads, go downs, substations, swimming pool gym etc., which were provided at a cost of Rs 48,00,000 and took two years for the same. Subsequently there being no demand for open plots, he decided to sell the plots at cost after a period of five years from the date of purchase. As a valuer, you have to work out the cost of land per sq.m. Given that, if he had invested his capital in fixed deposit in any schedule bank, he would have obtained the following rates of interest. Period of deposit — Rate of interest 5 years — 9% 4 years — 8.5% 3 years — 7% 2 years — 6.0%	10 (CO3)
b)	A person has purchased a piece of land measuring about 200 sq.mtr. of area. He has constructed a bungalow of ground floor thereon for his personal use some 30 years ago. The bungalow is of first-class construction having a future life of 40 years and has got a cubic content of 1500 cu.mtr. He now desires to sell the same and has received an offer of Rs 42 lakhs with vacant possession or in the alternative, he has been offered a monthly rent of Rs 30000 for his building and open plot together. Advise the owner whether he should sell the property or give it on a rental basis given the following: i) value of land in the neighbourhood for similar plots : Rs 2500/sq.m. ii) Sinking fund rate= 5% iii) Total out goings = 40% of gross rent	10 (CO3)
4a)	For receiving the payment against escalation, as per contract provision, the site engineer has to prepare the bill with the following data: i) Value of wok done during the period under consideration= Rs 86,50,000.00 ii) Minimum wage payable to minimum rated worker on the last stipulated date of receipt of tender=Rs 418 iii) Index No. of whole sale price of all commodities for the relevant period under consideration published by RBI = 270.9 iv) Price of Diesel oil as on the last date of tender=Rs 89 v) Increased minimum wage payable to minimum rated worker = Rs 448 vi) Increased price of Diesel oil during the period under consideration = Rs 97 vii) Index No. of wholesale price of all commodities for the base month of tendering =219.10 What will be the amount against escalation?	8 (CO2)

b)	What is a building lease, and how does it differ from occupation lease?	
c)	Define secured advance in the context of construction contracts. How does it differ from mobilization advance?	2+2(CO2)
d)	What is the FIDIC contract, and why is it widely used in international construction projects?	4(CO2)
5 a)	What are specifications in civil engineering ? Define general specifications and detailed specifications. How do they differ?	2+4 (CO1)
b)	What is the standard practice regarding the number of arbitrators in an arbitration agreement? On what grounds can an arbitrator be challenged?	2+2(CO1)
c)	What is an arbitration agreement, and what are its essential elements?	2+4(CO1)
d)	What are the key stages involved in the tendering process?	4(CO1)
6	Answer any five	
a)	State the legal rules to' 'Capacity of Parties' in connection with Essential Element of Contract.	5x4(CO2)
b)	State the advantages of using a Percentage Rate Contract for public works projects over Item rate contract.	
c)	Mention primary advantages of using a turnkey contract for the owner?	
d)	Explain the relationship between Earnest Money and Security Deposit.	
e)	Under what circumstances is' Consideration 'not required for a contract to be valid?	
f)	What are the main causes of 'Depreciation' in assets?	