

**THE CHARUTAR VIDYA MANDAL UNIVERSITY****M.Sc.(Plant and Machinery Valuation) – SEMESTER III****WINTER 2021 EXAMINATION****Course Title: MAINT., LEGAL STUDY II****Course Code: 101380304****Date: 22/11/2021****Time: 10:00am to 12:00pm****Maximum Marks: 60****Instructions:**

- Attempt all questions.
- Numbers to the right indicate full marks for each question.
- Make suitable assumptions wherever necessary.

- Q. 1** Answer following multiple choice questions **(12)**
- (1) As per Sales of goods act, 1930 The subject matter of the contract must necessarily be goods covering only \_\_\_\_\_ property.  
A. Movable B. Immovable C. A and B both D. Either A or B
- (2) The Latin maxim "*Nemo dat quod non habet*" which means that no one can give what he \_\_\_\_\_.  
A. Has not got B. Has got C. Will not have got D. Will have got
- (3) Where a/an \_\_\_\_\_ who had exercised his right of lien or stoppage in transit resells the goods, the buyer acquires a good title to the goods as against the original buyer.  
A. Unpaid Seller B. Unpaid Buyer C. Paid Seller D. Paid Buyer
- (4) In \_\_\_\_\_ property in the goods passes to the buyer along with the risk.  
A. Sale B. Agreement to sell C. A & B both D. None of the above
- (5) In \_\_\_\_\_ The A subsequent loss or destruction of the goods is the liability of the buyer.  
A. Sale B. Agreement to sell C. A & B both D. None of the above
- (6) A delivery of part of goods, taking place in the course of the delivery of the whole, has the same effect for the purpose of passing the property in such goods as delivery of the \_\_\_\_\_.  
A. Whole B. Part C. None D. Any
- (7) Where an \_\_\_\_\_ who had exercised his right of lien or stoppage in transit resells the goods, the buyer acquires a good title to the goods as against the original buyer.  
A. Unpaid Seller B. Unpaid Buyer C. Paid Seller D. Paid Buyer
- (8) A \_\_\_\_\_ is essential to the main purpose of the contract.  
A. Condition B. Warranty C. A and B both D. None of the above
- (9) Which of the following is not the hazardous process within the factory?  
A. Integrated Iron and Steel  
B. Power Generating Indus  
C. Fertiliser Industries  
D. Fabric Manufacturing in Textiles
- (10) Industrial licenses are regulated by –  
A. The Industries (Development and Regulation) Act, 1951  
B. The Industrial Licensing Act  
C. The Environment Protection Act, 1996  
D. The Factories Act
- (11) The Right to clean and human environment is guaranteed under-  
A. Environment protection Act, 1986  
B. The National Environment Tribunal Act, 1995  
C. The Constitution of India  
D. The Environmental Treaty with United Nations
- (12) Which of the following industry is reserved exclusively for the public Sector?  
A. Atomic energy  
B. Telecommunication  
C. Oil and natural gas  
D. Cement industries

- Q.2** Attempt **any eight** of the following. (16)
- (1) List all the differences between condition and warranty.
  - (2) What are the essentials for appropriation of goods?
  - (3) Explain Sale by Mercantile Agent.
  - (4) Explain Sale by a person in possession under a voidable contract.
  - (5) List any two remedies of buyer against the seller
  - (6) List various causes of environmental pollution.
  - (7) List recently enacted Labour Codes.
  - (8) Explain the basic objective of the Public Liability Insurance Act, 1991
  - (9) Name any two industries require an industrial licence
  - (10) What do mean by a 'Factory'?
- Q. 3** (1) Explain Contract of sale (08)  
(2) Which elements must co-exist as to constitute a contract of sale of goods under sale of goods act, 1930?
- OR**
- Q.3** Explain and give one example each (08)  
(1) Sale by description  
(2) Sale by sample  
(3) Sale by sample as well as description
- Q. 4** Explain in detail Passing of specific or ascertained goods with examples (08)
- OR**
- Q. 4** Explain in detail Passing of Unascertained goods with examples (08)
- Q. 5** State the responsibility of employer for maintaining health, safety and working conditions within the factories. (08)
- OR**
- Q. 5** Explain in detail "manufacturing process" as defined under The Occupational Safety, Health and Working Conditions Code, 2020 (08)
- Q. 6** Which are the industries subject to compulsory licensing in India (08)
- OR**
- Q. 6** Explain the industrial licensing framework in India

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Seat No. \_\_\_\_\_ & Enrolment No. \_\_\_\_\_

**THE CHARUTAR VIDYA MANDAL UNIVERSITY**  
**M.SC. (PLANT & MACHINERY VALUATION) – SEMESTER - III**  
**WINTER 2021 EXAMINATION**

**Course Title: VALUATION OF PLANT AND MACHINERY – III**

**Course Code: 101380305**

**Total Printed Pages: 2**

**Date: 23/11/2021**

**Time: 10:00 am to 12:00 pm**

**Maximum Marks: 60**

**Instructions:**

- Attempt all questions.
- Numbers to the right indicate full marks for each question.
- Make suitable assumptions wherever necessary.

**Q.1 Answer the following multiple-choice questions.**

12

- 1 The 3 types or causes of appraisal depreciation traditionally recognized by appraisers are \_\_\_\_\_, \_\_\_\_\_, and \_\_\_\_\_.  
A. Wear & Tear, B. Physical Deterioration, C. Age, D. Functional Obsolescence, E. Passage of Time, F. Economic Obsolescence
- 2 Functional obsolescence resulting from \_\_\_\_\_ cost is measured by the difference between \_\_\_\_\_ cost and \_\_\_\_\_ cost.  
A. Depreciated Replacement, B. Replacement, C. Depreciation, D. Reproduction, E. Excess Capital
- 3 The difficulty in measuring the full effect of \_\_\_\_\_ obsolescence is one of the weaknesses of the \_\_\_\_\_ approach.  
A. Cost, B. Economic, C. Functional, D. Income
- 4 Lease is \_\_\_\_\_ whereby the \_\_\_\_\_ conveys to the \_\_\_\_\_ in return for a payment or series of payments the \_\_\_\_\_ an asset for an agreed period of time.  
A. Right to Use, B. Lessor Agreement, C. Lessee, D. Contract, E. Possession of,
- 5 In finance lease, \_\_\_\_\_ receivable is treated by the lessor as \_\_\_\_\_ and \_\_\_\_\_ to reimburse and reward the lessor for its \_\_\_\_\_ and services.  
A. Investment, B. Repayment of Principal, C. Lease Payment, D. Finance Income
- 6 \_\_\_\_\_ may arise when external factors affect an individual asset, or all the assets employed in a business and should be deducted after \_\_\_\_\_ and \_\_\_\_\_.  
A. Functional Obsolescence, B. Technological Obsolescence, C. Economic Obsolescence, D. Physical Deterioration
- 7 Industrial Credit and Investment Corporation of India (ICICI) is an example of \_\_\_\_\_.  
A. Financial Institution, B. Development Bank, C. Commercial Bank, D. Primary Credit Society
- 8 To quantify Economic Obsolescence, an appraiser must first investigate the existence of \_\_\_\_\_ conditions that may reduce the value of a \_\_\_\_\_ and, hence, its \_\_\_\_\_.  
A. Assets, B. Business, C. Local, D. Economic, E. National
- 9 Apex body of 'Indian Banking System' is \_\_\_\_\_.  
A. Finance Ministry, B. State Bank of India, C. Reserve Bank of India, D. Ministry of Commerce
- 10 Which of the followings is not an IPR by Govt. Of India?  
A. IPR 1948 B. IPR 1956 C. IPR 1960 D. IPR 1977

- 11 In India incentives to industries are made available at \_\_\_\_\_ level(s).  
A. State B. Centre C. Both A & B D. None of the above
- 12 Investment limits in respect of "TINY" ENTERPRISES would now be increased from the present Rs 200 thousand to Rs, \_\_\_\_\_ irrespective of location of the unit.  
A. 300 Thousand B. 400 Thousand C. 500 Thousand D. 600 Thousand

**Q.2 Attempt any eight of the following.**

16

- 1 Discuss: Operating obsolescence
- 2 Discuss: Quantification of obsolescence using 'Market Derived' method
- 3 Discuss: Bailment & its characteristics
- 4 Discuss: Advantages of leasing to the lessor
- 5 Discuss: Function of RBI
- 6 Discuss: Supervisory function of NABARD
- 7 Discuss: Quantification of obsolescence using 'Best-of-Best' method
- 8 Discuss: Difference between Scheduled Banks & Non-scheduled Banks
- 9 List objectives of industrial policy of government of India
- 10 As per recent MSME Policy Statement, in village industries, existing schemes will be re-drawn and revised in which three major heads?

Q.3 List out the step required to study an operating obsolescence.

8

**OR**

Discuss an Inutility method with its limitation.

8

Q.4 List out minimum eight difference between operating lease & finance lease.

8

**OR**

Discuss on treatment of lease in financial statement.

8

Q.5 What are the features and outcome of New Industrial Policy in India

8

**OR**

Which parameters impact the incentives given to industries? How are state incentives given in general?

8

Q.6 Make classification of 'Structure of Indian Banking System' and mention its functions

8

**OR**

Discuss difference between Development Bank & Commercial Bank

8

**Paper End**

Seat No. \_\_\_\_\_ & Enrolment No. \_\_\_\_\_

**THE CHARUTAR VIDYA MANDAL UNIVERSITY**  
M.SC. (PLANT & MACHINERY VALUATION) – SEMESTER - III  
WINTER 2021 EXAMINATION

**Course Title: VALUATION OF PLANT AND MACHINERY – IV**

**Course Code: 101380306**

**Total Printed Pages: 2**

**Date: 20/11/2021**

**Time: 10:00 am to 12:00 pm**

**Maximum Marks: 60**

**Instructions:**

- Attempt all questions.
- Numbers to the right indicate full marks for each question.
- Make suitable assumptions wherever necessary.

- Q.1 Answer the following multiple-choice questions. 12
- 1 \_\_\_\_\_ is the present value of the future cash flows expected to be derived from an asset or cash-generating unit.  
A. Investment Value, B. Value in exchange, C. Value in use, D. Income
  - 2 Costs of disposal are incremental costs directly attributable to the disposal of an asset or \_\_\_\_\_, excluding \_\_\_\_\_ and \_\_\_\_\_ expense.  
A. Dismantling, B. finance costs, C. cash-generating unit, D. income tax
  - 3 Fair value is the amount for which an asset could be \_\_\_\_\_, or a \_\_\_\_\_, between knowledgeable, willing \_\_\_\_\_ in arm's length transaction.  
A. Buyer & Seller, B. Liability Settled, C. Exchanged, D. Traded, E. Parties
  - 4 Property, plant and equipment are tangible items that are held for use in the \_\_\_\_\_ or supply of \_\_\_\_\_, for rental to others, or for administrative purposes.  
A. Production, B. Goods and Services, C. Manufacturing, D. Goods or Services
  - 5 As per RICS, non-compliance with legal requirements may result in the suspension of the \_\_\_\_\_ of the plant and equipment.  
A. Production, B. Manufacturing Activity, C. Right to Use, D. Usage
  - 6 As per IVS 300, Licences to operate certain machines in certain countries may be restricted is \_\_\_\_\_ related factor.  
A. Asset, B. Economic, C. Environment, D. Social
  - 7 All plant and equipment valuers should normally inspect the subject assets to ascertain the condition of the plant and to determine if the information provided to them is \_\_\_\_\_ and related to the subject assets being valued.  
A. Usable, B. Workable, C. Utility, D. Assumed
  - 8 Assets like \_\_\_\_\_ is not part of Ind AS 16  
A. Land, B. Building, C. Ship, D. Exploration
  - 9 Which of the following is not a type of clamp  
A. Screw Clamp, B. Flat Clamp, C. Notch Clamp, D. Cam Clamp
  - 10 Which of the following is not a type of Pattern  
A. Match Plate B. Cope and Drag C. Pit type D. Skeleton
  - 11 Which of the following is not a Jig type  
A. Leaf Jig, B. Ring Jig, C. Round Jig D. Diameter Jig
  - 12 Which of the following is not a stage of producing castings  
A. Pattern Making, B. Moulding and Core Making C. Forging Metal, D. Testing

<b>Q.2</b>	<b>Attempt any eight of the following.</b>	<b>16</b>
	1 Discuss: Measurement recoverable amount as per Ind AS 36	
	2 Discuss: Costs that are not costs of an item of property, plant and equipment Ind AS 16.	
	3 Discuss: Situations or circumstances where a lease is classified as a finance lease.	
	4 Discuss: Plant and equipment separately valued as per RICS	
	5 Discuss: Economic related factor for Valuation of Plant & Machinery as per IVS 300	
	6 Discuss: Code of ethics for valuers	
	7 Discuss: Valuation of Petrol Pump	
	8 List at least four methods of location	
	9 Explain in short: Split Pattern	
	10 Explain in short; Location of a cylinder on a V-Block	
<b>Q.3</b>	External & Internal sources of information for indication of Impairment (as per Ind AS 36)	<b>8</b>
	<b>OR</b>	
	Depreciable amount and depreciation period as Ind AS 16	<b>8</b>
<b>Q.4</b>	List all power press driving mechanisms and explain any three in detail.	<b>8</b>
	<b>OR</b>	
	Short Note: Custom built machineries manufactured by the company by consuming its own material and labour	<b>8</b>
<b>Q.5</b>	Discuss as per IVS 300 for Valuation of Plant & Machinery.	<b>8</b>
	1. Example of consideration must be given to the degree to which the asset is attached to, or integrated with, other assets	
	2. Example of additional assumptions be required to describe the situation and circumstances in which the assets are valued	
	<b>OR</b>	
	Discuss: Material considerations as per RICS	<b>8</b>
<b>Q.6</b>	Discuss: Revaluation and its accounting effects in financial statement	<b>8</b>
	<b>OR</b>	
	Discuss: Case laws of General tyre with description	<b>8</b>

**Paper End**

Seat No. \_\_\_\_\_ & Enrolment No. \_\_\_\_\_

**THE CHARUTAR VIDYA MANDAL UNIVERSITY**  
**M.SC. (PLANT & MACHINERY VALUATION) – SEMESTER - III**  
**WINTER 2021 EXAMINATION**

**Course Title: REPORT WRITING**

**Course Code: 101380308**

**Total Printed Pages: 2**

**Date: 19/11/2021**

**Time: 10:00 am to 12:00 pm**

**Maximum Marks: 60**

**Instructions:**

- Attempt all questions.
- Numbers to the right indicate full marks for each question.
- Make suitable assumptions wherever necessary.

**Q.1 Write a report on valuation of Konaseema Gas Power Limited (KGPL) located at Ravulapalem, East Godavari, Andhra Pradesh as per requirement of Insolvency and Bankruptcy Code, 2016 and internationally accepted valuation standard.**

You are appointed by Interim Resolution Professional (IRP) to estimate '**Fair Value**' and '**Liquidation Value**' of all the plant and machinery of Konaseema Gas Power Limited.

Date of Insolvency Commencement: 01 April 2020

Date of Appointment: 01 May 2021

You are required to estimate the '**Fair Value**' and '**Liquidation Value**' of all the Plant and Machinery of the KGPL. For this purpose, the Fair Value and Liquidation Value shall have the meaning assigned to it in Regulation 2 (1) (hb) and Regulation 2 (1) (k) respectively of the CIRP Regulations; the definitions are herein below appended:

Regulation 2 (1) (hb): "Fair value" means the estimated realizable value of assets of the corporate debtor, if they were to be exchanged on the insolvency commencement date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had acted knowledgeably, prudently and without compulsion. The insolvency commencement date in the present case is 01 April 2020.

Regulation 2 (1) (k): "Liquidation value" means the estimated realizable value of the assets of the corporate debtor, if the corporate debtor were to be liquidated on the insolvency commencement date which, in the case of the Company, is 01 April 2020.

**About KGPL**

Konaseema Gas Power Limited (KGPL), is a company incorporated on 10th July 2000 under the provisions of the Companies Act, 1956. KGPL has set up a 445 MW gas-based Power Generation plant built on 121.92 Acres land located in Ravulapalem, East Godavari, Andhra Pradesh.

The main asset of the company is 445 MW natural gas based Combined Cycle Power Generating Station. Financial closure was achieved in December 2003, installation was completed in 2006 and COD for open cycle operations was declared in 2009 and COD of combined cycle operations on 01 January 2010.

Due to perennial shortage of gas over the next 5 years, the plant could not be run to its contracted

PLF of 85% and generation had to be stopped in March 2013.

### About Asset

Main Plant and Machinery: 2 Gas Turbines (Siemens, V94.2) – 139.44 MW each + 2 HRSG + 1 Steam Turbine (LMZ, Russia) – 166.60 MW; Transformers – Crompton Greaves; CW pumps – Kirloskar; motor for CW – WEG, Brazil; IDC tower – L&T ECC; DM plant - Doshi Ion Exch; Compressor - Kirloskar and other ancillary equipment associated with the power plants.

PPA: KGPL entered a long term PPA with Transmission Corporation of Andhra Pradesh (APTRANSCO) for duration of 15 years from commercial operations date (COD).

FSA - KGPL had a firm Natural Gas supply arrangement with Reliance through GAIL distribution network for 25 years, but it soon failed affecting several other gas-based powers generating plants in the region.

### Details of Plant & Machinery under Scope of Work (Historical)

Name of Machine	Quantity	Ex-price	Other Cost	Gross Block
		In Cr.	In Cr.	In Cr.
Gas Turbine & Generator	2	1150.00	40.00	1190.00
Unit Auxiliary Transformers	2	290.00	10.00	300.00
Gas Conditioning Skid	2	100.00	0.00	100.00
ACW System	2	50.00	0.00	50.00
Hot Crane	7	140.00	10.00	150.00
Sub Station	1	190.00	10.00	200.00
Total		1920.00	70.00	1990.00

Date of Inspection: 01 June 2021

### Observation & Market Survey

Condition: Good

Status: Ready to use based on availability of gas

Availability of Gas: Sufficient gas available only for next 6 years from 01 January 2021

Effective Age: 4 years

Total Economic Life: 15 years

Salvage Value: 5%

Other Cost as on Date of Valuation: 112.50 Crore

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01 January 2013: 120, 01 April 2020: 150, 01 May 2021: 160, 01 June 2021: 160

New gas-based plant is with same capacity is available at Rs. 3.50 Crore per MW based on Ex-price.

Recently, plant and machinery of three similar type of gas-based power plant has been sold out at Rs. 2.00 Crore per MW.

Date of Report Issued: 01 November 2021

Consider suitable assumptions and special assumptions in valuation report.

**Paper End**