

CBCS SCHEME

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15MN551

Fifth Semester B.E. Degree Examination, Dec.2018/Jan.2019 Mineral Economics

Time: 3 hrs.

Max. Marks: 80

Note: Answer FIVE full questions, choosing one full question from each module.

Module-1

- 1 a. What is the contribution of mineral industry to Indian Economy? (08 Marks)
b. Explain special features of mineral industry. (08 Marks)

OR

- 2 a. Mention the factors affecting mineral pricing. (08 Marks)
b. Explain link between monetary policy, exchange rate and mineral prices at international monetary system. (08 Marks)

Module-2

- 3 a. Define sampling and what are the techniques of sampling. Explain with neat sketch how to cut a channel in dipping Ore body at 70°. (10 Marks)
b. Write note on Errors in sampling. (06 Marks)

OR

- 4 a. What are the classifications of Ore reserves? Explain with sketch extended area method of Ore reserve estimation. (08 Marks)
b. Prove the underground nine development sampling data given below:

Sampling data:

Location	Length (m)	Average Width (m)	Average Grade (g/t)
Winze 1	40	1.50	6.5
Winze 2	40	1.70	5.0
Level 1	60	1.65	4.5
Level 2	60	1.88	4.9

Tonnage factor : 2.5

Find (i) Average width of ore body.

(ii) Average grade.

(iii) Volume of reserve and metal.

(08 Marks)

Module-3

- 5 a. What are the different methods of project assessment? Explain project assessment by DCF method. (10 Marks)
b. Explain Hoskold's method and Net Present Value (NPV) of mine valuation. (06 Marks)

OR

- 6 a. Explain the role of fixed and variable cost in profitability. (08 Marks)
b. What is depreciation? Explain causes of depreciation? Calculate depreciation by straight line method. Fund collected at the end of 5th year for a Smelting unit from the following data:

Life of the equipment is 10 years.

Cost of smelter Rs. 50,000

Errection cost Rs. 5,000

Residual value after 5 years Rs. 10,000

Calculate the annual rate of depreciation accumulated funds at 5th year.

(08 Marks)

Module-4

- 7 a. What is the purpose and scope of capital investment in Business enterprise? (08 Marks)
b. What are the sources of finance? Explain the types of capitals required for an enterprise. (08 Marks)

OR

- 8 a. What is Book keeping and accountancy? Explain its advantages in a business enterprise. (08 Marks)
b. What are the salient features of asset in balance sheet? Give examples of fixed asset and current assets. (08 Marks)

Module-5

- 9 a. Explain the elements of cost accounting. Write note on fixed cost and variable cost. (08 Marks)
b. What is the concept of breakeven analysis? Explain with the help of cost curve. (08 Marks)

OR

- 10 a. Define budget and explain principles of budgeting. (06 Marks)
b. What is budgetary control? Explain the types of budget to attain objectives. (10 Marks)

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