



MARRI LAXMAN REDDY
INSTITUTE OF TECHNOLOGY AND MANAGEMENT

(AN AUTONOMOUS INSTITUTION)

(Approved by AICTE, New Delhi & Affiliated to JNTUH, Hyderabad)

Accredited by NBA and NAAC with 'A' Grade & Recognized Under Section 2(f) & 12(B) of the UGC act, 1956

III B.Tech I Sem Supply End Examination, December 2022

Engineering Economics and Accountancy

(CIVIL)

Time: 3 Hours.

Max. Marks: 70

Note: 1. Question paper consists: Part-A and Part-B.

2. In Part – A, answer all questions which carries 20 marks.

3. In Part – B, answer any one question from each unit.

Each question carries 10 marks and may have a, b as sub questions.

PART- A

(10*2 Marks = 20 Marks)

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|-------|---|----|-----|-----|
| 1. a) | Define Managerial economics | 2M | C01 | BL1 |
| b) | Define Demand | 2M | C01 | BL1 |
| c) | Discuss about Inflation | 2M | C02 | BL2 |
| d) | What is the New Economic Policy of 1991 | 2M | C02 | BL1 |
| e) | Define Capital Budgeting | 2M | C03 | BL1 |
| f) | Explain the Net Present Value method | 2M | C03 | BL1 |
| g) | Define Financial Leverage | 2M | C04 | BL1 |
| h) | Define capital structure | 2M | C04 | BL1 |
| i) | Define Journal | 2M | C05 | BL1 |
| j) | What are the components of the Balance sheet? | 2M | C05 | BL1 |

PART- B

(10*5 Marks = 50 Marks)

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|------|---|----|-----|-----|
| 2 a) | Explain the basic principles of engineering economics | 5M | C01 | BL4 |
| b) | Explain the demand schedule and curve | 5M | C01 | BL4 |

OR

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|------|--|----|-----|-----|
| 3 a) | Explain the determinants of the demand | 5M | C01 | BL4 |
| b) | Define the law of supply | 5M | C01 | BL1 |

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|------|--|----|-----|-----|
| 4 a) | Define the National Income | 5M | C02 | BL1 |
| b) | Explain the methods of calculating National Income | 5M | C02 | BL4 |

OR

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|---|--|-----|-----|-----|
| 5 | Explain the Impact of New Economic Policy 1991 on the Indian economy | 10M | C02 | BL4 |
|---|--|-----|-----|-----|

- 6 Explain the capital budgeting process to evaluate the project's feasibility 10M C03 BL4
- OR**
- 7 a) For each of the following projects X and Y, compute (i) the Pay-Back period 5M C03 BL3
 a) Project X Initial outlay Rs.50, 000, Annual cash inflow (after tax but before depreciation) Rs.10, 000 and Estimated life 8 Years
 b) Project Y Initial outlay Rs.1,20, 000, Annual cash inflow (after tax but before depreciation) Rs.15, 000 and Estimated life 8 Years 5M C03 BL3
- 8 Explain the leverage analysis and types of leverage analysis 10M C04 BL4
- OR**
- 9 A company has sales of Rs. 1,00,000, variable costs are 40% of the sale and the fixed operating costs amount to Rs. 30,000. The amount of interest on long-term debt is Rs. 10,000. You are required to calculate the Operating, Financial, and combined leverage. 10M C04 BL3
- 10 Differentiate between Journal, Ledger, Trail Balance, Profit, and Loss Account, and Balance sheet 10M C05 BL2
- OR**
- 11 **Journalize the following in the Journal of Sudesh** 10M C05 BL3
- | | | |
|--------------|-----------------------------------|--------|
| 2021, Oct. 1 | Received cash from Siva | 75,000 |
| 7 | Paid cash to Sayeed | 45,000 |
| 10 | Bought goods for cash | 27,000 |
| 12 | Bought goods on credit from David | 48,000 |
| 15 | Sold goods for cash | 70,000 |

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CO - Course Outcome

BL - Blooms Taxonomy Levels