

**R18**

**Code No: 155BD**

**JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD**

**B. Tech III Year I Semester Examinations, January - 2025**

**ENGINEERING ECONOMICS AND ACCOUNTANCY**

**(Common to CE, MMT)**

**Time: 3 Hours**

**Max. Marks: 75**

**Note:** i) Question paper consists of Part A, Part B.

ii) Part A is compulsory, which carries 25 marks. In Part A, Answer all questions.

iii) 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**

**(25 Marks)**

- |      |  |     |
|------|--|-----|
| 1.a) | Describe the law of Demand.                      | [2] |
| b)   | Define engineering economics principles.         | [3] |
| c)   | What is Inflation?                               | [2] |
| d)   | Describe the Fiscal Policy.                      | [3] |
| e)   | Illustrate the Time Value of Money.              | [2] |
| f)   | Describe the Pay Back Period with an example.    | [3] |
| g)   | What are the sources of Debt Financing?          | [2] |
| h)   | Describe the Financial Leverage.                 | [3] |
| i)   | What is the significance of Double entry system? | [2] |
| j)   | Illustrate the Trial balance proforma.           | [3] |

**PART – B**

**(50 Marks)**

- |      |  |       |
|------|--|-------|
| 2.a) | Define Engineering Economics and its importance in modern era. |       |
| b)   | What is Supply? Explain Elasticity of Supply.                  | [5+5] |

**OR**

- |      |   |       |
|------|---|-------|
| 3.a) | Define Elasticity of Demand and brief on types of elasticity. |       |
| b)   | Explain Theory of Firm.                                       | [5+5] |

- |      |   |       |
|------|---|-------|
| 4.a) | Define National Income concepts in brief.         |       |
| b)   | Explain Methods of Estimation of National Income. | [5+5] |

**OR**

- |      |   |       |
|------|---|-------|
| 5.a) | Write a note on new Economic Policy 1991.       |       |
| b)   | What is the impact of Trade Policy on Industry? | [5+5] |

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|------|--|-------|
| 6.a) | Explain any two Methods of capital Budgeting Appraisal Techniques. |       |
| b)   | How do you Choosing between alternative investment proposals?      | [5+5] |

**OR**

7. Calculate NPV and PI for the following data:  
The firm's cost of capital is 10%.

[10]

Particulars	Project X
Project Cost	700
Cash inflows :	
Year 1	100
Year 2	200
Year 3	300
Year 4	450
Year 5	600

- 8.a) Write the sources of Equity Finance.  
b) What is Composite Leverage? Illustrate it with an example.

[5+5]

**OR**

- 9.a) Define Leverage.

- b) The sales of Ruthwik Ltd. are 30000 units at Rs. 30 each. The variable cost per unit is Rs.15. The fixed expenses are Rs. 400000. The company employs 10% debentures of Rs. 500000 in its capital structure. The tax rate of the company is 30 percent. You are required to calculate:

- i) Degree of operating leverage  
ii) Degree of Financial leverage  
iii) Degree of combined leverage.

[4+6]

- 10.a) Define Accounting and brief on procedure of preparing final accounts.

- b) What is Journal? What are the uses of Journal? Explain procedure for passing journal entries.

[5+5]

**OR**

- 11.a) What is Breakeven Analysis? What are its applications for a business unit?

- b) Calculate BEP: Selling Price Per Unit: Rs.200, Variable Cost per Unit-Rs.90 Fixed Cost - Rs.10,00,000

[5+5]

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