

FACULTY OF ENGINEERING
B.E. (Civil/EE/INST/IT) IV - Semester (CBCS) (Suppl.) Examination,
Dec. 2018 / Jan. 2019

Subject : Material Economics and Accountancy

Time : 3 Hours

Max. Marks: 70

Note: Answer all questions from Part-A & any five questions from Part-B.

PART – A (20 Marks)

- 1 Differentiate between risk and uncertainty?
- 2 Define welfare definition of economics given by Alfred Marshall?
- 3 What is derived demand?
- 4 What do you mean by perfectly elastic and perfectly inelastic demand?
- 5 What is a Iso-Quant?
- 6 What do you mean by average total cost?
- 7 List out the long term sources of capital?
- 8 What is net working capital?
- 9 When petty cash book is used?
- 10 What does the balance sheet contains?

PART – B (50 Marks)

- 11 What led to the birth of Managerial Economics and how managerial economics is having close relationship with other sciences?
- 12 Yesterday the price of cement bag was Rs. 300/- per bag, Robert was willing to buy 10 bags. Today the price has gone up to Rs. 375/- per bag and now Robert is willing to buy 8 bags. Is Robert demand for cement bag is elastic or inelastic demand explain reasons?
- 13 Define perfect and monopoly competition and how the prices are determined in perfect competition?
- 14 What is a subsidiary book, why do we need it and list out the different types of subsidiary books?
- 15 The cost of a plant is Rs. 5, 00,000. It has estimated life of 5 years and no scrap value. Profits before depreciation and taxes is Rs. 1, 75,000 per year. Tax rate is 30%. Find out yearly cash inflow after tax.
- 16 A manufacturer produced 1500 units of products annually. The variable cost of each product is Rs. 960/- and the product is sold for Rs. 1200/-. Fixed cost is Rs. 48,000. Calculate P/V Ratio and what would be the break-even point in terms of output and in terms of sales value.
- 17 Classify the following under Personal, Real and Nominal accounts.
 - 1 Stock
 - 2 Goodwill
 - 3 Loan
 - 4 Furniture
 - 5 Bank overdraft
 - 6 Drawings
 - 7 Salaries
 - 8 peter
 - 9 patent
 - 10 trademark
