

Dr. Yoush Gupta

2/5/2023

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NATIONAL INSTITUTE OF TECHNOLOGY, HAMIRPUR (H.P)

End Semester Examination

(B.Tech 8th Semester/B Tech Dual Degree), May-2023

Subject: Engineering Economics and Accountancy

(Course no. HS -404)

Time: 3 hour

Max. Marks: 50

Note: All the questions are compulsory. Answers must be comprehensive and supported with suitable examples. Each question is worth 5 marks.

Q.No.1. What do you understand by Micro and Macroeconomics approaches? Explain the difference between them with the help of suitable examples

Q. No.2. The demand function for the milk in the city $Q_d = 500 - 4P$

Where Q_d = quantity demanded of milk (in '000 packets per week)

P = is the price of milk per packet.

Find:

i) At what price demand will be Zero?

ii) If the Producer want to sell 3,80,000 packets of milk per day , what price should it charge?

Q. No.3. Explain how the optimum level of output and sales is determined through break even analysis?

Q. No.4. What do you understand by Cartel? Explain how it is different from Price leadership.

Q. No.5. Monopolist use Price discrimination to maximize Profits. Comment on this statement.

Q.No. 6. From the following information calculate the net present value of the two projects and suggest which of the two projects should be accepted assuming a discount rate of 10%

The initial investment in the Project X is Rs 20000/- and in Project Y is Rs 30000/-

The estimated life of both the project is 5years.

The profit (cash flows) is as follows

	Year 1 (Rs)	Year2 (Rs)	Year3 (Rs)	Year4 (Rs)	Year5 (Rs)
Project X	5000	10000	10000	3000	2000
Project Y	20000	10000	5000	3000	2000

Present value of Rs 1 @ 10% (discount factors) using present value tables is given as .909, .826, .751, .683, .621 for the 1st year, 2nd year, 3rd year, 4th year and 5th year respectively.

P.T.O.

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Q.No.7. Explain the mechanism through which tight (contractionary) Monetary Policy works to check inflation.

Q. No.8. Define depreciation. Explain the various methods of depreciation.

Q.No.9. Explain the economies and diseconomies of scale in production.

Q.No.10.. Write short notes on any two of the following:

- A) Book Keeping
- B) Journal & Ledger
- C) Balance Sheet

OR

From the following information, Journalize the entries and also prepare Cash Account

Date	Particulars	Amount (Rs)
01/04/23	Roshan Started a business with cash	20000
02/04/23	Deposit in Bank	5000
03/04/23	Furniture Purchased for cash	5000
04/04/23	Purchased goods for cash	2000
05/04/23	Purchased goods from M/s Ram on credit	3000
06/04/23	Goods sold to M/s Sohan and co. for cash	2500
07/04/23	Goods sold on credit to Ramesh	500
08/04/23	Received cash from Ramesh	500
09/04/23	Paid Rent	700
09/04/23	Paid salary	1000