



**SEMBODAI RUKMANI VARATHARAJAN ENGINEERING COLLEGE**  
**SEMBODAI - 614809**  
**BACHELOR OF ENGINEERING**  
**DEPARTMENT OF CIVIL ENGINEERING**

**QUESTION BANK**

**Sub.Code : CE2451**

**Branch/Year/SEM:CIVIL/IV/ VIII**

**Sub.Name : Engineering Economics And Cost Analysis**

**Batch : 2012-2016**

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**UNIT-I: BASIC ECONOMICS**

**PART – A**

1. Define economics.
2. Define managerial economics.
3. Define wealth.
4. Define utility
5. Define value
6. Explain any two natures of economics.
7. Explain any two natures of managerial economics.
8. What are the four factors of production?
9. Write any four peculiarities of land.
10. Write any four peculiarities of labour.
11. Write any four disadvantages of economies of small scale.
12. Mention any four advantages of economies of small scale
13. Explain diminishing marginal utility with an example.
14. Write any four features or characteristics of human wants
15. Write any four types of goods
16. List the main areas of application of managerial economics
17. Give example for wealth and wants.
18. Classify: Wants
19. What are positive economics and normative economics?
20. Differentiate micro and macro economics.

**PART - B**

1. Explain the factors of production with its peculiarities
2. Explain the internal and external economies of large scale.

3. Bring out the similarities and differences between the economic and technical decisions
4. Explain the nature and scope of managerial economics.
5. Give a detailed note on Goods, Value, Utility and Wealth
6. Explain the advantages and disadvantages of small scale production.
7. Explain how managerial economics helps in solving managerial problems.
8. Explain the following (i) Micro economics (ii) Macroeconomics (iii) Normative economics (iv) Positive economics

## UNIT-II: DEMAND AND SCHEDULE

### PART – A

1. What do you mean by supply curve?
2. Define demand
3. Write the law of demand
4. Write the law of supply.
5. Define elasticity of demand
6. What are the methods used to measure the elasticity of demand?
7. Write any four reasons for change in supply.
8. What are the Factors influencing supply
9. How is elasticity of demand used for forecasting?
10. Differentiate monopoly and monopolistic competition.
11. What are the assumptions of law of demand?
12. What are the factors which affect the price elasticity of demand for a commodity?
13. State the assumption of the law of supply.
14. Give any three factors affecting elasticity of supply.
15. Define market demand.

### PART - B

1. Discuss the factors determining demand.
2. Describe the different types of elasticity of demand.
3. Explain in detail the elasticity of supply.
4. Bring out the differences between normal and market prices.
5. What are the exceptions to law of demand?
6. Enumerate the factors influencing the elasticity of demand.

7. Explain the factors governing elasticity of demand. How will you measure elasticity of demand? Illustrate how you interpret the different types of elasticity
8. Explain how supply and demand determine the equilibrium price. What happens if supply curve shifts to the left? Write the factors affecting elasticity of supply.
9. Explain in detail the assumptions and price determination in perfect competition.
10. Elaborate the features of monopoly and monopolistic competition.

### UNIT-III: ORGANISATION

#### PART – A

1. What are the different forms of organisation or business?
2. Distinguish between CRR and SRR.
3. What is meant by Bad debts?
4. Define Partnership.
5. Give any 4 examples for public sector undertaking.
6. What do you mean by mixed economy or public private partnership?
7. What are the advantages of sole proprietorship?
8. What are the main functions of a commercial bank?
9. What is meant by monetary policy?
10. Give a short note on RBI.
11. Give any 4 examples for Foreign Banks.
12. State the advantages and disadvantages of cooperative organisation.
13. What are the features of commercial banks?
14. What are the features of proprietorship concern?
15. List the functions of Central bank.
16. What do you mean by credit instrument?
17. Differentiate partnership and Joint Stock Company.
18. What do you mean by state enterprise?
19. Define company.

#### PART - B

1. Discuss the functions of the central bank. (RBI)
2. What are the different types of banks?

3. (i) Explain the features of joint stock company.  
(ii) Enumerate the limits of credit creation.
4. State and explain the function and services of commercial in India. Explain about mixed economy.
5. Explain the different forms of organisation.
6. Explain the various types of credit instruments.
7. Explain the monetary policy of India?
8. Discuss the features of Cooperative Organisation. List the advantages and disadvantages.
9. Explain the features of Partnership Organisation. List the advantages and disadvantages.
10. Explain in detail about credit control in India.

#### UNIT-IV: FINANCING

##### PART – A

1. What do you mean by debentures?
2. Define Balance sheet?
3. Explain fund flow statement.
4. Explain bad debts.
5. What do you mean Bank O/D?
6. Write any two sources and uses of fund flow statement
7. Write any two international funding agencies
8. Explain internal source of finance with an example
9. What do you understand by ECB?
10. What are the sources of finance available internally?
11. Write the sources of long term and short term finance.
12. What are the objectives of funds flow statement?
13. What do you mean by current assets and current liabilities
14. What do you understand by drawings?
15. What do you mean by retained earnings?
16. Write a short note on profit and loss account.
17. Explain the terms fixed assets, current assets.
18. What is a fund from operation (FFO)?

##### PART - B

1. Write the format of final accounts
2. Write the format of Fund Flow Statement (Schedule of changes in working capital, Funds from operation and Fund flow statement)

3. Explain in detail the short term and long term sources of finance.

4. Following are the data of HYZ Ltd. as on 31/3/2012, prepare final accounts:

Taxes and Insurance	2,240	Purchases	1,26,440
Plant and Machinery	50,000	Stock (1.4.2011)	50,000
Creditors	15,840	Loan	20,000
Wages	13,560	Motor Lorry	6,500
Bad debts	784	Power	4,600
Land and Buildings	27,680	Capital a/c	1,58,800
Telephone Charges	2,000	Repairs and Replacements	2,400
Salaries	5,726	Drawings	12,600
Advertisement	7,600	Discount received	4,800
Debtors	16,000	Furniture	4,000
Rent received	1,146	Coal	13,436
Sales	1,50,000	Cash at Bank	4,000
Cash in hand	1,020		

The value of stock on 31/3/2012 was Rs.60, 000.

5. The following balances were extracted from the books of Prasad on 31<sup>st</sup> March 1994.

Details	Rs.	Details	Rs.
Capital	50,000	Creditors	5,000
Drawings	4,000	Bad debts	1100
General Expenses	5,000	Loan	15760
Buildings	22,000	Sales	130720
Machinery	18,680	Purchases	94000
Stock	32,400	Motor Car	4000
Power	4,480	Short term borrowings	1800
Taxes & Insurance	2630	Commission received	2640
Wages	14400	Car Expenses	3600
Debtors	12560	Bills Payable	6700
Bank Overdraft	6600	Cash	160
Postage	210		

Stock on 31<sup>st</sup> March 1994 was valued at Rs.47, 000. Outstanding wages Rs.600. Create a depreciation of 10% on buildings. Prepare the final Accounts for the year ended on 31<sup>st</sup> March 1994.

6. Name the financial institutions available in industry to meet the financial needs. Also outline the objectives of each of these institutions.

7. List and explain the limitations of financial institutions. Prepare a balance sheet with imaginary data and explain the terms.

8. Explain in detail about external commercial borrowings.

**UNIT-V: COST AND BREAK EVEN ANALYSES****PART-A**

1. Give two examples for fixed cost and semi variable cost.
2. Explain variable cost with an example.
3. Define explicit and implicit cost.
4. Define capital budgeting.
5. What do you mean by feasibility study?
6. What are the three types of feasibility study?
7. Define BEP (Break Even Point).
8. Explain marginal cost with an example.
9. Define NPV
10. Define IRR
11. What is CVP analysis?
12. Write any two use and limitations of capital budgeting
13. Explain variable cost with an example
14. If a company invests Rs.2,00,000 with Rs.40,000 as its annual earnings, what is the PBP of the company?
15. If the total cost of the firm is Rs.1,00,000 and fixed cost is Rs.40,000, what is the variable cost of the firm?
16. What is activity based costing?
17. What is bid pricing and pricing for a rate of return?
18. List the assumptions of break-even analysis.

**PART-B**

1. Elucidate any four assumptions and managerial uses of BEA.
2. Explain the different techniques used in capital budgeting with respective advantages and disadvantages.
3. Explain in detail the cost output relationship in short run.
4. Describe the cost output relationship in long run.
5. Discuss the different methods of pricing in practice.
6. Explain the different types of costing.
7. (i) Explain how cost output relationship helps entrepreneur in expansion decision.  
(ii) Explain marginal cost pricing and going rate pricing.
8. Explain marginal cost pricing and going rate pricing.

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