

**BACHELOR OF ENGINEERING (ELECTRICAL ENGINEERING) FIFTH YEAR FIRST  
SEMESTER (OLD) SUPPLEMENTARY EXAM-2018  
ENGINEERING ECONOMICS AND COSTING**

Time: Three Hours

Full Marks: 100

Answer any *five* questions.

1. a) State the Law of Demand. What are the factors affecting the demand of a commodity? 2+6+5  
What are the exceptions to the Law of Demand?
- b) State the Law of Supply. What are the factors affecting the supply of a commodity? 2+5
2. a) What is depreciation? Explain in details the different conditions which lead to depreciation. 2+8
- b) Write short notes on any two methods of calculating depreciation fund. 5+5
3. Discuss inflation – the factors causing it and the methods to control it. 20
4. Discuss the different functions of the Reserve Bank of India. 20
5. a) What do you mean by the double-entry system of book-keeping? What are the advantages and disadvantages of this system? 15
- b) What is an account and what are its different types? 5
6. Journalise the following transactions : 20
  - i). Mr. Roy started a business with cash ₹ 2,90,000.00 and furniture ₹ 60,000.00 on 01-01-2018.
  - ii). Opened a bank account of ₹ 40,000.00 on 02-01-2018.
  - iii). Purchased goods by cash ₹ 30,000.00 on 02-01-2018.
  - iv). Purchased goods from Sen and Co. on credit ₹ 50,000.00 on 03-01-2018.
  - v). Sold goods to B. Brothers on credit ₹ 60,000.00 on 06-01-2018.
  - vi). Withdrew ₹ 10,000.00 for personal use on 08-01-2018.
  - vii). Cheque received from B. Brothers for ₹ 40,000.00 on 09-01-2018.
  - viii). Sold goods for cash ₹ 50,000.00 on 15-01-2018.
  - ix). Paid rent by cash ₹ 30,000.00 on 20-01-2018.
  - x). Paid salary ₹ 90,000.00 on 31-01-2018.

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7. From the following particulars, prepare a Trial Balance of Reliable Medico as on 31-12-2017. 20

Capital - ₹ 40,000.00	Stock on 01-01-2017 - ₹ 15,500.00
Purchases - ₹ 36,000.00	Sundry debtors - ₹ 20,200.00
Discount allowed - ₹ 1,200.00	Sundry creditors - ₹ 12,000.00
Carriage inwards - ₹ 8,700.00	Investments - ₹ 3,600.00
Carriage outwards - ₹ 2,300.00	Commission received - ₹ 1,800.00
Sales - ₹ 60,000.00	Cash in hand - ₹ 100.00
Return inwards - ₹ 300.00	Cash at Bank - ₹ 10,100.00
Return outwards - ₹ 700.00	Power and fuel charge - ₹ 4,600.00
Rent and Taxes - ₹ 1,200.00	Stock on 31-12-2017 - ₹ 18,300.00
Plant & Machinery - ₹ 10,700.00	

8. Prepare Trading and Profit and Loss Account and Balance Sheet from the following data of Sen Machinery and Co. for the year ended 31-03-2018. 20

Capital	₹ 25,000	Salaries	₹ 3,000
Loans	₹ 5,000	Wages	₹ 7,000
Sales	₹ 35,000	General Expenses	₹ 750
Accounts Payable	₹ 4,000	Carriage Outwards	₹ 200
Bills Payable	₹ 5,000	Insurance	₹ 300
Purchase Returns	₹ 2,000	Commission Paid	₹ 100
Dividends received	₹ 3,000	Cash in Hand	₹ 100
Plant and Machinery	₹ 13,000	Cash at Bank	₹ 1,600
Buildings	₹ 17,000	Repairs	₹ 500
Accounts receivables	₹ 9,650	Interest on Loans	₹ 600
Purchases	₹ 18,000	Opening Stock	₹ 6,000
Discount Allowed	₹ 1,200		

**Adjustments:**

- (i) Closing Stock as on 31<sup>st</sup> March 2018 was valued at ₹ 8,000. (ii) Depreciate Plant and Machinery at 15% and Buildings at 10%. (iii) Provision for doubtful receivables ₹ 500. (iv) Insurance prepaid ₹ 50. (v) Outstanding rent ₹ 100.