

Code: CE8T2

**IV B.Tech - II Semester – Regular / Supplementary Examinations
March 2019**

**ENGINEERING ECONOMICS AND PROJECT
APPRAISAL
(CIVIL ENGINEERING)**

Duration: 3 hours

Max. Marks: 70

PART – A

Answer *all* the questions. All questions carry equal marks

11 x 2 = 22 M

1.

- a) State Law of demand.
- b) Define Engineering economics.
- c) Define Macroeconomics.
- d) What are examples for Simple economic analysis?
- e) Explain Present value.
- f) Define Explicit cost.
- g) Distinguish Fixed and Variable cost.
- h) What is Equivalent uniform annual cost?
- i) What is Benefit / Cost ratio?
- j) What are the methods of costing?
- k) What are project cost reduction methods?

PART – B

Answer any **THREE** questions. All questions carry equal marks.

3 x 16 = 48 M

2. Explain the basic principles and scope of engineering economics. 16 M
3. Explain the use of economic analysis in decision making by taking a suitable example. 16 M
4. a) ABC enterprise deals in the supply of hardware parts of computer. The following cost data is available for two successive periods.

	Year I (Rs.)	Year II(Rs.)
Sales	50,000	1,20,000
Fixed costs	10,000	20,000
Variable costs	30,000	60,000

Determine (i) Break Even Point. 4 M

(ii) Margin of Safety. 4 M

- b) Explain about the application of marginal costing in terms of Cost Control. 8 M

5. Explain different methods of Economic analysis and investment. 16 M
6. Explain in detailed manner about Project stores organization and HRD issues. 16 M