# Department of Electronics and Communication Engineering

Academic Year   :   2019 – 2020 (EVEN Semester)

Year / Sem   :   II/ IV

Sec   :   A

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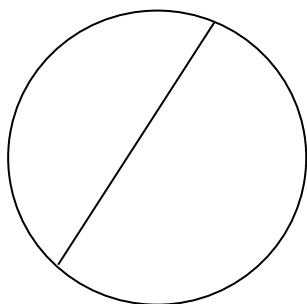USN No.   :   1NH18EC012

Course Name   :   Economics For Engineers

Course Code   :   19HSS421

Assignment No.   :   1

Assignment Group   :   3

Submitted on   :   20/5/2020

1. Identify the major influencing factors of the individual market for:

- Pen
- Mobile Phone

**In:** **Pen:-**

Major influencing factors are

a) cost of the pen
b) Mode of the pen like color, design (outer appearance)

c) No. of consumers prefer
d) advertising the Product
e) quality of the nib.

**Mobile Phone:-**

Major influencing factors are

a) whether it posses latest version or not.
b) RAM it can have.
c) Storage, quality of camera and video.
d) Advertisement
e) Review given by the reviewers.

2. On 1st Jan, 2018, a merchant purchased land & building costing Rs. 135000. It is estimated that its working life is 3yrs at the end of which it will fetch Rs. 15000. Estimate depreciation amount under straight line method.

Annual depreciation = $\dfrac{\text{cost of asset} - \text{scrap value}}{\text{estimated life of asset}}$

$$= \frac{135000 - 15000}{3}$$

$$= 40,000$$

<u>debit</u>          <u>Credit</u>

| Date | Particulars | Amount | Date | Particulars | Amount |
|------|-------------|--------|------|-------------|--------|
| 1/1/18 | To bank | 135000 | 1/1/18 | by depriciated A/C | 40,000 |
|  |  |  | 1/12/18 | balance carry down | 95000 |
|  |  |  |  |  | 135000 |
| 1/1/19 | balance b/d | 95000 | 1/1/19 | by depriciated A/C | 40,000 |
|  |  |  | 1/12/19 | balance carry down | 55,000 |
| 1/1/20 | balance b/d | 55000 |  |  | 95,000 |
|  |  |  | 1/1/20 | by depriciated A/C | 40,000 |
| 1/1/20 | balance | 15000 | 1/12/20 | balance carry down | 15,000 |
|  |  |  |  |  | 55,000 |

**3.**

| Quantity of labour | Total Product (TP) |
|---|---|
| 1 | 50 |
| 2 | 105 |
| 3 | 165 |
| 4 | 215 |
| 5 | 260 |
| 6 | 300 |
| 7 | 335 |
| 8 | 360 |
| 9 | 375 |
| 10 | 380 |
| 11 | 370 |

Predict Average product and Marginal Product and construct production possibility curve.

Avg product = $\dfrac{\text{total product}}{\text{labour}}$ , marginal Product = $\dfrac{\Delta Q}{\Delta L}$

| Quantity of labour | total Product | Avg Product | Marginal Product |
|---|---|---|---|
| 1 | 50 | 50 | 50 |
| 2 | 105 | 52.5 | 55 |
| 3 | 165 | 55 | 60 |
| 4 | 215 | 53.7 | 50 |
| 5 | 260 | 52 | 45 |
| 6 | 300 | 50 | 40 |
| 7 | 335 | 47.8 | 35 |
| 8 | 360 | 45 | 25 |
| 9 | 375 | 41.6 | 15 |
| 10 | 380 | 38 | 0.5 |
| 11 | 370 | 33.6 | -10 |

fig:- Total Product



Avg Product

Marginal Product