

**Dr. Babasaheb Ambedkar Technological University, Lonere-Raigad**

Supplementary Examination May/June-2019

For B.Tech. in Electrical Engineering

**Subject: Engineering Economics (BTHM306)**

**Time:** 03 hours

**Date:** 03/06/2019

**Max. Marks:** 60

**Semester:** IV

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**Instructions to the students:**

1. Each question carries 12 marks.
  2. Attempt any five questions of the following.
  3. Illustrate your answers with neat sketches, diagram wherever necessary.
  4. If some part or parameter is noticed to be missing, you may appropriately assume it and should mention it clearly.
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**Q.1 a)** Write a detailed note on scope and importance of engineering economics. (06)

**b)** Explain the relationship between Science, Engineering, Technology and Economic Development. (06)

**Q.2 a)** Explain the concept and applications of time value of money. (06)

**b)** Discuss the traditional and modern methods of capital budgeting. (06)

**Q.3 a)** Explain Law of demand and write a note on the factors affecting it. (06)

**b)** What did you understand by demand forecasting? Explain the different methods. (06)

**Q.4 a)** Write merits and demerits of Break Even Chart. (06)

**b)** Explain the concept of cost of production. Explain different types of cost. (06)

**Q.5 a)** Explain the law of supply and demand with suitable examples. (06)

**b)** Write a note on role of demand and supply in price determination. (06)

**Q.6 a)** Write a note on the nature and characteristics of Indian Economy. (06)

**b)** Write short notes on the following: (06)

i) Fiscal and monetary policy

ii) Inflation

iii) GATT

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**DR. BABASAHEB AMBEDKAR TECHNOLOGICAL  
UNIVERSITY, LONERE - RAIGAD -402 103  
Winter Semester Examination - Dec. - 2019**

**Branch: ELECTRICAL ENGINEERING**

**Sem.: -III**

**Subject: ENGINEERING ECONOMICS (BTHM306)**

**Marks: 60**

**Date: - 21/12/2019**

**Time: - 3 Hr.**

**Instructions to the Students**

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**(Marks)**

- Q.1 a) Write down definition of Economics and explain relationship between Science, Engineering, Technology and Economic Development. (6)
- b) With a neat diagram, Explain production possibility curve with suitable example and why is the curve concave to the origin? (6)
- Q.2 a) Consider the cash flows of the two projects A and B as shown in table below. Determine the profitability index for both the projects. Assume an annual discount rate of 8 % for each project. Also calculate payback period of both the projects. Make a suitable comment about the better proposal. (6)

	Project A	Project B
Capital Cost (Rs.)	30000	30000
Year	Net annual savings (Rs.)	Net annual savings (Rs.)
1	+6000	+6600
2	+6000	+6600
3	+6000	+6300
4	+6000	+6300
5	+6000	+6000
6	+6000	+6000
7	+6000	+5700
8	+6000	+5700
9	+6000	+5400
10	+6000	+5400
Total net saving at end of year 10	+60000	+60000

- b) Explain meaning of Demand, Explain Law of Demand and what are the assumptions of the law? (6)
- Q.3 a) Explain meaning of Elasticity of Demand and what are the factors affecting on Elasticity of demand? (6)
- b) i) Explain Demand Forecasting in detail. (3)
- ii) Explain the factors affecting demand, its practical application and importance. (3)
- Q.4 a) i) Define production and explain the factors of production. (3)
- ii) Explain time value of money in detail with simple example. (3)
- b) Explain concept of cost of production in detail and different types of costs. (6)
- Q.5 a) Explain Market and perfect competition, monopoly, monopolistic and oligopoly market situations with their main features. (6)
- b) i) Explain supply and law of supply. What is the role of demand and supply in price determination? (6)

Or

ii) What are the difference between Central bank and Commercial bank? (6)

Q.6 Explain the following. (solve any three) (12)

- i) Inflation
- ii) Sensex
- iii) GATT
- iv) WTO
- v) IMF

Paper End

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