

GUJARAT TECHNOLOGICAL UNIVERSITY**BE - SEMESTER-IV (NEW) EXAMINATION – SUMMER 2021****Subject Code:3140911****Date:03/09/2021****Subject Name:Economics for Engineers****Time:02:30 PM TO 05:00 PM****Total Marks: 70****Instructions:**

1. Attempt all questions.
2. Make suitable assumptions wherever necessary.
3. Figures to the right indicate full marks.
4. Simple and non-programmable scientific calculators are allowed.

		MARKS
Q.1	(a) Define economics. Why is the study of Economics useful for engineers?	03
	(b) What is difference between Marginal & Average Costs?	04
	(c) Explain Economics decisions making process.	07
Q.2	(a) Write down types of Estimate.	03
	(b) Explain cash cost And book Costs.	04
	(c) Write short notes on Sunk cost & Opportunity Costs with examples.	07
OR		
	(c) Explain segmenting model with example.	07
Q.3	(a) Define Life-Cycle Costs.	03
	(b) Short note: Per-Unit Model.	04
	(c) Explain Income Elasticity of Demand with example.	07
OR		
Q.3	(a) Explain time value of money.	03
	(b) Define incremental Costs.	04
	(c) Write short notes on breakeven analysis.	07
Q.4	(a) Define Debt repayment.	03
	(b) Explain treatment of salvage value.	04
	(c) Explain Annual Cash Flow Analysis.	07
OR		
Q.4	(a) Explain Internal Rate Of Return.	03
	(b) Write definition of inflation and its effects.	04
	(c) Explain Composite Vs Commodity Indexes.	07
Q.5	(a) Define cash flow.	03
	(b) Explain causes of inflation.	04
	(c) Explain Price Change with Indexes.	07
OR		
Q.5	(a) Define economic criteria.	03
	(b) Explain Future Worth Analysis.	04
	(c) Explain End-Of-Year Convention.	07
