QPC: RJ19BTECH165 AR - 19 Reg. No

GIET UNIVERSITY, GUNUPUR – 765022

B. Tech (Fourth Semester – Regular) Examinations, June – 2021

BHSBT4060 / BHSCH4060 / BHSCS4060 / BHSCT4060 / BHSEC4060 / BHSPR4060 –

Engineering Economics and Costing

(Common to Biotech, Chemical, CSE, CST, ECE and PRE)

Time: 2 hrs Maximum: 50 Marks

Answer ALL Questions

The figures in the right hand margin indicate marks.

PART – A : (Multiple Choice Questions) (1 x 10 = 10 Marks)

Q.1. Answer ***ALL*** questions				[CO#]	[PO#]
a.	Demand is determined by			CO1	PO1
	(i) Price of the product	(ii)	Relative prices of other goods		
	(iii) Tastes and habits	(iv)	All of the above		
b.	Other things being equal, an increase in supply can be caused by			CO1	PO1
	(i) A rise in the income of the consumer	(ii)	An improvement in the techniques of production		
	(iii) A rise in the price of the commodity	(iv)	An increase in the income of the seller		
c.	$MR_a = TR_a – TR_{n-1}$, is the algebraic expression of			CO2	PO1
	(i) Information is insufficient	(ii)	Marginal Revenue, the change in total revenue when there is a change in quantity sold of the product		
	(iii) The addition to TR earned by selling n units of product instead of (n-1) units	(iv)	None of the above		
d.	Under perfect competition, price is determined by the interaction of total demand and _____.			CO2	PO1
	(i) Total cost	(ii)	Total supply		
	(iii) Total utility	(iv)	Total production		
e.	A _____ is used to determine how much sales volume your business needs to start making a profit.			CO3	PO1
	(i) Profit volume ratio	(ii)	Break-even analysis		
	(iii) Contribution	(iv)	None of the above		
f.	Margin of Safety is			CO3	PO1
	(i) Current output – Breakeven output	(ii)	Actual sales – BEP sales		
	(iii) Both the above	(iv)	None of the above		
g.	_____ is that rate of return at which the present value of expected cash flows of a project exactly equals the original investment.			CO4	PO1
	(i) Accounting Rate of Return	(ii)	Payback period		
	(iii) Discounted cash flow method	(iv)	Internal rate of return		
h.	_____ refers to the excess of present value of future cash inflows over and above the cost of original investment.			CO4	PO1
	(i) Accounting Rate of Return	(ii)	Net Present value		
	(iii) Discounted cash flow method	(iv)	Internal rate of return		

i. When aggregate demand exceeds aggregate supply at full employment level of output is called — CO5 PO1

(i) Deflation (ii) Inflationary gap

(i) Deflationary gap (ii) None of the above

j. GDP at market prices is — CO5 PO1

(i) GNP_{MP} + Net factor income from abroad (ii) GNP_{MP} - Net factor income from abroad

(iii) GDP_{MP} + Net factor income from abroad (iv) GDP_{MP} - Net factor income from abroad

PART – B: (Short Answer Questions) **(2 x 5 = 10 Marks)**

Q.2. Answer ***ALL*** questions	[CO#]	[PO#]
a. Define Micro-economics.	CO1	PO1
b. Differentiate Fixed and Variable cost.	CO2	PO2
c. Define the Break-even point.	CO3	PO1
d. Differentiate Simple and Compound Interest.	CO4	PO1
e. Define National Income.	CO5	PO1

PART – C: (Long Answer Questions) **(6 x 5 = 30 Marks)**

Answer ***ANY FIVE*** questions	Marks	[CO#]	[PO#]
3. i) How to measure the Elasticity of Demand? ii) The quantity demanded for product M is 1000 units at a price of Rs.110 per unit. The price declines to Rs.95 per unit and the quantity demanded increases to 1500 units, Find the Price Elastic.	4 + 2	CO2	PO5
4. How the demand is determined? List out the Determines with suitable example.	4 + 2	CO1	PO4
5. What is Market? Write down the different types of markets in economics and list out its features.	6	CO2	PO3
6. How to calculate depreciation in Straight line method and Declining balance method with suitable example.	6	CO2	PO3
7. Write a detail note on Interest analysis.	6	CO3	PO3
8. A project cost Rs.1,44,000. The average annual cash inflows are likely to be Rs. 45,000 for a period of 5 years. Calculate the IRR for the project.	6	CO3	PO5
9. Write a detail note on functions of Commercial Bank.	6	CO4	PO3
10. Define National Income. How to measure National Income through Income Method.	6	CO5	PO4

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