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# PRESIDENCY UNIVERSITY

Presidency University Act, 2013 of the Karnataka Act No. 41 of 2013 | Established under Section 2(f) of UGC Act, 1956  
Approved by AICTE, New Delhi | Approved By BCI  
Bengaluru

## Even Semester Mid Term, March 2026

**Date: 14/03/2026**

**Time: 09:30 AM - 11:00 AM**

**Course Code: MGT2015**

**Course Name: Engineering Economics**

**Semester: Sixth Semester**

**Max. Marks: 50**

**Weightage: 50%**

CO - Levels	CO1	CO2
Marks	46	44

### PART-A: Answer Following Questions. 10 M

Qn.No	Questions	M	CO	BT
1	List any two principles of Engineering Economy.	2	CO1	BT1
2	Explain the concept of opportunity cost.	2	CO1	BT1
3	Define Production Possibility Curve (PPC).	2	CO1	BT1
4	What is cross elasticity of demand?	2	CO2	BT1
5	Recall any two factors of supply.	2	CO2	BT1

### PART-B: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
6	Explain Engineering Economics and discuss the 7 principles of Engineering Economy with examples.	10	CO1	BT2
7	Outline the design process in Engineering Economics.	10	CO1	BT2

### PART-C: Answer Any 1 Following Questions. 10 M

Qn.No	Questions	M	CO	BT
8	Explain the concept and scope of Engineering Economics and illustrate its importance in engineering decision-making with suitable examples.	10	CO1	BT2
9	Illustrate the circular flow of income in a three-sector economy, and state the assumptions underlying the model.	10	CO1	BT2

**PART-D: Answer Any 1 Following Questions. 10 M**

<b>Qn.No</b>	<b>Questions</b>	<b>M</b>	<b>CO</b>	<b>BT</b>
10	Explain the concept of elasticity of supply and its different types with suitable examples.	10	CO2	BT2
11	Explain the Law of Demand and outline its assumptions and exceptions.	10	CO2	BT2

**PART-E: Answer Any 1 Following Questions. 10 M**

<b>Qn.No</b>	<b>Questions</b>	<b>M</b>	<b>CO</b>	<b>BT</b>
12	Illustrate how equilibrium price and equilibrium quantity are determined using the following supply and demand equations:  $S(P) = -100 + 40P$  $D(P) = 900 - 20P$	10	CO2	BT2
13	Demonstrate how (a) price elasticity of demand, (b) cross elasticity of demand, and (c) income elasticity can be determined from the following demand function:  $Q = 50 - 2P + 0.02Y - 0.3P_s$  at $P=10$ , $Y=3000$ , and $P_s=20$ .	10	CO2	BT2