



ROLL NO:

PRESIDENCY UNIVERSITY, BENGALURU
SCHOOL OF ENGINEERING

Weightage: 20 %

Max Marks: 40

Max Time: 1 hr.

Tuesday, 25th September, 2018

TEST – 1

Odd Semester 2018-19

Course: **MGT 112 Engineering Economics**

V Sem. CSE,CVE

Instruction:

- (i) Read the question properly and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and Non-programmable calculators are permitted.

Part A

(3 Q x 4 M = 12 Marks)

1. Differentiate between Microeconomics and Macroeconomics
2. State Law of Demand and draw the demand curve
3. Discuss the Circular flow of Economy

Part B

(2 Q x 8 M = 16 Marks)

4. Discuss different types of Price Elasticities with diagrams
5. Discuss Income elasticity and cross price elasticity of demand and based on the elasticity values comment on the nature of the price

Part C

(1Q x 12 M = 12 Marks)

6. From the below schedule calculate

Price of A (Rs)	Quantity demanded of A (Kg)	Quantity demanded of B(kg)	Income of Consumer
6	100	20	2000
6.5	90	30	1800
7	70	50	1600
7.5	40	70	1400
8	10	85	1200

1. Calculate the price elasticity of demand for A, if the price of A increase from Rs7 to Rs8 per Kg, and indicate whether the demand is elastic or inelastic (4 Marks)
2. Calculate the cross elasticity of demand for B when the price of A decrease from 7.50 to 6.50. Are A and B complements or substitute (4 Marks)
3. Calculate the income elasticity of demand for A and B when the income of consumers increases from 1400 to 1800. What type of products are A and B... (4 Marks)

Part A

Part B

Part C

Price of A (₹)	Quantity demanded of A (kg)	Quantity demanded of B (kg)	Income of consumers (₹)
7	10	20	1400
8	8	18	1400
6.50	12	22	1800
7.50	10	20	1800



PRESIDENCY UNIVERSITY,
BENGALURU

SCHOOL OF ENGINEERING

Test 2

Odd Semester: 2018-19

Course Code: MGT 112

Course Name: Engineering Economics

Branch & Sem: CSE,CVE & V Sem

Date: 28 November 2018

Time: 1 Hour

Max Marks: 40

Weightage: 20%

Instruction:

- (i) Read the question properly and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and Non-programmable calculators are permitted

Part A

Answer **all** the Questions. **Each** question carries **four** marks

(4x4=16)

1. Differentiate between Law of return to scale and Law of Variable proportion.
2. Explain factors of production with example.
3. State Law of Supply and draw the supply curve.
4. Discuss the concept of Equilibrium and Disequilibrium in the market

Part B

Answer **all** the Questions. **Each** question carries **eight** marks

(2x8=16)

5. Detail determinants of supply and discuss movements and shift in supply curve with diagram
6. Describe the relationship between total product (TP), marginal product (MP) and average product (AP) in different stages? Specify in which stage producer would prefer to stay?

Part C

Answer the below question and carries **eight** marks

(1x8=8)

7. Calculate

- Fixed Cost
- Marginal Cost
- Average Variable Cost
- Average Fixed Cost
- Average Total Cost

Out Put	Variable Cost	Total Cost
1	200	5200
2	400	5400
3	575	5575
4	700	5700
5	775	5775
6	835	5835
7	915	5915
8	1015	6015
9	1135	6135
10	1275	6275



Roll No.

**PRESIDENCY UNIVERSITY
BENGALURU**

SCHOOL OF ENGINEERING

SET A

END TERM FINAL EXAMINATION

Odd Semester: 2018-19

Date: 31 December 2018

Course Code: MGT 112

Time: 2 Hours

Course Name: Engineering Economics

Max Marks: 80

Programme & Sem: CVE, CSE & V Sem

Weightage: 40%

Instructions:

- (i) *Read the question properly and answer accordingly.*
- (ii) *Question paper consists of 3 parts.*
- (iii) *Scientific and Non-programmable calculators are permitted*

Part A

Answer **all** the Questions. **Each** question carries **five** marks.

(4Qx5M=20)

1. What are the differences between Fiscal policy and Monetary policy
2. Explain any four types of inflation
3. Define and distinguish between GDP and GNP
4. Write note on Net Present Value (NPV)

Part B

Answer **all** the Questions. **Each** question carries **ten** marks.

(4Qx10M=40)

5. Consider a piece of equipment that costs ₹ 100,000 with an estimated useful life of 5 years and. Calculate the depreciation expense rate of 15%
6. Explain about New industrial Policy 1991.
7. What are the different methods of measuring national income?
8. Consider that an investor has an opportunity of receiving Rs 1000, Rs 1500, Rs 800, Rs 1100 and Rs 400 respectively at the end of one through five years. Find the present value of this stream of uneven cash flows, if the interest rate is 8%.

Part C

Answer the Question. Question carries **twenty** marks.

(1Qx20M=20)

9. Ajit Singh wants to invest in two projects, Air India and IndiGo, each of which requires an initial outlay of Rs.50 million. The expected cash inflow from these projects are tabulated in Table 1:

Year	Project Air India ₹ millions	Project IndiGo ₹ millions
1	20	15
2	10	20
3	15	25
4	30	30

Table 1

- What is the payback period for Air India and IndiGo?
- If the two projects are independent and the cost of capital is 12%, which project should the firm invest in? (Hint : NPV)
- Find the IRR for project IndiGo and Air India ?



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SET B

END TERM FINAL EXAMINATION

Odd Semester: 2018-19

Date: 31 December 2018

Course Code: MGT 112

Time: 2 Hours

Course Name: Engineering Economics

Max Marks: 80

Programme & Sem: CVE,CSE & V Sem

Weightage: 40%

Instructions:

- (i) Read the question properly and answer accordingly.
- (ii) Question paper consists of 3 parts.
- (iii) Scientific and Non-programmable calculators are permitted

Part A

Answer **all** the Questions. **Each** question carries **five** marks.

(4Qx5M=20)

1. What are the differences between Fiscal policy and Monetary policy
2. What are the main Objectives of New Industrial Policy 1991
3. Define GDP and GNP
4. Consider a piece of equipment that costs ₹ 25,000 with an estimated useful life of 5 years and a ₹0 salvage value. Calculate the depreciation expense per year?

Part B

Answer **all** the Questions. **Each** question carries **ten** marks.

(4Qx10M=40)

5. What are the different methods of measuring national income?
6. Explain any four types of inflation
7. Explain the importance of National income
8. Rahul receiving Rs. 1000 every year, what is the present value of discounted rate of interest rate being 10 percent per annum for 5 years?

Part C

Answer the Question. Question carries **twenty** marks.

(1Qx20M=20)

9. Mohan wants to invest in two projects, Pepsi and Thumps Up, each of which requires an initial outlay of Rs.50 million. The expected cash inflow from these projects are tabulated in the Table 1:

Year	Project Pepsi ₹ millions	Project Thumps Up ₹ millions
1	10	20
2	15	30
3	25	18
4	40	10

Table 1

- What is the payback period for Pepsi and Thumps Up?
- If the two projects are independent and the cost of capital is 12%, which project should the firm invest in? (Hint : NPV)
- Find the IRR for project Pepsi?