

GUJARAT TECHNOLOGICAL UNIVERSITY
BE - SEMESTER– IV(NEW) EXAMINATION – SUMMER 2023

Subject Code:3144201**Date:13-07-2023****Subject Name:Engineering Economics****Time:10:30 AM TO 01:00 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 sunk cost with example.	03
(b) Explain Law of Supply with graph.	04
(c) Describe element of costs in detail.	07
Q.2 (a) Draw Revenue dominated cash flow diagram for present worth method using suitable example.	03
(b) Write a short note on rate of return method.	04
(c) Explain sensitivity and break-even analysis using diagram.	07
OR	
(c) Explain Benefit-Cost Ratio Analysis using diagram.	07
Q.3 (a) State causes of inflation.	03
(b) Write a short note on future worth analysis.	04
(c) Describe use of Price Indexes in Engineering Economic Analysis with suitable example.	07
OR	
Q.3 (a) Write a brief note on Borrowed Money Viewpoint.	03
(b) Give the difference between Composite and Commodity Index.	04
(c) Describe effect of inflation and deflation on economy.	07
Q.4 (a) State advantages of annuity method of depreciation.	03
(b) Describe declining balance method of depreciation.	04
(c) Explain types of replacement problem.	07
OR	
Q.4 (a) Explain capital recovery with return.	03
(b) Describe straight line method of depreciation.	04
(c) Explain various types of maintenance.	07
Q.5 (a) Compare Cash Costs with Book Costs.	03
(b) Define ESG. Explain three components of ESG.	04
(c) Describe the need of business ethics in engineering economics.	07
OR	
Q.5 (a) Define Recurring and Nonrecurring Costs with example.	03
(b) Explain four pillars of ESG metrics.	04
(c) Describe the need of Corporate Social Responsibility.	07
