

GUJARAT TECHNOLOGICAL UNIVERSITY

BE - SEMESTER-IV EXAMINATION – SUMMER 2025

Subject Code:3144201

Date:21-05-2025

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 economics. Why is the study of Economics useful for engineers?	03
	(b) Explain different types of price indexes.	04
	(c) Analyze future worth analysis technique with suitable example.	07
Q.2	(a) Explain Internal Rate Of Return.	03
	(b) Discuss the reason for replacement during maintenance.	04
	(c) Explain straight line method of depreciation with suitable example.	07
	OR	
	(c) “Corporate Social Responsibility is about giving back to society”, In view of the above statement, Explain the concept of current CSR Practices of the firm in India.	07
Q.3	(a) What is Cash Flow?	03
	(b) What is Simple Interest and Compound Interest?	04
	(c) Describe the importance of cash as a measure of business success or failure.	07
	OR	
Q.3	(a) Define Inflation. What are the different types of Inflation?	03
	(b) Explain: Opportunity Cost, Implicit cost, variable cost. Accounting cost.	04
	(c) Distinguish challenger and defenders.	07
Q.4	(a) Describe concept of challenger.	03
	(b) Explain Future Worth Analysis.	04
	(c) Distinguish between declining balance method of depreciation and double declining balance method of depreciation.	07
	OR	
Q.4	(a) What is corporate Governance? How can ethics make corporate governance made meaningful?	03
	(b) What is Borrowed Money Viewpoint?	04
	(c) Discuss the impact of inflation on investment decision.	07
Q.5	(a) Write down types of Estimate.	03
	(b) Discuss borrowed money viewpoint in details.	04
	(c) Discuss break-even analysis with suitable graphs.	07
	OR	
Q.5	(a) What are the ways economic efficiency can be improved.	03

- (b) Explain the time value of money **04**
- (c) Discuss revenue dominated cash flow diagram and cost dominated cash flow diagram? **07**
