

**GANPAT UNIVERSITY****B. Tech. Sem -III (Open Elective) CBCS Regular (All Branch)****November – December -2013****2OS301 Economics for Engineers****Time: 3 Hours****Total Marks: 70****Section – I**

Que. – 1 (A) Define the following terms.

1. Per capita income
2. Value
3. Wealth
4. Capital
5. demand
6. Supply

(B) "GDP measured the performance of Economy of a country". justify statement

12

**OR**

Que. – 1 (A) What do you mean by economics? Explain division of Economics.

(B) Explain types of economics. What is the importance of economics for the engineers?

12

Que. – 2 (A) Explain the law of elasticity? Discuss the Types of elasticity.

(B) Explain the term goods? Explain different types of goods.

11

**OR**

Que. – 2 (A) Explain characteristic of human wants.

(B) Which are the essential problems at an economy? Explain in brief.

11

Que. – 3 Attempt any three.

(A) Explain the term inflation. Also discuss different types of inflation in detail.

(B) What is monetary policy? How is the monetary policy different from the fiscal policy?

(C) Which are the various instruments of monetary policy? Explain

(D) What is fiscal policy? Which are the various instruments of fiscal policy? Explain

12

**Section – II**

Que. – 4 (A) Explain the concept of Time value of money. Which are the various reasons for time value of money?

(B) Explain free trade &amp; protection

12

**OR**

Que. – 4 (A) Explain ROI, IRR &amp; NPV with respect to time value of money with example.

(B) What is cost? Explain factory cost, total cost, selling cost, nature of cost &amp; types of cost.

12

Que. – 5 (A) Give the difference between

1. Macro & Micro economics
2. Goods & services
3. Need & want

11

(B) Explain the term "Depreciation" & causes of Depreciation.

OR

Que. - 5 (A) Write a short note on "Stock exchange". 11

(B) Explain objectives at budget? Explain different types of budget

Que. - 6 Attempt all. 12

(A) A melting unit for steel foundry was purchased for Rs. 30,000. Rs. 5,000 more was spent on its erection and commissioning. The Estimated residual value after ten years was Rs. 7,000. Calculate

1. The annual rate of depreciation. 2. Determine the depreciation fund collected at the end of seven years the purchase of melting unit. Using Straight line method.

(B) A company offers 12% rate of interest on deposits. What is effective rate of interest if compounding is done on

1. Half yearly 2. Quarterly 3. Monthly.

END OF PAPER