



Name :

Roll No. :

Invigilator's Signature :

CS/B.Tech(FT)/SEM-7/HU-702/2009-10

2009

ENGINEERING ECONOMICS

Time Allotted : 3 Hours

Full Marks : 70

The figures in the margin indicate full marks.

*Candidates are required to give their answers in their own words
as far as practicable.*

GROUP – A

(Multiple Choice Type Questions)

1. Choose the correct alternatives for the following :

$$10 \propto 1 = 10$$

- i) Monopolistic competition can be characterized by a
 - a) small no. of firms and product homogeneous
 - b) large no. of firms and product differentiation
 - c) large no. of firms and product homogeneous
 - d) single firm and product differentiation.
- ii) When price elasticity is equal to α , the supply curve is
 - a) parallel to quantity axis
 - b) parallel to price axis
 - c) horizontal to price axis
 - d) none of these.



- iii) Market equilibrium means
 - a) balance between demand & supply of a commodity
 - b) balance between elasticity of demand & elasticity of supply of a commodity
 - c) balance between price of a commodity and supply of a commodity
 - d) balance between no. of buyers and no. of sellers in the market.
- iv) Isoquant in general cases is
 - a) positively sloped
 - b) L-shaped
 - c) negatively sloped
 - d) none of these.
- v) Which of the following markets is most imperfect form ?
 - a) Monopolistic competition
 - b) Monopoly
 - c) Perfect competition
 - d) Oligopoly.
- vi) When total product is maximum, marginal product is
 - a) zero
 - b) maximum
 - c) constant
 - d) none of these.
- vii) An indifference curve represents
 - a) combinations of goods which give same satisfaction to the consumer
 - b) combinations of goods which give different satisfaction to the consumer
 - c) combinations of goods which give inelastic satisfaction to the consumer
 - d) none of these.



- viii) In general the objective of a consumer is to
- a) maximize the utility
 - b) minimize the utility
 - c) maximize budget and minimize utility
 - d) none of these.
- ix) Which of the following conditions makes an approximate definition of 'market' ?
- a) Market is a meeting place for buyers and sellers
 - b) The buyers and sellers meet to transact business
 - c) The buyers and sellers must transact business by or without meeting in a place
 - d) None of these.
- x) In a perfectly competitive market
- a) the product of all firms is homogeneous
 - b) the product of all firms is non-homogeneous
 - c) the product of all firms is closely substituted
 - d) none of these.

GROUP – B

(Short Answer Type Questions)

Answer any *three* of the following. $3 \times 5 = 15$

2. State "Delphi method" of demand forecasting.
3. Write down the properties of indifferent curves.
4. Differentiate between gross Domestic Product and gross National Product.
5. Define concept of elasticity.
6. State the consequences of globalisation.



GROUP – C

(Long Answer Type Questions)

Answer any *three* of the following.

$$3 \times 15 = 45$$

7. Define concept of utility. Distinguish between two types of utility. Explain law of diminishing marginal utility with assumptions.

$$2 + 3 + 10$$

8. a) What is break-even analysis ? Show diagrammatically the break-even level of output.

- b) Write down the use of break-even analysis in business decisions.

$$2 + 8 + 5$$

9. a) Define National Income.

- b) Describe the various methods of measuring National Income.

- c) Mention the difficulties in counting National Income.

$$2 + 10 + 3$$

10. a) State the main features of perfect competition.

- b) Explain the price and output determination under perfect competition.

$$5 + 10$$

11. Write short notes on any *two* of the following :

$$2 \times 7 \frac{1}{2}$$

- a) Price discrimination
b) Kinked demand curve
c) Economies & diseconomies of scale
d) Non-price competition in oligopoly.

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