

[Total No. of Questions - 9] [Total No. of Printed Pages - 2]
(2123)

1348

B. Tech 3rd Semester Examination
Principles of Engineering Economics (O.S.)
AS-3001

Time : 3 Hours

Max. Marks : 100

The candidates shall limit their answers precisely within the answer-book (40 pages) issued to them and no supplementary/continuation sheet will be issued.

Note : Attempt one question each from Section A, B, C and D. All carry equal marks. Section E is compulsory.

SECTION - A

1. Explain the basic problems faced by an economy. How does a mixed economy like India solve its basic problems? (20)
2. Scarcity is the mother of all economic problems. Do you agree? If so, how? (20)

SECTION - B

3. What is the law of demand? What are the causes of the operation of Law of demand? Explain its exceptions and importance. (20)
4. Distinguish between extension and contraction of Supply on one hand and increase and decrease in supply on the other. Illustrate the difference with schedules and diagrams. (20)

SECTION - C

5. What do you mean by returns to scale? Explain the three stages of return to scale. What are the causes of its application? (20)

1348/1000

[P.T.O.]

6. What is meant by Total cost (TC), Average cost (AC) and Marginal cost (MC)? Explain the relationship between AC and MC with the help of schedule and diagram. (20)

SECTION - D

7. What are the basic features of Monopolistic Competition? Discuss the equilibrium of the firm during the short and long periods in this market. (20)
8. Critically examine Marginal Productivity Theory of Distribution. (20)

SECTION - E

9. Write short notes on following:
- (i) Scope of Economics.
 - (ii) Circular Flow of Money.
 - (iii) Point Elasticity of Demand.
 - (iv) Fixed Cost and Variable cost.
 - (v) What is meant by production function?
 - (vi) Why Average Cost (AC) curve is U shaped?
 - (vii) Differentiate between 'Nominal Wages' and 'Real Wages'.
 - viii) 'Profit originates in Uncertainty' Comment.
 - (ix) Define 'No Rent Land'.
 - (x) Cross Elasticity. (10×2=20)