

Question Bank

CH -1

1. Define Economics?
2. Write any four goals of economy?
3. Explain law of supply and demand?
4. Write about factors in fluency demand?
5. Write about factors in fluency supply?
6. Define Economic efficiency?
7. Define engineering economics?
8. Define marginal cost?
9. Define marginal revenue?
10. Define sunk cost?
11. Define Opportunity cost
12. Define P/V ratio?
13. Define processes planning?
14. State the law of Demand.
15. What is Break-Even Analysis?

CH -2

1. What are the approaches available for make or buy decision?
2. Define value engineering?
3. Write any four aims of value engineering?
4. Write the basic steps of value engineering?
5. Define time value of money?
6. Define effective Interest rate
7. Define single payment present worth factor?
8. Define equal payment series sinking fund factor method?
9. Define equal payment series present worth factor method?
10. Define equal payment series capital recovery factor method?
11. Explain the concept of Discounting.
12. What is Value Engineering?
13. Define Value Analysis and value Engineering?
14. A person wishes to have a future sum of Rs. 1,00,000 for his son's education after 10 years from now. What is the single-payment that he should deposit now so that he gets the desired amount after 10 years? The bank gives 15% interest rate compounded annually.
15. A person is planning for his retired life. He has 10 more years of service. He would like to deposit Rs. 8,500 at the end of the first year and thereafter he wishes to deposit the amount with an annual decrease of Rs. 500 for the next 9 years with an interest rate of 15%. Find the total amount at the end of the 10th year of the above series.
16. Problems in equal payment series present worth factor method?
17. Problems in equal payment series capital recovery factor method?
18. What are the methods of cash flow?

CH -3

1.What' is cost volume profit analysis? State the assumptions and applications of breakeven analysis. (4 + 4 + 8)

2. Suguna associates has the following details

Fixed cost = 20,000, variable cost per unit = Rs.100,

Selling price per unit = Rs.200 . Find out i) Break even point in quantity,
ii) Break even point in sales

3.Define present worth method(Revenue dominated cash flow diagram)

4.Define future worth method(Revenue dominated cash flow diagram)

5.Define future worth method(cash dominated cash flow diagram)

6.Define Annual equivalent method(Revenue dominated cash flow diagram)

7.Define Annual equivalent method?

8.Define rate of return method?

9.What is Present worth method of comparing alternatives?

10.How is rate of return method useful in evaluating the alternatives?

CH -4

- 1.What is Inflation?
2. What are the causes of Inflation ? and what are the remedies of inflation

CH -5

1. An engineer has two bids for an elevator to be installed in a new building. The details of the bids for the elevators are as follows: Determine which bid should be accepted, based on the present worth method of comparison assuming 15% interest rate, compounded annually.
2. Problems in future worth method (Revenue dominated cash flow diagram)
3. Explain Annual equivalent method (Revenue dominated cash flow diagram)
4. Problems in Annual equivalent method (cost dominated cash flow diagram)
5. Problems in rate of return method
6. (a) Discuss with example, present worth method and future worth method of comparison of alternatives.
7. What is rate of return method? Explain with suitable example