



Reg. No. : 

--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--	--

**Question Paper Code : 50930**

B.E./B.Tech. DEGREE EXAMINATION, NOVEMBER/DECEMBER 2017

Eight Semester

Mechanical Engineering

MG 6863 – ENGINEERING ECONOMICS

(Regulations 2013)

Time : Three Hours

Maximum : 100 Marks

Answer ALL questions.

**PART – A (10×2=20 Marks)**

1. What is Law of Supply and Demand ?
2. What is Process Planning ?
3. What is Value Engineering ?
4. What is Make or Buy decision ?
5. What is Time Value of Money ?
6. What is Capital Recovery ?
7. Write the need of studying economics for the Engineers.
8. What is Depreciation ?
9. What is Inflation ?
10. What is Budget ?



## PART – B

(5×16=80 Marks)

11. a) Describe the various concepts of Engineering Economics and analyze its efficiency. (16)
- (OR)
- b) Write in detail Economics Analysis for any Engineering Project or Process and write the process of material selection for product design. (16)
12. a) Explain the procedural steps of Value Engineering with a suitable example. (16)
- (OR)
- b) Discuss the equal payment series, capital recovery factor, uniform gradient series and annual equivalent factor with suitable examples. (16)
13. a) Compare and contrast the present worth method with future worth method. (16)
- (OR)
- b) With suitable example compare the Annual Equivalent Method with Rate of Return Method. (16)
14. a) Write an essay about Replacement and Maintenance analysis. (16)
- (OR)
- b) Write in detail the mode of recovery of capital and return and explain the simple probabilistic model for items which fail completely. (16)
15. a) Discuss the different methods of calculation of Depreciation. (16)
- (OR)
- b) Explain the method of evaluation of public alternatives with special reference to inflation adjusted decision. (16)