

2005-PUNJAB TECHNICAL UNIVERSITY

B.TECH IV SEMESTER DEGREE EXAMINATION

INDUSTRIAL ECONOMICS

(MECHANICAL ENGINEERING)

TIME-3HOUR

MARK-60

Note: Section A Is Compulsory. Attempt Any Four Questions From Section B And Any Two From Section C.

SECTION A MARKS 2 EACH

1. (a) Cost
- (b) Engineering Economics
- (c) Time value of money
- (d) Trial balance
- (e) Reducing balance method of depreciation
- (f) Double entry system
- (g) Salvage value of an asset
- (h) Balance sheet
- (i) Cost estimation
- (j) Overhead cost

SECTION B MARKS 5 EACH

2. Discuss in detail the causes of depreciation with the help of examples.
3. Why book-keeping is necessary for a business enterprise?
4. Elaborate the major factors to be considered in replacement studies.
5. What is importance of economics for an engineer in context of modern business environment?
6. What are the drawbacks of pay-back period method?

SECTION C MARKS 10 EACH

7. Differentiate between depletion and depreciation. Elaborate the straight – line method of depreciation along with its advantages and disadvantages.
8. (a) What type of information is required for estimating labour and material costs?
(b) How will you distribute overhead costs in case of a manufacturing unit?
9. Write short notes on the following:
 - (a) Profit and Loss account.
 - (b) Elements of cost.