



ISRA UNIVERSITY

Islamabad Campus

Department of Electrical Engineering

Program: B.E. (Electrical)

Semester – Spring 2016

HS-321 Engineering Economics & Management

Quiz – 2

Marks: 20

Handout Date: 20/04/2016

Question # 1:

Office central air conditioning has developed a fault, I have two options, get it repaired or buy new one.

- The price of new one is Rs. 750,000
- There is 70% chance that its major fault.
- If it is minor fault repair will cost Rs. 410,000
- If its major fault there is 50 50 chance that it will cost Rs. 550,000 Or Rs. 610,000.

Calculate which is option is economical repair or buying a new one.

Question # 2:

Draw the activity on arrow diagram and calculate all possible paths. Also calculate the critical path (longest path).

Activity	Follows	Duration (Weeks)
A	-	2
B	A	5
C	A	4
D	C	2
E	C	5
F	B	5
G	E,D	4
H	F,G	3