



MACHAKOS UNIVERSITY COLLEGE

(A Constituent College of Kenyatta University)

University Examinations for 2015/2016

SCHOOL OF ENGINEERING AND TECHNOLOGY

DEPARTMENT OF BUILDING AND CIVIL ENGINEERING

SECOND SEMESTER EXAMINATION FOR

DIPLOMA IN BUILDING TECHNOLOGY

DIPLOMA IN CIVIL ENGINEERING

BCDECD 110: ECONOMICS FOR ENGINEERS

Date:

Time:

INSTRUCTIONS

This paper consists of FIVE questions

Answer question one (compulsory) carry 30 marks and any other two questions

QUESTION ONE

- a) Explain the evolution of money from exchange in commodity to the current use of plastic cards. (10 marks)
- b) Outline the scope of economics. (10 marks)
- c)
 - i) Explain the main role of stock exchange.
 - ii) Outline the following types of shares.
 - Equity
 - Cumulative preference shares
 - Irredeemable debentures (10 marks)

QUESTION TWO

- a) Outline the roles played by the central bank of Kenya. (10 marks)
- b) Explain the following terms:-

Examination Irregularity is punishable by expulsion

- i) Promissory notes
- ii) Capital market
- iii) Stock dealer
- iv) Bond
- v) Bill of exchange (10 marks)

QUESTION THREE

- a) Explain the following terms as used in the organization structure of a firm;
 - i) Authority
 - ii) Responsibility
 - iii) Accountability
 - iv) Lateral relationship (10 marks)
- b) Explain why it is vital to delegate balanced authority and power and why it is not possible to delegate responsibility. (5 marks)
- c) Outline the function of a distributor and their relevance in marketing of the company products. (5 marks)

QUESTION FOUR

- a) List down and explain five roles played by commercial banks. (10 marks)
- b) Enumerate five functions of money. (5 marks)
- c) Outline five qualities of a good money. (5 marks)

QUESTION FIVE

- a) Explain the following terms as used in banking;-
 - i) Cheque
 - ii) Bank drafts
 - iii) Bill of exchange
 - iv) Capital market (8 marks)
- b) Distinguish between wealth and income. (3 marks)
- c) List down and briefly explain three main instruments of credit. (9 marks)