CBCS Scheme

USN | | | | | | | | | | |

15ME51

Fifth Semester B.E. Degree Examination, June/July 2018
Management and Engineering Economics

Time: 3 hrs. Max. Marks: 80

Note: 1. ***Answer any FIVE full questions, choosing one full question from each module.***
2. ***Use of "Compounding interest factor" tables are permitted.***

Important Note : 1. On completing your answers, compulsorily draw diagonal cross lines on the remaining blank pages.
2. Any revealing of identification, appeal to evaluator and /or equations written eg, 42+8 = 50, will be treated as malpractice.

Module-1

1 a. Define Management and explain the various functional areas of Management. **(08 Marks)**
b. List and brief the principles of scientific management. **(08 Marks)**

OR

2 a. Define Planning and list the importance of planning. **(08 Marks)**
b. Explain the various steps in a decision making process, with a block diagram. **(08 Marks)**

Module-2

3 a. Define Organization. What are the principles of Organization? **(08 Marks)**
b. Explain briefly the selection process of personnel for the organization. **(08 Marks)**

OR

4 a. Define Motivation and explain the various leadership styles. **(08 Marks)**
b. Explain the Maslow's hierarchy of needs theory. **(08 Marks)**

Module-3

5 a. List the differences between Micro and Macro Economics. **(08 Marks)**
b. Explain briefly the following : **(08 Marks)**
i) Law of Demand ii) Law of Supply iii) Equilibrium point iv) Income Elasticity.

OR

6 a. Define the Law of Return and explain the three phases of Law of return. **(08 Marks)**
b. Explain how cash flow diagram is helpful to the decision maker and draw C.F.D from borrowers and lenders point of view. **(08 Marks)**

Module-4

7 a. A person takes a loan of Rs 1200/- from a bank at an interest of 18% p.a. Find the amount if the interest is compounded : i) Annually ii) Half yearly iii) Quarterly iv) Monthly. **(08 Marks)**
b. Find the compound amount of Rs 5000/- at 6% for 4, 8 and 12 years and compare the result does doubling the time doubles the amount of interest earned. **(08 Marks)**

OR

8 a. Define Rate of Return and explain minimum Acceptable rate of Return and internal rate of Return. **(06 Marks)**
b. Two types of power converter Alpha and Beta are under considerations for a particular application. An economic comparison is to be made at an interest rate of 10%. Following cost estimation has been obtained. Determine the Annual equivalent costs of two systems. Select the best converter. **(10 Marks)**

Cost particulars	Alpha	Beta
Purchase price	Rs 10,000/-	Rs 25,000/-
Estimated service life	8 years	9 year
Salvage value	Rs 3000/-	Rs 5000
Annual operating cost	Rs 2500/-	Rs 1200

Module-5

9 a. Briefly explain "Components of Costs" and explain with diagram indirect cost estimation with depreciation. **(08 Marks)**

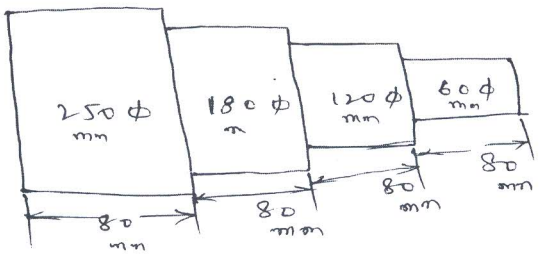
b. Explain how the selling price is fixed for a product and show all the components of costs. **(08 Marks)**

OR

10 a. Define Depreciation and explain the various causes of depreciation. **(08 Marks)**

b. Determine the material cost for fig. Q10(b), density of the material is 7.009 gram/cc and material cost is Rs 20/kg. **(08 Marks)**

Fig.Q10(b)



* * * * *