

Code: 20ME3405

II B.Tech - II Semester – Regular Examinations – JULY 2022

**ENGINEERING ECONOMICS AND MANAGEMENT
(MECHANICAL ENGINEERING)**

Duration: 3 hours

Max. Marks: 70

Note: 1. This paper contains questions from 5 units of Syllabus. Each unit carries 14 marks and have an internal choice of Questions.
2. All parts of Question must be answered in one place.

UNIT – I

1. a) What are the quantitative and qualitative methods of demand forecasting? 7 M
- b) Is managerial economics a positive or normative science? 7 M

OR

2. a) Differentiate between Point and Arc method of Elasticity with formula and graphs. 7 M
- b) Discuss the criteria of a good fore casting method. 7 M

UNIT – II

3. a) Discuss the essential characteristics of partnership. Also discuss the merits and demerits of a partnership firm. 7 M
- b) Describe the different phases of Business cycles. 7 M

OR

4. a) Define Business cycle, list out its characteristic features. 7 M
- b) What is sole trading? Explain its features, advantages and disadvantages 7 M

UNIT-III

5. a) Write about double entry book keeping system in detail. 7 M
b) Explain about annual equivalent method in detail. 7 M

OR

6. a) What are the advantages of the double entry book keeping system? 7 M
b) Write in detail about future worth method in detail. 7 M

UNIT – IV

7. a) ‘Depreciation is a non-cash expense’. Explain. 7 M
b) What are the Internal Rate of Return and Net Present Value for the following projects?

Year	Project X (₹)	Project Y (₹)
0	– 24,000	– 55,000
1	+ 6,000	+ 20,000
2	+ 14,000	+ 28,000
3	+ 20,000	+ 40,000

The cost of capital is 12 percent, which project do you select on the basis of each criterion? 7 M

OR

8. a) Discuss the merits and demerits of IRR method. 7 M
b) What is “Sum of year’s digits method” of depreciation? 7 M

UNIT – V

9. a) Define Management. Discuss the importance of management. 7 M
b) The style of leadership would depend upon the level of maturity of the followers. Comment. 7 M

OR

10. a) Describe the characteristics of a charismatic leader. 7 M
- b) Explain the functions of management. 7 M