

Code: 20ME3405

**II B.Tech - II Semester – Regular / Supplementary Examinations
MAY - 2024**

**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.

BL – Blooms Level

CO – Course Outcome

			BL	CO	Max. Marks
UNIT-I					
1	a)	Explain the role of demand analysis in formulating pricing strategies for firms with real-world examples.	L2	CO1	7 M
	b)	Explain how the businesses can leverage technology to improve the accuracy of their forecasts?	L2	CO1	7 M
OR					
2	a)	Describe the measurement of price elasticity of demand using the total outlay method, point method and arc method.	L2	CO1	7 M
	b)	Predict the impact of changes in consumer preferences on demand forecasting and managerial decision-making in businesses.	L2	CO1	7 M

UNIT-II					
3	a)	Illustrate how the limited liability affects the investment decisions of shareholders in a joint stock company?	L3	CO2	7 M
	b)	Demonstrate the key challenges and opportunities faced by industrial organizations in the post-liberalization scenario.	L3	CO3	7 M
OR					
4	a)	Demonstrate the role of government in facilitating the business environment post-liberalization.	L3	CO3	7 M
	b)	Summarize the characteristic features of Industrial organization.	L3	CO3	7 M
UNIT-III					
5	a)	Differentiate financial accounting from managerial accounting in terms of its objectives and audience.	L4	CO4	7 M
	b)	Categorize the principles and limitations of the double-entry system in financial accounting.	L4	CO4	7 M
OR					
6	a)	Demonstrate the functions of Financial Management.	L4	CO4	7 M
	b)	Explain the procedure of evaluating alternatives in present worth method.	L4	CO4	7 M

UNIT-IV

7	a)	Define depreciation and explain its importance in financial accounting and reporting.	L4	CO4	7 M
	b)	A Machine was purchased for Rs.50,000 on 1-1-2022 and it was sold on 31-12-2024 for Rs.40,000. Depreciation was charged @10% p.a. under Diminishing Balance Method. Prepare machinery A/c and depreciation A/c for upto the date of sale. Calculate profit or loss on the sale of the machine.	L4	CO4	7 M

OR

8	a)	Explain the need for capital budgeting in modern businesses, considering factors such as risk management, resource allocation, and long-term strategic planning.	L4	CO4	7 M
	b)	Company Y is evaluating two investment options. Option 1 requires an initial investment of \$80,000 and generates cash flows of \$30,000 per year for 4 years. Option 2 requires an initial investment of \$100,000 and generates cash flows of \$35,000 per year for 4 years. Calculate the Payback Period for each option and determine which option is more favorable based on the Payback Period criterion.	L4	CO4	7 M

UNIT-V

9	a)	Explain the contribution of effective management in success and sustainability of businesses.	L2	CO1	7 M
	b)	Explain the functions of management, including planning, organizing, staffing, directing and controlling.	L2	CO1	7 M

OR

10	a)	Differentiate between a leader and a manager and their roles and responsibilities within an organization.	L2	CO1	7 M
	b)	Discuss about the influence of effective leadership in employee morale, productivity and organizational culture.	L2	CO1	7 M