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**Question Paper Code : 21604**

B.E./B.Tech. DEGREE EXAMINATION, MAY/JUNE 2013.

Seventh Semester

Computer Science and Engineering

MG 2452/MG 52 – ENGINEERING ECONOMICS AND FINANCIAL  
ACCOUNTING

(Common to Fifth Semester Information Technology)

(Regulation 2008)

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

1. What do you mean by Engineering Economics?
2. State any two objectives of a firm.
3. What are the Characteristics of Demand?
4. What is demand forecasting?
5. What is Isoquants?
6. Explain production function.
7. How pricing of a product is effected?
8. What is MRTP Act?
9. Define NPV and IRR.
10. Name the components of a Balance Sheet of a firm.

PART B — (5 × 16 = 80 marks)

11. (a) (i) How Managerial Economics is defined? (4)  
(ii) State the role of a production manager in an industry. What are the attributes of him? (12)

Or

- (b) (i) Define managerial decision making. What are the steps in decision making? Explain. (12)  
(ii) Draw and explain the “Decision Analysis” done in a firm. (4)

12. (a) (i) Explain the various determinants of market demand. (10)  
(ii) Write on Supply function and Supply elasticity. (6)

Or

- (b) Discuss methods of demand forecasting for a new product. (16)
13. (a) (i) Explain the concept of returns to scale. (10)  
(ii) Write on production optimisation. (6)

Or

- (b) (i) Explain any Six Cost concepts with example. (10)  
(ii) Name the factors that go in the finalization of product cost. (6)
14. (a) (i) What is price discrimination? When it is possible? Explain. (12)  
(ii) What do you understand by Administered pricing Mechanism? (4)

Or

- (b) (i) What are the basic objectives of pricing? Also explain various determinants of Price. (10)  
(ii) Write on 'Subsidies, Incentive and cess'. (6)
15. (a) (i) Explain the meaning and methods of Analysis and interpretation of Financial statement. (10)  
(ii) How the concept of depreciation helps the industry in improving the bottom line? (6)

Or

- (b) (i) Explain various Investment/Capital budgeting techniques with illustration. (10)  
(ii) Compare the techniques : Simple payback period and IRR in the evaluation of economic viability of a proposal. (6)