

# CBCS SCHEME

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18MR51

## Fifth Semester B.E. Degree Examination, June/July 2023 Management and Economics

Time: 3 hrs.

Max. Marks: 100

**Note: Answer any FIVE full questions, choosing ONE full question from each module.**

### Module-1

- 1 a. What are Modern Management Approaches? (08 Marks)  
b. Define Management by F. W. Taylor? What are the nature of Managements? (12 Marks)

OR

- 2 a. Define Planning. List out the features of Planning. (12 Marks)  
b. With the help of flow chart, explain the step by step procedure of decision making. (08 Marks)

### Module-2

- 3 a. Define Committee. What are the types of Committee? (06 Marks)  
b. Define Organization. Briefly explain "Principles of Organization". (14 Marks)

OR

- 4 a. With the help of a hierarchy diagram, explain "Maslow's Hierarchy of Need Theory". (08 Marks)  
b. Discuss the three types of Leadership styles, mention their advantages and disadvantages. (12 Marks)

### Module-3

- 5 a. Differentiate Micro – economics and Macro - economics. (08 Marks)  
b. Indian Overseas Bank is offering a Rs 40 Lakh home load at an interest of 8% compounded monthly. This amount should be repaid in 15 yearly equal installments. Find the monthly installments amount the person has to pay the Bank. Draw CFD. (12 Marks)

OR

- 6 a. Briefly explain "Elasticity of demand". Also mention the type of demand elasticity along with the factors influencing it. (12 Marks)  
b. A celebrity is at height of his career. He wants to invest Rs 10 lakhs from the end of this year and follow it up with 9 lakhs, 8 lakhs and so on for the next five years, when his income would to diminishing. Find the maturity amount 6 years later if a film producer agrees to pay him 15% rate of interest, compounded annually. (08 Marks)

### Module-4

- 7 a. A Aircraft assembly fixture has a purchase price of Rs 9,00,000/- and classed as a 5 year property. Use of the fixture is expected to result in an annual before tax savings of Rs 3,00,000/- for a period of 6 years, at the end of which time it will be obsolete and virtually worthless. Applying the appropriate accelerated schedule, determine  
i) The before tax present worth of the investment at an interest rate of 40% (40 percent).  
ii) The after tax present worth of the investment with an effective tax rate of 40 percent and an interest rate of 20 percent. (10 Marks)

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.

- b. What are the basic present worth comparison. Also mention the condition for present worth compares. (10 Marks)

**OR**

- 8 a. Write a short note on "Rate of Return", mentioning its types. (06 Marks)  
 b. Briefly explain IRR Misconceptions. (06 Marks)  
 c. A Software Engineer wanting to buy a car has two models in his mind, a petrol run Skoda Octavia. The comparative data are as follows :

	Particulars	Optra – Chevrolet (petrol) (Rs)	Skoda Octavia (diesel) (Rs)
1.	Vehicle cost	8,50,000/-	10,00,000/-
2.	Fuel cost / litre	58	36
3.	Mileage in km/L	8 km	11 km
4.	Distance travelled per year	12,000/-	12,000/-
5.	Annual maintenance cost	18,000	36,000
6.	Expected Life	12	12
7.	Salvage Value	4,00,000	4,00,000

If the Software Engineer considers 10.5% as a good value for money. Suggest him the better option. (08 Marks)

**Module-5**

- 9 a. Explain Idling Time in details. (08 Marks)  
 b. What is Depreciation? Mention the basic methods of computing depreciation charge. (12 Marks)

**OR**

- 10 a. A CNC machine costing Rs 22,00,000/- is estimated to serve for 5 years after which its salvage value is estimated to be Rs 2,00,000/- find  
 i) Depreciation during third year by Fixed Percentage method. (05 Marks)  
 ii) Book value of the machine after two years by sum of years digital method. (15 Marks)  
 b. Briefly explain "Tax Concepts". (15 Marks)

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