

CBCS SCHEME

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18MR51

Fifth Semester B.E. Degree Examination, June/July 2024 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. Define management, explain the characteristics and nature of management. (10 Marks)
b. What is Planning? Explain the steps in planning process. (10 Marks)

OR

- 2 a. Explain briefly the functions of management. (10 Marks)
b. What is decision making? Explain the decision making process with a neat block diagram. (10 Marks)

Module-2

- 3 a. State and explain the important principles of an organization. (10 Marks)
b. Define recruitment process. Explain the sources of recruitment with examples. (10 Marks)

OR

- 4 a. With a neat sketch explain the following :
i) Line and staff organization
ii) Functional organization. (10 Marks)
b. Define motivation. Explain the Maslow's hierarchy of needs theory. (10 Marks)

Module-3

- 5 a. With a neat sketch explain the process of problem solving and decision making. (10 Marks)
b. A person borrows Rs. 1,000 on loan at a simple interest rate of 10% per annum for 8 years what will be the compound interest rate if he has to pay the same amount after 5 years. (06 Marks)
c. How much interest is earned on a principal of Rs. 750 for 5 years 9 months at 6% compounded monthly? (04 Marks)

OR

- 6 a. State and explain the law of supply and demand. Also list the factors influencing the demand. (10 Marks)
b. Determine the effective interest rate in the following cases :
i) Nominal rate of 18% compounded weekly with a time interval of one year
ii) Nominal rate of 9% compounded semi annually with time interval of one year. (06 Marks)
c. A loan of Rs.5000 is to be paid in equal monthly installments over 2½ years. The nominal interest rate is 6%. Calculate the monthly installment. (04 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.

Module-4

- 7 a. State and explain the conditions for present worth comparison. (10 Marks)
 b. A Xerox machine in a new locality with an initial of Rs.1,00,000 yields Rs.80,000 during first year of its operations and the yield increases by Rs.10,000 from its second year up to the 8th year of operation. At the end of the life of business the machine becomes, scrap and has zero salvage value. Find the present worth of the business, assuming a rate of interest of 13% compounded annually. (10 Marks)

OR

- 8 a. Explain the following :
 i) MARR ii) IRR iii) ERR. (10 Marks)
 b. A Farm house can be purchased Rs.90,000 and the expended resale value after 20 years is Rs.60,000. If the annual rental income is Rs.11,800 and the expenses Rs. 4700 what will be the rate of return earned on this farm house? (10 Marks)

Module-5

- 9 a. With the help of a block diagram, example the elements of costs to determine the selling price of a product. (10 Marks)
 b. A small firm is producing 100 pens/day. The direct material cost is found to be Rs.160/- direct labour cost is Rs.200/- and the factory overheads chargeable are Rs.250/-. If the selling on cost is 40% factory cost, what must be the selling price of each price to realize a profit of 14.6% of selling price? (10 Marks)

OR

- 10 a. The original asset of a company are Rs. 5,80,000. The life of the plant is 9 years. If the scrap value at the time is expected to be Rs. 80,000. Calculate the depreciation at the end of the each year by sum of the year digit method. (10 Marks)
 b. An asset cost was Rs. 400 when purchased 4 years ago. A scrap value of Rs. 50 was expected at the end of the 7 year useful life. Determine the depreciation charge during the coming year and the asset current book value by,
 i) Straight lien method of depreciation
 ii) Declining – balance depreciation. (10 Marks)

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