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**Question Paper Code : 73921**

B.E./B.Tech. DEGREE EXAMINATION, APRIL/MAY 2017.

Seventh Semester

Computer Science and Engineering

MG 2452/MG 52/10177 GE 007 — ENGINEERING ECONOMICS AND  
FINANCIAL ACCOUNTING

(Common to Fifth Semester Information Technology)

(Regulations 2008/2010)

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A — (10 × 2 = 20 marks)

1. “Managerial economics is the integration of economic theory with business practice” – Comment.
2. How managerial economics is related to Mathematics?
3. Define price elasticity of demand.
4. Name any two types of demand.
5. Mention any two managerial uses of production function.
6. Write the types of cost.
7. What is skimming the cream pricing?
8. List out any four important factors that determine the price of a product.
9. Define NPV and IRR.
10. What is meant by ratio analysis?



PART B — (5 × 16 = 80 marks)

11. (a) Explain the relationship of managerial economics with other disciplines. (16)

Or

- (b) (i) What are the uses of managerial economics? (8)  
(ii) Write short notes on firms. (8)

12. (a) Elaborate the various methods of demand forecasting and their merits and demerits. (16)

Or

- (b) Discuss the factors influencing supply. What is concept of elasticity of supply? (12 + 4)

13. (a) (i) Explain the various managerial uses of production function. (12)  
(ii) What is Isoquants? Define. (4)

Or

- (b) Discuss the cost output relationship in the short run and long run. (16)

14. (a) What are the main features of pure competition? How does a firm adjust its policies to a purely competitive situation? (16)

Or

- (b) Explain the method of cost plus pricing and state its limitations. Point out the cases where it is suitable. (16)

15. (a) (i) Explain the meaning and methods of Analysis and interpretation of Financial statement. (10)  
(ii) Distinguish between cash flow analysis and fund flow analysis. (6)

Or

- (b) (i) Explain various Capital budgeting techniques with illustration. (10)  
(ii) Compare the techniques of NPV and IRR and state which is superior. (6)