

B.E./B.Tech. DEGREE EXAMINATION, NOVEMBER/DECEMBER 2005

Seventh Semester

Electrical and Electronics Engineering

MG 431 --- ENGINEERING ECONOMICS AND FINANCIAL ACCOUNTING

Time : Three hours

Maximum : 100 marks

Answer ALL questions.

PART A --- (10 × 2 = 20 marks)

1. List the factors influencing managerial decision.
2. Define managerial economics.
3. What is demand forecast?
4. State four determinants of demand.
5. Define production function.
6. How do you estimate cost?
7. List out the various pricing methods.
8. What are determinants of price?
9. What is key concept of cash flow?
10. Name any two methods of evolving investment decision.

PART B — (5 × 16 = 80 marks)

11. (i) Briefly explain the basic tools in managerial economics. (8)  
(ii) Discuss the various theoretical concepts in managerial decisions. (8)
12. (a) Explain the various methods of demand forecasting with merits and demerits. (16)

Or

- (b) (i) Explain the meaning of elasticity. (3)
- (ii) What are the methods to measure the elasticity of demand? Explain them. (10)
13. (a) (i) Explain the cost-output relationship. (3)
- (ii) Differentiate the concepts in accounting cost and economic cost. (3)

Or

- (b) (i) What is meant by statistical production function? (6)
- (ii) Discuss the different managerial uses of production function. (10)
14. (a) Briefly discuss pricing under different market conditions. (16)

Or

- (b) Explain the different methods of pricing. (16)
15. (a) Discuss some of the modern methods of investment evaluation with their merits and demerits. (16)

Or

- (b) Explain the purpose of preparing balance sheet and list out important details furnished in a balance sheet of company. (16)
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