Register Number:……………..

KUMARAGURU college of technology
character is life

B.E/B.TECH DEGREE EXAMINATIONS: NOV/DEC 2024

(Regulation 2018)

Seventh Semester

ELECTRONICS AND COMMUNICATION ENGINEERING

U18ECE0065**:** Engineering Economics and Financial Management

COURSE OUTCOMES

CO1: Evaluate the economic theories, Cost concepts and pricing policies
CO2: Analyze the market structures and integration concepts
CO3: Apply the concepts of national income and understand the functions of banks and concepts of globalization
CO4: Apply the concepts of financial management for project appraisal and working capital management
CO5: Understand accounting systems
CO6: Analyze financial statements using ratio analysis

Time: Three Hours **Maximum Marks: 100**

Answer all the Questions: -
PART A (10 x 2 = 20 Marks)
(Answer not more than 40 words)

1.	Differentiate between actual cost and opportunity cost	CO1	[K_2]
2.	Identify the key determinants of demand.	CO1	[K_2]
3.	Interpret the structural components of the market from an economic perspective.	CO2	[K_3]
4.	Differentiate between vertical and horizontal integration within market structures.	CO2	[K_2]
5.	Outline the concept of inflation and its implications within economic systems.	CO3	[K_2]
6.	Critically examine the concept of economic liberalization and identify one significant effect it has on market dynamics.	CO3	[K_3]
7.	Examine the scope of financial management.	CO4	[K_2]
8.	Compare two methods for appraising project profitability	CO4	[K_3]
9.	Analyze and differentiate how a ledger differs from a journal in financial accounting.	CO5	[K_3]
10.	Outline the purpose of preparing trail balance.	CO6	[K_2]

Answer any FIVE Questions: -
PART B (5 x 16 = 80 Marks)
(Answer not more than 400 words)

11.	a)	Critically assess the relationship between fixed and variable costs in the context of cost behavior and analyze their impact on a company's pricing strategy and	8	CO1	[K_4]

		financial sustainability.			
	b)	Evaluate the limitations of the breakeven chart and assess how these limitations can affect business decision-making.	8	CO1	[K_4]
12.	a)	Evaluate the characteristics of different market structures and discuss their implications for firms operating within those structures.	8	CO2	[K_4]
	b)	Evaluate the impact of mergers and acquisitions on market structure and competitive dynamics, discussing how these strategies influence organizational growth and market power.	8	CO2	[K_4]
13.	a)	Discuss the concepts of inflation and deflation, analyzing their causes, effects, and implications for national income and economic stability.	8	CO3	[K_3]
	b)	Evaluate the concepts of economic liberalization, privatization, and globalization, discussing their interconnections and impacts on national economies.	8	CO3	[K_3]
14.	a)	Evaluate the various methods of appraising project profitability, discussing their advantages and limitations in guiding investment decisions.	8	CO4	[K_3]
	b)	Discuss the concept of the time value of money, analysing its implications for financial decision-making and investment appraisal.	8	CO4	[K_4]
15.	a)	Interpret the Purpose and Components of Financial Statements in Decision-Making.	8	CO5	[K_3]
	b)	Classify the Different Types of Financial Ratios and Their Purposes.	8	CO6	[K_3]
16.		Journalise the following transactions and post them into Ledger: Journalise the following transactions and post them into Ledger: 2006 Sept. 1 Started business with Rs. 50,000 out of which paid into Bank Rs. 20,000. 2006 Sept. 2 Bought furniture for Rs. 5,000 and machinery for Rs. 10,000. 2006 Sept. 3 Purchased goods for Rs. 14,000. 2006 Sept. 6 Sold goods for Rs. 8,000. 2006 Sept. 8 Purchased goods from Malhotra and Co. Rs. 11,000. 2006 Sept. 10 Paid telephone rent for the year by cheque Rs. 500. 2006 Sept. 11 Bought one typewriter for Rs. 2,100 from Universal Typewriter Co. on credit. 2006 Sept. 15 Sold goods to Keshav Ram for Rs. 12,000. 2006 Sept. 17 Sold goods to Rajesh Kumar for Rs. 2,000 for cash.	16	CO6	[K_3]

2006 Sept. 19 Amount withdrawn from bank for personal use Rs. 1,500.
2006 Sept. 21 Received cash from Keshav Ram Rs. 11,900 discount allowed Rs. 100.
2006 Sept. 22 Paid into bank Rs. 5,800.
2006 Sept. 23 Bought 50 shares in X Y & Co. Ltd. at Rs. 60 per share, brokerage paid Rs. 20.
2006 Sept. 25 Goods worth Rs. 1,000 found defective were returned to Malhotra & Co. and the balance of the amount due to them settled by issuing a cheque in their favour.
2006 Sept. 28 Sold 20 shares of XY & Co. Ltd. at Rs. 65 per share, brokerage paid Rs. 20.
2006 Sept. 28 Bought goods worth Rs. 2,100 from Ramesh and supplied them to Suresh at Rs. 3,000.
2006 Sept. 30 Suresh returned goods worth Rs. 100, which in turn were sent to Ramesh.
2006 Sept. 30 Issued a cheque for Rs. 1,000 in favour of the landlord for rent for September.
2006 Sept. 30 Paid salaries to staff Rs. 1,500 and received from travelling salesman Rs. 2,000 for goods sold by him, after deducting the travelling expenses Rs. 100.
2006 Sept. 30 Paid for:

(i) Charity Rs. 101
(ii) Stationery Rs. 450
(iii) Postage Rs. 249

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