

[4]

- Q.6 i. What do you mean by business finance? 2  
ii. “Maximising of profits is regarded as the proper objective of investment decision, but it is not as exclusive as maximising shareholders’ wealth.” Comment. 8  
OR iii “Investment, financing and dividend decisions are all interrelated” Comment. 8

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Total No. of Questions: 6

Total No. of Printed Pages:4

Enrollment No.....



Faculty of Engineering  
End Sem (Even) Examination May-2018  
EN3HS04 Fundamentals of Management, Economics &  
Accountancy

Programme: B.Tech.

Branch/Specialisation:  
AU/EC/EE/EI/EX/FT/ME

Duration: 3 Hrs.

Maximum Marks: 60

Note: All questions are compulsory. Internal choices, if any, are indicated. Answers of Q.1 (MCQs) should be written in full instead of only a, b, c or d.

- Q.1 i. What are the characteristics of programmed decision? 1  
(a) Complex and risky (b) Uncertain and non-routine  
(c) Low risk and certain (d) Routine and non-complex.
- ii. The process of monitoring performance, comparing it with goals and correcting any significant deviations is known as 1  
(a) Planning (b) Organising (c) Leading (d) Controlling
- iii. In Marketing \_\_\_\_\_ is the focal point. 1  
(a) Profit (b) Sales (c) Customer (d) All of these
- iv. Human resource planning (HRP) is not simply about meeting the demand for labour but also involves: 1  
(a) Redeploying staff  
(b) Directing line managers  
(c) Costs associated with employing any given number of people  
(d) Making redundancies
- v. The law of demand states that 1  
(a) Price and quantity demanded are inversely related  
(b) The larger the number of buyers in a market, the lower will be product price  
(c) Price and quantity demanded are directly related  
(d) Consumers will buy more of a given product at high prices than they will at low prices.

P.T.O.

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- vi. Perfect competition occurs in the market when are many firms each selling: **1**  
 (a) A competitive product (b) A capital intensive product  
 (c) A unique product (d) An identical product
- vii. Ledger Book is popularly known as **1**  
 (a) Secondary book of accounts  
 (b) Principal book of accounts  
 (c) Subsidiary book of accounts  
 (d) None of these
- viii. Fixed cost is a cost **1**  
 (a) Which changes in total in proportion to changes in output  
 (b) Which is partly fixed and partly variable in relation to output  
 (c) Which do not change in total during a given period despite changes in output  
 (d) Which remains same for each unit of output
- ix. The job of a finance manager is confined to **1**  
 (a) Raising of funds  
 (b) Management of cash  
 (c) Raising of funds and its effective utilization  
 (d) None of these
- x. The primary goal of the financial management is **1**  
 (a) To maximize the return  
 (b) To minimize the risk  
 (c) To maximise the wealth of shareholders  
 (d) To maximise the profits
- Q.2 i. Differentiate between Management and Administration. **3**  
 ii. “Management is the art of getting things done through and with others” Do you agree? Give your comments. Explain Fayol’s Principles of Management. **7**
- OR iii. Define Decision making process. Discuss the decisions making under conditions of certainty, uncertainty and risk. **7**
- Q.3 i. Write short note on Customer Relationship Management. **2**

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- ii. “Marketing Mix is one of the major concepts in modern marketing.” **8**  
 Justify the statement.
- OR iii. Define and discuss the objectives and nature of Human Resource Management. Discuss the changing role of human resource in view of changing global scenario. Explain with suitable examples. **8**
- Q.4 i. Explain any three differences between Micro and Macro economics. **3**  
 ii. What useful information price elasticity of demand provide to the management? Also explain the law of variable proportions with suitable example. **7**
- OR iii. What is meant by business cycle? What are the different phases of a business cycle? How is private business affected during the different phases? **7**
- Q.5 Attempt any two:
- i. What is double entry system? Why trial balance is prepared? **5**  
 ii. The following figures are taken from a manufacturing firm for the year 2017-18. **5**  
 Direct Materials Rs 205000, Direct Labour Rs. 75000, Fixed Overheads Rs. 60000, Variable Overheads Rs. 100000, Sales 500000  
 Calculate the Breakeven point. What will the effect on BEP of an increase of 10% in  
 (a) Fixed expenses (b) Variable expenses
- iii. A factory produces a standard product named “Trophy”. The following information is given to you from which you are required to prepare a Cost sheet for Jan 2018 showing total cost & Per unit cost. **5**  
 Raw material Consumed Rs. 90,000  
 Direct Wages Rs. 30,000  
 Other direct Exp. Rs. 11,000  
 Factory overhead 80% of Direct Wages, Office overhead 10% of works cost, Profit 10% of sale price .Unit produced & sold 10000.

P.T.O.

## Marking Scheme

### EN3HS04 Fundamentals of Management, Economics & Accountancy

Q.1	i. What are the characteristics of programmed decision? (d) Routine and non-complex.	1		
	ii. The process of monitoring performance, comparing it with goals and correcting any significant deviations is known as (d) Controlling	1		
	iii. In Marketing _____ is the focal point. (c) Customer	1		
	iv. Human resource planning (HRP) is not simply about meeting the demand for labour but also involves: (c) Costs associated with employing any given number of people	1		
	v. The law of demand states that (a) Price and quantity demanded are inversely related	1		
	vi. Perfect competition occurs in the market when are many firms each selling: (d) An identical product	1		
	vii. Ledger Book is popularly known as (b) Principal book of accounts	1		
	viii. Fixed cost is a cost (c) Which do not change in total during a given period despite changes in output	1		
	ix. The job of a finance manager is confined to (c) Raising of funds and its effective utilization	1		
	x. The primary goal of the financial management is (d) To maximise the profits	1		
Q.2	i. Difference Management and Administration. 3 points 1 mark each (1 mark * 3)	3		
	ii. "Management is the art of getting things done through and with others" Fayol's Principles of Management Point wise explanation	7	2 marks 5 marks	
OR	iii. Decision making process Decisions making under conditions of certainty Decisions making under conditions of uncertainty Decisions making under conditions of risk.	7	4 marks 1 mark 1 mark 1 mark	
Q.3	i. Customer Relationship Management.(any 2 points)	2		
	ii. "Marketing Mix is one of the major concepts in modern marketing." 4 P's 2 marks each (2 marks * 4)	8	4 marks 4 marks	
OR	iii. Objectives and nature of HRM Changing role of human resource	8	4 marks 4 marks	
Q.4	i. Any three differences between Micro and Macro economics. 3 points 1 mark each (1 mark * 3)	3	4 marks 3 marks	
	ii. Price elasticity of demand to the management Law of variable proportions with example	7	4 marks 3 marks	
OR	iii. Business cycle Different phases of a business cycle Private business affected during phases	7	1 mark 4 marks 2 marks	
Q.5	Attempt any two:			
	i. Double entry system Trial balance is prepared	5	3 marks 2 marks	
	ii. Formula Breakeven point Calculate the Breakeven point Effect on BEP of an increase of 10% in Fixed expenses Effect on BEP of an increase of 10% in Variable expenses	5	2 marks 1 mark 1 mark 1 mark	
	iii. Cost sheet Total Cost Cost per unit Note : If format only	5	3 marks 2 marks 2 marks	
Q.6	i. Business finance 2 points 1 mark each (1 mark * 2)	2	4 marks	
	ii. Comment on statement Any 2 Objective s of Investment decision 2 marks each (2 marks * 2)	8	4 marks	
OR	iii. Investment, financing and dividend decisions are all interrelated 1 mark each point (1 mark * 8)	8	4 marks	