Code No: RT22014 **R13** SET - 1

II B. Tech II Semester Regular/Supplementary Examinations, April/May-2017
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS
(Com. to CE, EIE)

Time: 3 hours Max. Marks: 70

Note: 1. Question Paper consists of two parts (**Part-A** and **Part-B)**
2. Answer **ALL** the question in **Part-A**
3. Answer any **THREE** Questions from **Part-B**

~~~~~~

PART –A

1. a) Mention the Concept of Demand (4M)
   b) Write a note on Cobb-Douglas Production (4M)
   c) Define Market Skimming (3M)
   d) What do you mean by Joint Stock Company (4M)
   e) Define Double Entry System (3M)
   f) What is Capital Budgeting (4M)

PART –B

2. a) Discuss the scope of Managerial Economics in business decision making (8M)
   b) Explain the demand forecasting technique in modern organization. (8M)

3. a) Define Production function. What is its importance? (8M)
   b) Break-even analysis is highly important in out-put decision making. Do you agree? Discuss (8M)

4. a) What do you mean by market? Explain its important features. (8M)
   b) What is monopolistic competition? Explain its important features (8M)

5. a) Discuss the factors affecting choice of the forms of business organization. (8M)
   b) What is the need of Public enterprises? Explain the recent achievement of Public enterprises. (8M)

6. a) Define and explain the importance of the ratio analysis and explain types of ratios (6M)
   b) Record the following transactions in the journal of Rajagopal furniture mart: (10M)
   2014
   Jan1 Started business with cash 10,000/-
   Jan 2 Cash deposited into bank 9,000/-
   Jan 3 Paid installation charges of machinery 100/-
   Jan 4 Paid wages 3000/-
   Jan 5 Paid rent 200/-
   Jan 6 Paid salaries 4000/-

7. a) Find out the IRR of the following investment proposal: (10M)
   Initial investment Rs.70,000/-, Expected annual cash inflow RS.24,000/-
   Economic life of the project 4 years, Present value of annuity of Re 1 for 4 years
   @ 10% 3.170 @ 12% 3.037 @14% 2.914 @ 16% 2.798
   b) Define Capital Budgeting. Explain its importance (6M)
~~~~~~

Code No: RT22014 **R13** SET - 2

II B. Tech II Semester Regular/Supplementary Examinations, April/May-2017
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS
(Com. to CE, EIE)

Time: 3 hours Max. Marks: 70

Note: 1. Question Paper consists of two parts (**Part-A** and **Part-B)**
2. Answer **ALL** the question in **Part-A**
3. Answer any **THREE** Questions from **Part-B**

~~~~~~

PART –A

1. a) Define Elasticity of Demand (3M)
   b) Write a note on Cost Volume Profit analysis (4M)
   c) Define Isoquants and Isocosts (3M)
   d) What do you mean by Sole trader (4M)
   e) List out the levels of Business cycle (4M)
   f) What are the different financial statements (4M)

PART –B

2. a) Define Managerial Economics and its relation with other subjects. (8M)
   b) Explain different types of Elasticity of Demand (8M)

3. a) Describe Break-even point with the help of diagram and its uses in business decision making. (8M)
   b) What are the factors of Production? How do they influence the production function in an enterprise? (8M)

4. a) What is a Perfect Competition market? Describe its features. (8M)
   b) Explain the objectives of Pricing. And its methods. (8M)

5. a) What do you mean by Double entry system of Book-keeping? Explain elaborately (7M)
   b) Mention different types of classification of accounts along with examples. (9M)

6. a) Differentiate between Sole trader and Partnership elaborately (7M)
   b) A firm sold goods worth Rs.5, 00,000 and its gross profit is 20 percent of sales value. The inventory at the beginning of the year was Rs.16, 000 and at the end of the year was Rs.14, 000. Compute inventory turnover ratio and also the inventory holding period. (9M)

7. a) Project A requires an investment of Rs.5, 00,000 and has a scrap value of Rs.20, 000 after 5 years. It is expected to yield profits after depreciation and taxes during the five years amounting to Rs.40, 000, Rs.60, 000, Rs.70, 000, Rs.50, 000, Rs.20, 000. Calculate the average rate of return. (9M)
   b) Enumerate various types of capital and explain its techniques. (7M)
~~~~~~

Code No: RT22014 **R13** SET - 3

II B. Tech II Semester Regular/Supplementary Examinations, April/May-2017
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS
(Com. to CE, EIE)

Time: 3 hours Max. Marks: 70

Note: 1. Question Paper consists of two parts (**Part-A** and **Part-B)**
2. Answer **ALL** the question in **Part-A**
3. Answer any **THREE** Questions from **Part-B**

~~~~~~

PART –A

1. a) Mention the theory of demand (4M)
   b) Differentiate between fixed cost Vs variable cost (4M)
   c) Write a note on Internet pricing (4M)
   d) Write a note on Partnership deed (4M)
   e) Define cash flow statement (3M)
   f) What do you mean by NPV (3M)

PART –B

2. a) Describe the managerial economics and its significance (8M)
   b) Explain various methods of demand forecasting elaborately (8M)

3. a) Describe the law of variable proportions along with examples (9M)
   b) Explain different cost concepts in the globalised era (7M)

4. a) Discuss the merits and demerits of a Partnership firm (9M)
   b) What is the need of Public enterprises and its features (7M)

5. a) Describe the accounting concepts and conventions elaborately (7M)
   b) Journalise the following transactions in the books of Sri Suresh & Co. (9M)
   Jan 1 started business with capital 50,000/-
   Jan 2 cash deposited into bank 10,000/-
   Jan 5 purchased goods for cash from Rama 10,000/-
   Jan 8 purchased machinery from Ajay Engineering company and payment made by cheque 15,000/-,
   Jan 10 paid wages 10,000/-
   Jan 12 received interest from Ashok 20,000/-

6. a) Describe the managerial theory of firm proposed by Maris and Williamson's models. (8M)
   b) Explain the characteristics of Monopolistic pricing method. (8M)

7. a) The cost of a project is Rs.50,000 the annual cash inflows for the next 4 years are Rs.25,000. What is the payback period for the project (6M)
   b) A project costs Rs.25,000 and is expected to generate cash inflows as (10M)

Year	Cash inflows
1	10,000
2	8,000
3	9,000
4	6,000
5	7,000

The cost of capital is 12%. Compute the NPV of the Project.

Note: Log table is required for this paper.
~~~~~~

Code No: RT22014 **R13** SET - 4

II B. Tech II Semester Regular/Supplementary Examinations, April/May-2017
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS
(Com. to CE, EIE)

Time: 3 hours Max. Marks: 70

Note: 1. Question Paper consists of two parts (**Part-A** and **Part-B**)
2. Answer **ALL** the question in **Part-A**
3. Answer any **THREE** Questions from **Part-B**

~~~~~~

PART –A

1. a) Write a note on exceptions of law of demand (4M)
   b) Write a note on Cooperative societies (4M)
   c) Define Trial balance (3M)
   d) What do you mean Isoquants (3M)
   e) Write a note on statement of changes of working capital (4M)
   f) Define Profitability index (4M)

PART -B

2. a) Discuss the measurements of elasticity of demand elaborately (8M)
   b) Explain the various determinants of Demand (8M)

3. a) Describe the economies of scale and its advantages (8M)
   b) A firm has a fixed cost of Rs.10,000, selling price per unit is Rs.5 and variable cost per unit is Rs.3. i) Determine break-even point in terms of volume and also sales value ii) Calculate the margin of safety considering that the actual production is 8000 units. (8M)

4. a) Enumerate the features of monopoly type of market structures (8M)
   b) Differentiate between duopoly and oligopoly market structures (8M)

5. a) Describe the merits and demerits of sole trader form of business (8M)
   b) What is partnership? Explain contain of partnership Act. (8M)

6. a) Differentiate between funds flow statement and cash flow statement (8M)
   b) Stock turnover ratio is 2.5 times. Average stock is Rs.20,000. Calculate cost of goods sold and also sales if profit earned is 25% of cost. (8M)

7. a) Explain the merits and limitations of payback period (8M)
   b) Discuss the acceptance and rejection rules of discounted and non-discounted cash flow techniques of capital budgeting. (8M)
~~~~~~