

Code No: R21022

R10**SET - 1**

II B. Tech I Semester Supplementary Examinations, May/June - 2017
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS
(Com. to EEE, ME, ECE, EIE, CSE, IT, ECC, BME)

Time: 3 hours

Max. Marks: 75

Answer any **FIVE** Questions
All Questions carry **Equal** Marks
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1. List and explain demand distinctions in detail. (15M)
2. What is price elasticity of demand? How does it differ from cross elasticity of demand? (15M)
3. a) Explain the utility of Break-Even Analysis in managerial decision-making. (8M)  
b) How do you explain breakeven chart? Explain. (7M)
4. What is Perfect Competition? How is Market Price determined under conditions of Perfect Competition? (15M)
5. Explain about the short-comings of the public sector enterprises in India and what is their future? (15M)
6. a) Discuss the concept and functions of Accounting. (8M)  
b) Explain various users of Accounting information. (7M)
7. What are the different methods used for the analysis and interpretation of financial statements. (15M)
8. Company has two proposals each costing Rs. 9 Lakhs. The details are given below. (15M)

| Years | Project-I | Project-II |
|-------|-----------|------------|
| 1     | 3,00,000  | 6,00,000   |
| 2     | 5,00,000  | 4,00,000   |
| 3     | 6,00,000  | 3,00,000   |
| 4     | 2,00,000  | 2,00,000   |

The cost of capital is 10% per year.  
Which one will you choose under Net present value method?