

Code No: RT22014

R13
SET - 1

II B. Tech II Semester Supplementary Examinations, November-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 Managerial Economics. (3M)
- b) Cobb-Douglas Production Function. (4M)
- c) Explain the conditions of Perfect Competition. (4M)
- d) Explain the salient features of Sole Proprietorship. (4M)
- e) Describe the importance of Accounting and Financial Management. (4M)
- f) Explain the meaning of Capital Budgeting. (3M)

PART -B

2. a) Explain the scope of Managerial Economics. (6M)
- b) Describe the demand analysis and elasticity of demand and its measurement. (10M)
3. a) Briefly explain the law of variable proportions. (8M)
- b) Explain the Explicit Costs Vs. Implicit Costs and Out of Pocket Costs Vs. Imputed Costs. (8M)
4. a) Explain the salient features of monopoly and how the price and output will be determined in the monopoly? (8M)
- b) Describe any four methods of Pricing. (8M)
5. a) Explain the salient features Partnership. (6M)
- b) Describe the meaning and features of business cycles and explain the phases of business cycle. (10M)
6. a) Explain the importance of ratio analysis. (6M)
- b) A firm's sales during the year were Rs 400,000 of which 60 percent were on credit basis. The balance of debtors at the beginning and end of the year were 25,000 and 15000 respectively. Calculate debtor's turnover ratio of the firm. (10M)
7. a) Explain the need for Capital Budgeting. (6M)
- b) Two projects, costing Rs 20,000 each, have the following cash inflows. Both have the same payback period. Which one do you choose and why? (10M)

(figure in Rupees)

Year	Project A	Project B
I	8,000	12,000
II	12,000	8,000
III	10,000	12,000
IV	9,000	7,000
V	7,000	7,000
Total	46,000	46,000