

Code No: R22013

R10**SET - 1**

II B. Tech II Semester Supplementary Examinations, April/May – 2019
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS
(Com. to CE, MM)

Time: 3 hours

Max. Marks: 75

Answer any **FIVE** Questions
All Questions carry **Equal** Marks
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- 1 a) Define Managerial Economics. Explain its nature and scope.  
b) Describe the determinants of Law of Demand.
- 2 What is demand forecasting? Explain various factors involved in demand forecasting for new products.
- 3 a) Explain the Cobb-Douglas production function.  
b) Describe law of variable proportions in detail.
- 4 Define Market and explain how markets are classified?
- 5 Define Joint Stock Company. Illustrate the features, merits and demerits of Joint Stock Company.
- 6 Give a brief account on the important records of Accounting under Double entry system and discuss briefly the scope of each.

- 7 Determine current ratio, debt-equity ratio and proprietary ratio with the help of following information:

| Particulars           | Amount(Rs.) | Particulars                         | Amount(Rs.) |
|-----------------------|-------------|-------------------------------------|-------------|
| Cash&Bank balances    | 5,00,000    | Capital(3,00,000 shares of Rs.10/-) | 30,00,000   |
| Marketable securities | 3,00,000    | Reserves & Surplus                  | 15,00,000   |
| Inventory             | 8,00,000    | Profit & loss A/c Cumulative        | 2,00,000    |
| Debtors               | 20,00,000   | Debentures                          | 20,00,000   |
| Creditors             | 10,00,000   | Long term loan                      | 10,00,000   |
| Bills payable         | 2,00,000    | Long term public deposits accepted  | 20,00,000   |
|                       |             | Fixed assets                        | 85,00,000   |

- 8 Illustrate the advantages and Disadvantages of NPV Method.