

B.Tech II Year I Semester (R15) Regular Examinations November/December 2016

**MANAGERIAL ECONOMICS & FINANCIAL ANALYSIS**

(Common to CSE, ME and IT)

Time: 3 hours

Max. Marks: 70

**PART – A**

(Compulsory Question)

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1 Answer the following: (10 X 02 = 20 Marks)

- (a) Define micro economics.
- (b) What is Law of demand?
- (c) Differentiate Isocosts and Isoquants.
- (d) What is implicit cost? Give an example.
- (e) Write about market skimming pricing.
- (f) What is globalization?
- (g) Define ledger.
- (h) What is single entry book keeping?
- (i) Define over and under capitalization.
- (j) Write features of capital budgeting.

**PART – B**

(Answer all five units, 5 X 10 = 50 Marks)

**UNIT – I**

2 What are the needs for demand forecasting? Discuss the various steps involved in demand forecasting.

OR

3 How Elasticity of demand is useful for a managerial economist in decision making? Explain.

**UNIT – II**

4 The following information is extracted from the records of Sreenivasa limited you are required to compute: Fixed cost Rs 50,000

Selling price per unit Rs 10

Variable cost per unit Rs 6.

Calculate: (i) P/V Ratio. (ii) BEP in Value {Rs}. (iii) BEP in terms of units. (iv) Prepare break even chart.

OR

5 Define production function. Explain internal and external economies of scale.

**UNIT – III**

6 Define Market and explain how markets are classified.

OR

7 What is joint-stock company? Explain the advantages of a joint-stock company in changing Indian business environment.

**UNIT – IV**

8 Discuss the concept of financial accounting. Explain emerging need and importance of financial accounting.

OR

9 How ratios are classified for the purpose of financial analysis? With assumed data illustrate any two types of ratios under each category.

**UNIT – V**

10 Define capital. What are the components of working capital? Explain each of them.

OR

11 What is the need for capital budgeting. Explain the traditional and modern methods of capital budgeting.

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