

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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