

R15

Code No: 125EG

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD**B. Tech III Year I Semester Examinations, December - 2019****MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS**

(Common to ME, EIE, IT, MCT, AME, MIE)

Time: 3 hours**Max. Marks: 75****Note:** This question paper contains two parts A and B.

Part A is compulsory which carries 25 marks. Answer all questions in Part A. Part B consists of 5 Units. Answer any one full question from each unit. Each question carries 10 marks and may have a, b, c as sub questions.

PART - A**(25 Marks)**

1. Write short notes on the following:
- a) Demand function [2]
 - b) Test Marketing [3]
 - c) Isocost curve [2]
 - d) Economies of scale [3]
 - e) Monopolistic competition [2]
 - f) Penetration pricing [3]
 - g) Debentures [2]
 - h) Bank overdraft [3]
 - i) Ledger accounts [2]
 - j) Current Ratio [3]

PART - B**(50 Marks)**

- 2.a) Define Managerial Economics. Explain its nature and significance.
b) Explain the Law of Demand with the help of demand schedule and demand curve. [5+5]

OR

- 3.a) Illustrate the different types of Elasticity of demand.
b) Describe briefly the factors affecting Demand Forecasting. [5+5]

- 4.a) Define 'Production function'. How is it classified?
b) Explain the Law of Increasing Returns with a suitable diagram and point out its managerial importance. [5+5]

OR

- 5.a) Explain how Cost-Output relationship helps managers in decision making.
b) From the following particulars, calculate the Break-even point in terms of both quantity and value. [5+5]

Production in units	-	10,000
Sales price	-	Rs. 5 per unit
Variable Costs	-	Rs. 20,000
Fixed Costs	-	Rs. 12,000

- 6.a) How do you classify markets on the basis of competition.
b) Explain any four methods of pricing based on Strategy. [5+5]

OR

- 7.a) State the features, merits and demerits of Partnership form of business organization.
b) Discuss the changing business environment in India, post-liberalization. [5+5]

- 8.a) What is Fixed capital and Working capital?
b) Identify the sources of raising long-term capital. [5+5]

OR

- 9.a) What is Capital Budgeting? Explain the nature and importance of capital budgeting.
b) The expected life of a project is 5 years which costs Rs. 80,000. In its expected life, the yield is Rs. 22,000; Rs. 28,000; Rs. 30,000; Rs. 32,000 and Rs. 34,000 respectively. Find the Payback period. [5+5]

- 10.a) State and explain any four Accounting concepts.
b) What do you understand by 'Double entry system' of accounting? How are business transactions recorded in Journal. [5+5]

OR

- 11.a) Who are the users of financial statements prepared by a business unit?
b) In how many different ways accounting information can be analysed? [5+5]

---ooOoo---