R13

B.Tech II Year II Semester (R13) Supplementary Examinations December 2016
MANAGERIAL ECONOMICS & FINANCIAL ANALYSIS
(Information Technology)

Time: 3 hours

Max. Marks: 70

PART – A
(Compulsory Question)
*****

1   Answer the following: (10 X 02 = 20 Marks)
  (a) Define micro economics.
  (b) What is elasticity of demand?
  (c) Define production function.
  (d) What is opportunity cost?
  (e) Give the features of perfect competition market.
  (f) Write different types of partnership.
  (g) Differentiate between short term and long term capital.
  (h) Define over capitalization.
  (i) What is single entry book keeping?
  (j) What is meant by journal?

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

UNIT – I

2   What is demand forecasting? Explain various factors involved in demand forecasting for new products.

OR

3   What is law of demand? Present a brief note about the exceptions for the general law of demand.

UNIT – II

4   What do you understand by isoquants and isocosts? How are these useful to find out least cost combination of inputs? Illustrate.

OR

5   A manufacturer sells his product at Rs. 5 each. Variable costs are Rs.2 per unit and the fixed costs amount to Rs. 60,000.
     (i) Calculate the break-even point.
     (ii) What would be the profit if the firm sells 30,000 units?
     (iii) What would be the BEP if the firm spends Rs.3,000 on advertising?
     (iv) How much should be the manufacturer sell to make a profit of Rs.30,000 after spending Rs.3,000 for advertisement?

UNIT – III

6   What are the types of imperfect competition? Explain in brief.

OR

7   "In the changing business environment the public sector enterprises should follow the principles of business". Justify your answer.

UNIT – IV

8   Define Capital? How do you estimate the fixed and working capital requirements of an industrial unit?

OR

9   What is capital budgeting? Explain the different methods of capital budgeting.

UNIT – V

10   Give a brief account on the important records of Accounting under Double entry system and discuss briefly the scope of each.

OR

11   Explain and illustrate the following and also their significance on decision making:
  (a) Profitability ratios.
  (b) Operating ratios.

*****