

B.Tech III Year I Semester (R13) Supplementary Examinations November/December 2017

MANAGERIAL ECONOMICS & FINANCIAL ANALYSIS

(Common to CSE and EEE)

Time: 3 hours

Max. Marks: 70

PART – A
(Compulsory Question)

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

- (a) Define derived demand.
- (b) What is opportunity cost?
- (c) Write diseconomies of scale.
- (d) Write Cobb – Douglas production functions.
- (e) Define explicit cost and implicit costs.
- (f) Write the features of monopoly.
- (g) Write different types of shares.
- (h) Explain about venture capital.
- (i) Define trail balance.
- (j) Write about debt equity ratio.

PART – B

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

UNIT – I

2 Define managerial economics. Explain its nature and scope.

OR

3 What do you understand by elasticity of demand? Explain the factors generating it.

UNIT – II

4 Define production function. How can a producer find it useful? Illustrate.

OR

5 Explain the features of short run average cost curve and long run average cost curve.

UNIT – III

6 Explain how the price is determined under perfect competition. Illustrate.

OR

7 What do you mean by privatization? Explain different forms in which privatization can be initiated.

UNIT – IV

8 Explain the main factors affecting the requirements of working capital.

OR

9 What is capital budgeting? Explain discounting and non-discounting methods.

Contd. in page 2

UNIT – V

10 What is accounting cycle? Explain with an example.

OR

11 Prepare P & L and balance sheet of the following:

Trial Balance of a firm on 31/12/2000

	Debit	Credit
Particulars	Amount	Amount
Capital a/c		1,00,000
Plant & Machinery	1,60,000	
Sales		3,54,000
Purchases	1,20,000	1500
Returns	2,000	
Opening stock	700	
Baal charges	150	
Sundry debtors	90,000	
Sundry creditors		51,600
Furniture	60,000	
Wages	20,000	
Salaries	13,600	
Carriage inwards	1,500	
Carriage outwards	2,400	
Bad debts provision		1,050
Rent	20,000	
Advertisement	4,000	
Cash in hand	1,800	
Cash at bank	12,000	
	5,08,150	5,08,150
