

B.Tech II Year II Semester (R07) Supplementary Examinations May/June 2016

**MANAGERIAL ECONOMICS & FINANCIAL ANALYSIS**

(Common to EEE, EIE &amp; E.Con.E)

(For 2008 regular admitted batch only)

Time: 3 hours

Max. Marks: 80

Answer any FIVE questions  
All questions carry equal marks

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- 1 "Managerial economics is a discipline which deals with the application of economic theory to business management". Discuss.
- 2 What is meant by elasticity of demand? How do you measure it?
- 3 Define production function. Discuss in detail the different types of production functions.
- 4 (a) Define market and explain how markets are classified.  
(b) What are the important features in market structures?
- 5 Analyze the problem of the public sector enterprises and suggest remedial measures for their improvement.

- 6 A company has two proposals each costing Rs.9 lakhs. The details are given below:

Year	Project – I	Project - II
1	3,00,000	6,00,000
2	5,00,000	4,00,000
3	6,00,000	3,00,000
4	2,00,000	2,00,000

The cost of capital is 10% per year. Which one you will choose under NPV method?

- 7 As a financial analyst, what precautions would you take while interpreting ratios meaningfully?
- 8 Write the following:
  - (a) Accounting concepts and conventions.
  - (b) Double-entry book keeping.

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