

11N505

Roll No. _____

Total No of Pages: **3****11N505****B. Tech. I - Sem. (New Scheme) Main Exam., July - 2022**
1FY3 - 05 Managerial Economics and Financial Accounting
Common to all Branches**Time: 2 Hours****Maximum Marks: 70****Min. Passing Marks:****Instructions to Candidates:**

Part - A: Short answer questions (up to 25 words) 5×3 marks = 15 marks. Candidates have to answer 5 questions out of 10.

Part - B: Analytical/Problem Solving questions 3×5 marks = 15 marks. Candidates have to answer 3 questions out of 7.

Part - C: Descriptive/Analytical/Problem Solving questions 2×20 marks = 40 marks. Candidates have to answer 2 questions out of 5.

Schematic diagrams must be shown wherever necessary. Any data you feel missing may suitably be assumed and stated clearly. Units of quantities used/calculated must be stated clearly.

Use of following supporting material is permitted during examination.
(Mentioned in form No. 205)

1. Simple Calculator2. NIL**PART- A**

~~Q.1~~ Explain inflation briefly.

Q.2 What is economies of scale?

~~Q.3~~ Define law of supply.

~~Q.4~~ Explain cross elasticity of demand.

~~Q.5~~ Define marginal cost.

Q.6 What do you mean by going concern concept?

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Q.7 Give significance of working capital ratio.

Q.8 Define margin of safety.

Q.9 What do you understand by sleeping partner?

~~Q.10~~ Enlist methods of demand forecasting.

PART- B

Q.1 Define scarcity and opportunity cost. What role do these two concepts play in the making of management decisions?

Q.2 You are given following individual demand details for the product XYZ.

P	D ₁	D ₂	D ₃
37	20	4	8
47	15	2	7
57	10	0	6
67	5	0	5

(I) Determine the market demand table.

(II) Graph the individual and market demand curves.

Q.3 Distinguish between accounting profit and economics profit.

Q.4 Explain concept and use of break-even analysis.

~~Q.5~~ Explain oligopoly briefly.

Q.6 What do you understand by Sole Proprietorship firm?

Q.7 Define followings -

(a) Balance sheet

(b) Revenue

(c) Creditors

(d) Current assets

PART-C

- Q.1 State and explain the law of diminishing marginal returns.
- Q.2 Distinguish between fixed and variable costs. Explain the shape of the average fixed cost curve, average variable cost curve and the marginal cost curve.
- Q.3 Elucidate chief characteristics, advantages and disadvantages of Partnership Firm.
- Q.4 Explain importance and limitations of ratio analysis in detail.
- Q.5 Journalize the following transactions in the books of Laxman.

	₹
Business started with cash	80,000
Purchased furniture from Modern Furnishers for cash	10,000
Deposited in bank	30,000
Purchased goods for cash	5,000
Purchased goods on credit from Hari	4,500
Purchased goods from Suresh for cash	3,000
Purchased goods from Ajay	4,000
Sold goods for cash	7,000
Sold goods to Karim	6,500
Sold goods to Ganesh for cash	5,000
Sold goods to Bansi	3,500
Withdrew from bank for office use	5,000
Karim paid on account	5,000
Paid rent for residence	6,000
Paid to Ajay in settlement of his account	3,800