ADITYA ENGINEERING COLLEGE (A)

MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS
(MINING ENGINEERING)

Time: 3 Hours   **Max. Marks: 70**

Answer ONE question from each unit
All Questions Carry Equal Marks
All parts of the questions must be answered at one place only

UNIT – I				
1	a	Define Managerial Economics and discuss its scope.	CO 1	[7M]
	b	Illustrate the types of Elasticity of Demand.	CO 2	[7M]
OR				
2	a	Explain Law of Demand? What are its exceptions?	CO 2	[7M]
	b	Summarize any three methods of Demand forecasting.	CO 2	[7M]
UNIT – II				
3	a	Illustrate the managerial uses of Production function with two variables	CO 3	[7M]
	b	Explain Fixed Costs and Variable Costs with examples.	CO 3	[7M]
OR				
4	a	Identify the BEP in units and rupees using the following details: • Selling price per unit Rs. 100 • Variable cost per unit Rs. 60 • Fixed costs Rs. 20,000 • Actual sales Rs. 2,00,000	CO 3	[7M]
	b	Explain the internal economies of scale.	CO 3	[7M]
UNIT – III				
5	a	Define Monopoly. How are price and output determined under monopoly?	CO 4	[7M]
	b	Explain any three methods of pricing.	CO 4	[7M]
OR				
6	a	Explain the features of a joint stock company.	CO 4	[7M]
	b	Define Business cycles? Explain the different phases of a business cycle with a neat sketch?	CO 4	[7M]
UNIT – IV				
7	a	Illustrate double entry and single entry system of Accounting.	CO 5	[7M]
	b	Define Accounting? What are the principles (concepts and conventions) of Accounting?	CO 5	[7M]
OR				

8		Identify the recording processes of Journals in the books of Avinash & co 2008: May 1 commenced business with Rs 1, 00,000/- May 5 purchase goods from rahul & co with Rs 10,000/- May 7 sold goods worth Rs 20,000/- May10 salaries paid Rs 15,00/- May 11 purchased stationary worth Rs 1000/- May 15 Bought furniture worth Rs 20000/- May 18 cash deposited into bank Rs 9000/- May 20 Paid wages Rs 5000/- May 24 cash withdrawn from bank Rs 3000/- May 28 paid rent by cheque Rs 1800/-	CO 5	[14M]

UNIT – V

9	a	Explain the need and significance of capital budgeting in managerial decision making.	CO 6	[7M]
	b	Explain the Pay Back period method of Capital Budgeting?	CO 6	[7M]

OR

10		Initial Investment for a project is 20 lakh. The Project life is 6 years and the cash inflows for six is as given below	CO 6	[14M]

Year	Cash inflow Rs.
1	3,50,000
2	4,00,000
3	5,00,000
4	5,50,000
5	6,00,000
6	5,00,000

The cost of capital of is 12%. Compute NPV & IRR

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