

III B. Tech I Semester Supplementary Examinations, October/November - 2018**MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS**

(Common to Electrical and Electronics Engineering, Automobile Engineering and Mining Engineering)

Time: 3 hours

Max. Marks: 70

- Note: 1. Question Paper consists of two parts (**Part-A** and **Part-B**)
 2. Answering the question in **Part-A** is compulsory
 3. Answer any **THREE** Questions from **Part-B**
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PART -A

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|---|----|---------------------------------------|------|
| 1 | a) | Explain Law of demand. | [3M] |
| | b) | Write about Isoquants and Isocosts. | [4M] |
| | c) | Explain the flat rate pricing. | [3M] |
| | d) | What are the features of sole trader? | [4M] |
| | e) | Explain about Journal and ledger. | [4M] |
| | f) | Explain about NPV. | [4M] |

PART -B

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|---|----|--|------|
| 2 | a) | What is managerial economics? Explain its nature and scope. | [4M] |
| | b) | Define demand and explain the determinants of demand. | [8M] |
| | c) | Explain the demand forecasting methods. | [4M] |
| 3 | a) | Discuss about the fixed cost vs variable cost and explicit cost vs implicit cost. | [5M] |
| | b) | A hi-tech rail can carry a maximum of 36000 passengers per annum at a fare of Rs.400. the variable cost per passenger is Rs.150 while the fixed costs are 25,00,000/- per year. Find the break-even point in terms of number of passengers and also in terms of fare collection. | [8M] |
| | c) | Explain the Cobb-Douglas production function. | [3M] |
| 4 | a) | Distinguish between perfect & imperfect markets. | [8M] |
| | b) | What is a market? Explain, in brief, the different market structures. | [8M] |
| 5 | a) | Explain the concept and features of business cycles. | [8M] |
| | b) | Explain the advantages and disadvantages of partnership firm. | [8M] |
| 6 | a) | Write about the steps in preparation of funds flow statement. | [8M] |
| | b) | What is ratio? Discuss about different ratios. | [8M] |
| 7 | a) | What is capital budgeting? Explain the significance of capital budgeting. | [8M] |
| | b) | Discuss the traditional methods of capital budgeting. | [8M] |
