Code No: **R1641054**   **R16**   Set No. 1

IV B.Tech I Semester Advanced Supplementary Examinations, May - 2022
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS
(Common to Computer Science and Engineering and Information Technology)
Time: 3 hours   Max. Marks: 70
Question paper consists of Part-A and Part-B
Answer ALL sub questions from Part-A
Answer any FOUR questions from Part-B
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PART–A *(14 Marks)*

1. a) What do you understand by demand forecasting? What is the need for it?   [2]
    b) Why BEA is also called Cost-volume-profit analysis?   [2]
    c) What is price discrimination? What are the essential conditions for price   [3]
        discrimination?
    d) What are the pros and cons of privatization?   [3]
    e) Define Double entry system of book-keeping.   [2]
    f) What are the limitations of Accounting Rate of Returns?   [2]

PART–B *(4x14 = 56 Marks)*

2. a) Define managerial economics and point out its chief characteristics. How is   [7]
        managerial economics useful to manager?
    b) How do you measure elasticity of demand? Illustrate graphically.   [7]

3. a) Explain the concepts of isoquants and isocosts.   [7]
    b) Briefly explain about various cost concepts.   [7]

4. a) What are the main features of Monopoly? How does it differ from perfect   [7]
        competition?
    b) Explain how the price is determined under the conditions of perfect   [7]
        Competition. Illustrate this with help of diagrams.

5. a) Define partnership and explain its silent features and limitations.   [7]
    b) Explain the concept of Public enterprises. Also, explain the types of Public   [7]
        Enterprises.

6.   How ratios are classified for the purpose of financial analysis? With assumed [14]
        data illustrate any two types of ratios under each category.

7. a) Define Capital Budgeting? Explain its importance.   [7]
    b) From the following information calculate NPV   [7]

Year	CFAT
1	25,000
2	35,000
3	65,000
4	95,000
5	1,05,000
6	1,15,000

Out lay of the project is Rs 65,000, The firm realizes scrap value is Rs 10,000 at
the end of the year , the firm is adopted discount factor is 10 %.

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