

II B. Tech II Semester Supplementary Examinations, Dec - 2015
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS

(Com. to CE, EIE)

Time: 3 hours

Max. Marks: 70

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

PART – A

1. a) Law of demand and its exceptions.
- b) Isoquants and Iso-costs.
- c) Salient features of oligopoly.
- d) Partnership.
- e) Importance of Ratio analysis.
- f) Capitalization.

(3M+4M+4M+4M+4M+3M)

PART – B

2. a) Explain the importance of Managerial Economics and its relation to other subjects.
- b) Describe the importance of demand forecasting and write any two methods of demand forecasting. (8M+8M)
3. a) Explain any four cost concepts.
- b) Describe the importance and salient features of Break-even analysis. (8M+8M)
4. a) Explain the conditions of perfect competition and monopoly.
- b) Describe any four methods of pricing. (8M+8M)
5. a) Explain the salient features of private and public limited Joint Stock Companies.
- b) Describe the meaning and phases of business cycles. (8M+8M)
6. a) What is capital budgeting? Explain the need of capital budgeting.
- b) Briefly explain the traditional and modern methods of capital budgeting. (6M+10M)



7. From the following balance sheets pertaining to Mirza, prepare:

(16M)

- a) A Scheduled of changes in working capital
b) A funds flow statement.

	30.6.2014	30.6.2013
<i>Assets</i>	(Rs)	(Rs)
Cash	1,00,000	60,000
Marketable investments	1,70,000	----
Sundry debtors	4,00,000	6,00,000
Bills receivable	4,90,000	4,50,000
Closing inventory	8,40,000	15,60,000
Net fixed assets	20,00,000	29,30,000
	40,00,000	56,00,000
<i>Liabilities</i>		
Sundry creditors	8,20,000	12,50,000
Bills payable	4,60,000	6,20,000
Loan from bank	2,00,000	4,70,000
Reserve and Surplus	20,20,000	27,60,000
Share capital	5,00,000	5,00,000
	40,00,000	56,00,000

Depreciation of Rs 4, 00,000 was written off in the year on fixed assets.