

II B. Tech I Semester Supplementary Examinations, October/November - 2020**MANAGERIAL ECONOMICS & FINANCIAL ANALYSIS**

(Common to EEE,ME,ECE,EIE,ECC,AME,AE and Mining Engineering)

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 **Four** Questions from **Part-B****PART -A**

1. a) Draw the demand curve. (2 M)
- b) What is CVP analysis? (3M)
- c) Explain the skimming pricing. (2M)
- d) What is business cycle? (2M)
- e) Explain about balance sheet ratios. (3M)
- f) What is payback period? (2M)

PART -B

2. a) What is managerial economics? Explain its relation with the other subjects. (7M)
- b) Explain the concept of supply and its assumptions. (7M)
3. a) A company budgeted output is 80000 units fixed expenses is Rs.400000/-; variable expenses per unit is Rs.10/- and selling price per unit is Rs.20/- calculate BEP and draw the breakeven chart. (7M)
- b) Explain the production function and what are the assumptions in it? (7M)
4. a) What is optimum firm? Explain how differences in efficiency reflect in the output. (7M)
- b) Explain the Marris managerial theory of a firm. (7M)
5. a) What is joint stock company? Explain the futures of joint stock company. (7M)
- b) Explain the forms of business organizations. (7M)
6. a) "Analysis without interpretation is meaningless and interpretation without analysis is impossible" discuss. (7M)
- b) Find out the working capital turnover ratio: (7M)
Cash Rs. 10000/-; Bills receivables Rs.5000/-; Sundry Debtors Rs.25000/- ; Stock Rs.20000/- ; Sundry Creditors Rs.30000/- and Cost of sales Rs.150000.
7. a) What is capital budgeting? Explain its importance for project appraising. (7M)
- b) Explain the IRR and Profitability Index. (7M)