

## II B. Tech II Semester Supplementary Examinations, December - 2022

## MANAGERIAL ECONOMICS &amp; FINANCIAL ANALYSIS

(Common to CE, EEE, EIE, ECT, AGE &amp; FE)

Time: 3 hours

Max. Marks: 70

Answer any FIVE Questions, each Question from each unit

All Questions carry Equal Marks

## UNIT – I

- 1 a) Define Managerial Economics and discuss its relationship with other subjects. [7M]  
b) State the Law of Demand. Are there any exceptions to it? [7M]

Or

- 2 a) Explain the concept of Price-elasticity of demand. [7M]  
b) Describe the Law of Supply. [7M]

## UNIT – II

- 3 a) What is Isoquant? Illustrate the types of isoquants with illustration. [7M]  
b) Discuss the economics of large scale production. [7M]

Or

- 4 a) Distinguish between Fixed cost and Variable cost. [7M]  
b) What is meant by Break-Even analysis? Explain the uses and limitations. [7M]

## UNIT – III

- 5 a) What do you understand by Monopolistic competition? [7M]  
b) Explain the method of Average cost pricing. Point out the cases where it is suitable. [7M]

Or

- 6 a) Discuss the evil effects of Business Cycle. [7M]  
b) Identify and explain the different forms of Public Enterprises in India. [7M]

## UNIT – IV

- 7 a) What is Book-Keeping? Explain the principles of double entry system. [7M]  
b) What are Financial statements? Why are they prepared? [7M]

Or

- 8 a) Explain the meaning of the 'Analysis of financial statements'. Describe briefly the different types of analysis. [7M]  
b) What is the significance of Ratio analysis? [7M]

## UNIT – V

- 9 a) What is Fixed capital? Give examples. [7M]  
b) Why is Capital Budgeting necessary? [7M]

Or

- 10 a) In what respects modern capital budgeting techniques are superior to conventional techniques. [7M]  
b) What is Accounting Rate of Return? State its merits and demerits. [7M]

