

ANURAG Engineering College

(An Autonomous Institution)

III B.Tech II Semester Supplementary Examinations, December-2024

MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS

(COMMON TO ECE & CSE)

Time: 3 Hours**Max.Marks:75****Section – A (Short Answer type questions)****(25 Marks)****Answer All Questions**

	Course Outcome	B.T Level	Marks
1. Write a note on determinants of Demand.	CO1	L1	2M
2. What is Law of Demand?	CO1	L2	3M
3. Define the term MRTS.	CO2	L2	2M
4. Out of pocket cost Vs. Implicitly cost.	CO2	L2	3M
5. State the features of monopolistic competition.	CO3	L1	2M
6. What is peak load pricing?	CO3	L2	3M
7. What is working capital?	CO4	L2	2M
8. Write a short note Profitability Index.	CO4	L2	3M
9. What is double entry bookkeeping.	CO5	L2	2M
10. Write a note on operating ratio.	CO5	L2	3M

Section B (Essay Questions)**Answer all questions, each question carries equal marks.****(5 X10M = 50M)**

11. A) Define managerial economics. Explain the nature and scope of managerial economics.	CO1	L3	10M
OR			
B) What is demand forecasting? Explain the methods of demand forecasting.	CO1	L3	10M
12. A) Explain law of returns with appropriate examples. Explain Iso quant and iso cost curves	CO2	L3	10M
OR			
B) From the following data find out i) PV Ratio ii) B.E.P. sales Sales Rs. 40,000 Fixed Expenses Rs. 10,000 Variable cost Rs. 20,000	CO2	L3	10M
13. A) Explain the price out put determination under perfect competition.	CO3	L3	10M
OR			
B) Explain the various pricing strategies.	CO3	L3	10M
14. A) What is capital budgeting. Explain discounted cash flow techniques of capital budgeting.	CO4	L3	10M
OR			

- B) A company has at hand two proposals for consideration. The cost of the proposals in both the cases is Rs.5,00,000 each. A discount factor of 12% may be used to evaluate the proposals. Cash inflows after taxes are as under.

Year	Proposal X (Rs.)	Proposal Y (Rs.)
1.	1,50,000	50,000
2.	2,00,000	1,50,000
3.	2,50,000	2,00,000
4.	1,50,000	3,00,000
5.	1,00,000	2,00,000

Which one will you recommend under NPV Method?

15. A) For the following pass the journal entries and prepare necessary ledger accounts.

2019 Jan 1	Started business with cash	20000
2	Paid for purchases of machinery from M/s Ram and Co	3000
3	Paid insurance premium	200
5	Paid rent for the month of Dec 2018	500
8	Paid cash for purchase of goods	3000
10	Sold goods for cash	4000
12	Drew cash for personal use	200
14	Paid to Arun Rs.400 for full settlement of Rs.500	
15	Received cash from Karuna Rs. 1000 in full settlement of Rs.1050	

OR

- B) What is ratio analysis? Explain the types of ratio analysis.