

**ANURAG Engineering College**

(An Autonomous Institution)

III B.Tech I Semester Regular/ Supplementary Examinations, Dec-2023/Jan-2024

**MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS**

(COMMON TO CIVIL, EEE, MECH &amp; 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. Define Managerial Economics.	CO1	L1	2M
2. Write short notes on Demand.	CO1	L1	3M
3. Define Opportunity Cost.	CO2	L2	2M
4. Define MRTS.	CO2	L2	3M
5. What is Cross Subsidization?	CO3	L1	2M
6. Define Monopolistic Competition.	CO3	L1	3M
7. Define Capital Budgeting.	CO4	L1	2M
8. List out types of Capital?	CO4	L1	3M
9. What is Accounting?	CO5	L1	2M
10. Define Ratio Analysis.	CO5	L1	3M

**Section B (Essay Questions)****Answer all questions, each question carries equal marks.****(5 x 10M = 50M)**

11. A) Explain the Nature and Scope of Managerial Economics?	CO1	L3	10M
<b>OR</b>			
B) Explain different methods of demand forecasting?	CO1	L3	10M
12. A) What is meant by Production function and explain about production function with two variables?	CO2	L3	10M
<b>OR</b>			
B) Explain the salient features of economies of scale.	CO2	L3	10M
13. A) Elaborate price output determination in perfect competition with the help of appropriate diagrams.	CO3	L3	10M
<b>OR</b>			
B) Explain the concept of marginal cost pricing and peak load pricing.	CO3	L3	10M
14. A) Mr. Anand has to receive ` 5,000 per year for 5 years. Calculate the present value of the annuity assuming that he can earn an interest of 12% on his investment.	CO4	L3	10M
<b>OR</b>			
B) "Capital budgeting is long term planning for making and financing proposed capital outlays". Explain.	CO4	L3	10M
15. A) Explain double entry system of book keeping.	CO5	L3	10M
<b>OR</b>			

B) From the following details, prepare a statement of proprietary funds with as many details as possible. CO5 L3 10M

- A Stock Velocity = 6
- B Capital turnover = 2
- C Fixed assets turnover ratio = 4
- D Gross profit turnover ratio = 20
- E Debtors velocity = 2 months
- F Creditors velocity = 73 days

The gross profit was 60,000, Reserves and surplus amounted to 20,000, closing stock was 5,000 in excess of opening stock.