

Code: EC7T6

**IV B.Tech - I Semester – Regular/Supplementary Examinations  
March - 2021**

**MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS  
(ELECTRONICS & COMMUNICATION ENGINEERING)**

Duration: 3 hours

Max. Marks: 70

**PART – A**

Answer *all* the questions. All questions carry equal marks

11 x 2 = 22 M

1.

- a) What is opportunity cost?
- b) What is Macro economics?
- c) Brief the need of Time series Analysis.
- d) Explain Delphi Method.
- e) Distinguish between Fixed cost and Variable cost.
- f) What do you mean by Estoppels' partner?
- g) List the exceptions of law of demand.
- h) Brief the journal proper.
- i) What is suspense account?
- j) Explain Profitability Ratio.
- k) What is IRR?

## PART – B

Answer any **THREE** questions. All questions carry equal marks.

3 x 16 = 48 M

2. a) What are the basic economic tools in Managerial Economics? 8 M
- b) Explain the determinants of Demand. 8 M
3. a) Define price elasticity of Demand. What are the factors that determine it? 8 M
- b) Narrate the different methods of Demand Forecasting. 8 M
4. a) What are the functions of production? Explain in detail. 8 M
- b) Enumerate the different types of Joint Stock companies. 8 M
5. a) Explain the types of Pricing Strategies. 8 M
- b) Write the proforma of Trial Balance. 8 M
6. a) From the given two projects, find out which project has maximum Net Present Value, where the market rate of return is 6%. 8 M
- i) Project A- yields Rs.500/- per year for two years.

ii) Project B- yields Rs.300/- today and Rs.400/- after two years.

b) Discuss in detail how a the liquidity and solvency ratios are useful in the financial statements. 8 M