

Code: EC7T6

**IV B.Tech - I Semester – Regular / Supplementary Examinations
November 2016**

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

Duration: 3 hours

Max. Marks: 70

Answer any FIVE questions. All questions carry equal marks

1. Define Managerial Economics and explain the relation with other subjects. 14 M
2. Examine the importance of measurement of Elasticity of demand with examples. 14 M
3. Describe the law of Deminishing Marginal Returns. 14 M
4. "Is monopoly socially desirable", explain this statement indetail. 14 M
5. State and explain the documents required in forming a Joint Stock Company. 14 M

6. Journalise the following with narration. 14 M
2014 March, 1. Started business with Rs. 2,00,000
 4. Purchased goods from Raghavan for Rs. 50,000
 7. Sold goods to Chakradhar for Rs. 60,000
 11. Purchased goods Rs. 30,000
 19. Sold goods Rs. 40,000
 22. Paid rent Rs. 3,000
 27. Salaries paid Rs. 7,000
7. Calculate Liquidity ratios from the following and comment.
Debtors - 20,000, Stock - 30,000, Bills receivable - 15,000,
Cash - 6,000, Bank - 7,000, Creditors - 40,000,
Bills payable - 20,000. 14 M
8. Distinguish between Traditional and Discounted cash flow
methods in Capital Budgeting. 14 M