

Code No: **R20A0061****MALLA REDDY COLLEGE OF ENGINEERING & TECHNOLOGY**

(Autonomous Institution – UGC, Govt. of India)

II B.Tech I Semester Supplementary Examinations, June 2025**Managerial Economics and Financial Analysis**

(CSE, IT, CSE-CS, CSE-AIML, CSE-IOT & B.Tech-AIDS)

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Time: 3 hours**Max. Marks: 70**

Note: This question paper Consists of 5 Sections. Answer **FIVE** Questions, Choosing **ONE** Question from each SECTION and each Question carries 14 marks.

SECTION-I

BCL	CO(s)	Marks
L		

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|----------|---|-----------|-------------|--------------|
| 1 | What is mean by Managerial Economics? Explain the nature and scope of Managerial Economics. | L2 | CO-I | [14M] |
|----------|---|-----------|-------------|--------------|

OR

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|----------|--|-----------|-------------|-------------|
| 2 | <i>A</i> Define Demand forecasting. Explain statistical methods of demand forecasting. | L2 | CO-I | [7M] |
| | <i>B</i> Analyse the measurements of price elasticity of demand. | L4 | CO-I | [7M] |

SECTION-II

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|----------|--|-----------|--------------|-------------|
| 3 | <i>A</i> Define production. Examine the law of variable proportions. | L4 | CO-II | [7M] |
| | <i>B</i> Explain the assumptions of breakeven analysis in detail. | L2 | CO-II | [7M] |

OR

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|----------|--|-----------|--------------|-------------|
| 4 | <i>A</i> Discuss Cobb-Douglas production function and its properties. | L2 | CO-II | [7M] |
| | <i>B</i> Examine any four cost concepts with their managerial use in detail. | L4 | CO-II | [7M] |

SECTION-III

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|----------|---|-----------|---------------|-------------|
| 5 | <i>A</i> Define Monopoly. Explain the features of monopoly market. | L2 | CO-III | [7M] |
| | <i>B</i> Analyze how the equilibrium price and output determination in monopoly market. | L4 | CO-III | [7M] |

OR

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|----------|--|-----------|---------------|-------------|
| 6 | <i>A</i> Define partnership. Examine the features of partnership business. | L4 | CO-III | [7M] |
| | <i>B</i> Explain the merits and demerits of partnership. | L2 | CO-III | [7M] |

SECTION-IV

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|----------|---|-----------|--------------|--------------|
| 7 | Journalize the following Transactions from the books of Miss. Madhuri
Jan.1 2022. Madhuri Commenced business with a capital of Rs.1,00,000/-
Jan.3 2022. Purchased furniture Rs.3,000/-
Jan.5 2022. Sold Goods worth Rs.3,500/-
Jan.11 2022. Paid Salaries Rs.10,000/-
Jan.13 2022. Received Rent Rs.800/-
Jan.14 2022. Cash deposited into bank Rs.30,000/-
Jan.18 2022. Purchased good on credit basis from Miss. Shreya Rs.40,000/-
Jan.21 2022. Cash withdraw from bank Rs.15,000/- | L3 | CO-IV | [14M] |
|----------|---|-----------|--------------|--------------|

Jan 25 2022 Sold Goods to Rakesh Rs.12,000/-

OR

- 8 Define Accounting. Explain the concepts of accounting. L2 CO-IV [14M]

SECTION-V

- 9 A Explain traditional methods of capital budgeting. L2 CO-V [7M]
B Examine Turnover and Profitability ratios and their usefulness for business L4 CO-V [7M]

OR

- 10 ABC Co. Ltd. is proposing to mechanize their operations. Proposals A in the form of quotation have been received from vendor. The proposal is Rs. 5,00,000/-. A discount factor of 10% is used to compare the proposal. Cash flow after tax are likely to be as under L3 CO-V [14 M]

Cash flows after Tax (CFAT) in Rs.	
Year	Proposal – A
1	1,50,000
2	2,00,000
3	2,50,000
4	1,50,000
5	1,00,000

Do you recommend the proposal A under Net Present Value method?
Also calculate Pay Back Period for Proposal – A.
