

**BONAM VENKATA CHALAMAYYA INSTITUTE OF TECHNOLOGY & SCIENCE
(AUTONOMOUS)**

II-B. Tech II-Semester Supplementary Examinations (BR23), Aug - 2025

MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS (CE, EEE, ECE, CSE)

Time: 3 hours

Max. Marks: 70

*Question Paper consists of Part-A and Part-B
Answer ALL the question in Part-A and Part-B*

PART-A (10X2 = 20M)

	Marks	CO	BL
1. a) Define Micro Economics	(2M)	CO1	L1
b) State demand function.	(2M)	CO1	L2
c) Explain any two properties of an isoquant.	(2M)	CO2	L2
d) What do you mean by contribution?	(2M)	CO2	L1
e) What is a Joint Stock Company?	(2M)	CO3	L1
f) Define Monopoly with an example.	(2M)	CO3	L1
g) Name any two components of working capital.	(2M)	CO4	L2
h) What is the meaning of Net Present Value (NPV)?	(2M)	CO4	L1
i) Concepts of Accounting	(2M)	CO5	L2
j) Meaning of Ratio	(2M)	CO5	L1

PART-B (5X10 = 50M)

2a. Explain the importance of managerial economics in modern business decision-making.	(5M)	CO1	L2
b. Explain the Law of Demand with the help of a schedule and diagram.	(5M)	CO1	L2
(OR)			
3a. Define Managerial Economics. Explain its nature and scope.	(5M)	CO1	L1
b. Explain the factors affecting demand forecasting.	(5M)	CO1	L2
4a. Define production function. Differentiate between short run and long run	(5M)	CO2	L1
b. production functions	(5M)	CO2	L1
What is cost and explain any five cost concepts used in economics?			
(OR)			
5a. What is the least-cost combination of inputs? Why is it important?	(5M)	CO2	L1
b. Explain the concept of Break Even Point with the help of Graphical representation	(5M)	CO2	L2
6a. What are the various forms of business organizations? Briefly explain any two	(5M)	CO3	L1
b. Define market. What are the different types of markets in an economy?	(5M)	CO3	L1
(OR)			
7a. Discuss the advantages of Public Sector Enterprises with suitable examples.	(5M)	CO3	L4
b. List and explain various methods of pricing?	(5M)	CO3	L4
8a. Differentiate between Gross Working Capital and Net Working Capital.	(5M)	CO4	L4

- b. Identify and explain various discounted and non discounted methods of capital budgeting. (5M CO4 L3)

(OR)

- 9a. There are two projects A and B, each project requires an initial invest of Rs. 25,000/- You are required to calculate Pay Back Period for two projects and which project do you select and why? (10M) CO4 L3

Year	Project A	Project B
1	2000	4000
2	3000	5000
3	5000	7000
4	6000	9000
5	9000	-

- 10a Record the following transactions in the **Journal** of Mr. Ramesh for the month of April 2025: 10(M) CO5 L3

1. April 1: Started business with cash ₹50,000
2. April 3: Purchased goods for cash ₹10,000
3. April 5: Sold goods for cash ₹12,000
4. April 7: Paid rent ₹2,000
5. April 10: Bought furniture for ₹5,000

(OR)

- 11a From the following details, calculate the following ratios 10(M) CO5 L3
1. Current Ratio
 2. Quick Ratio
 3. Inventory Turnover Ratio
 4. Debtors Turnover Ratio

Given:

- Current Assets: ₹1,20,000
- Inventory: ₹30,000
- Current Liabilities: ₹60,000
- Cash: ₹10,000
- Trade Receivables (Debtors): ₹40,000
- Cost of Goods Sold (COGS): ₹2,40,000
- Average Inventory: ₹30,000
- Credit Sales: ₹3,20,000
- Average Debtors: ₹40,000
