Code No: R1931034

Time: 3 hours



# III B. Tech I Semester Regular Examinations, February-2022 MANAGERIAL ECONOMICS AND FINANCIAL ACCOUNTANCY

(Mechanical Engineering)

Max. Marks: 75

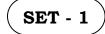
Answer any **FIVE** Questions **ONE** Question from **Each unit** All Questions Carry Equal Marks \*\*\*\*\*

### <u>UNIT-I</u>

1.	a)	Explain the scope of managerial economics.	[8M]
	b)	Define managerial economics and explain its relation with other subjects.	[7M]
~		(OR)	
2.	a)	What are the determinants of demand?	[8M]
	b)	Define price elasticity of demand and explain its types.	[7M]
		<u>UNIT-II</u>	
3.	a)	Briefly explain the theories of production function.	[7M]
	b)	Explain the law of variable proportions with a diagram.	[8M]
		(OR)	
4.	a)	Differentiate between Isoquants and Isocosts.	[8M]
	b)	Define the concept choice of least cost factor combination.	[7M]
		UNIT-III	
5.	a)	Briefly explain price determination under perfect competition.	[8M]
	b)	Define managerial theories of a firm.	[7M]
		(OR)	
6.	a)	Describe Marris and Williamson's model.	[8M]
	b)	Discuss about the methods of pricing?	[7M]
		UNIT-IV	
7.	a)	Explain the concept double entry system.	[8M]
	b)	Illustrate the Performa of Trading account.	[7M]
		(OR)	
8.	a)	Mention the types of ratios. Explain the probability ratios and	[8M]
		activity ratios.	

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b) Prepare Trading account from the following ledger balances [7M] presented by P. Sen as on 31st March, 2016.

Particulars	Rs.	Particulars	Rs.
Stock (1-4-15)	10,000	Sales	3,00,000
Purchases	1,60,000	Return inwards	16,000
Wages	30,000	Return outwards	10,000
Carriage Inwards	10,000	Gas & Fuel	8,000
Freight Inwards	8,000		

## Additional information:

- i) Stock on 31st March, 2016 Rs.20,000
- ii) Outstanding wages amounted to Rs.4,000
- iii) Gas and fuel was paid in advance for Rs.1,000

### UNIT-V

9.	a)	What are the techniques of capital budgeting?	[8M]
	b)	Describe the methods of appraising project profitability.	[7M]

### (OR)

10.	a)	Briefly explain the concepts Net Present Value and Internal rate of	[8M]
		Return.	
	b)	Explain the concept of Profitability Index.	[7M]

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