

II B.Tech II Semester Supplementary Examinations, April/May 2005
MANAGERIAL ECONOMICS & PRINCIPLES OF ACCOUNTANCY
(Common to Electrical & Electronic Engineering, Electronics &
Instrumentation Engineering and Electronics & Control Engineering)

Time: 3 hours

Max Marks: 80

Answer any FIVE Questions
All Questions carry equal marks

1. What is the significance of demand analysis to the Manager of a business firm?
2. Define income elasticity of demand and distinguish its various types. How does income elasticity differ from price elasticity of demand?
3. (a) What is meant by production? Define production function and describe the underlying assumption.
(b) Explain the importance and uses of production function in Managerial Economics.
4. When MC changes, does AC change: at the same rate, at a higher rate or at a lower rate? Illustrate your answer through a diagram
5. What are the components of working capital? Explain each of them.
6. Explain the following with the help of a table and diagram under perfect competition and monopoly.
(a) Total Revenue (b) Marginal Revenue (c) Average Revenue
7. What do you mean by Sole Proprietorship? Explain its merits and limitations
8. Who are the users of financial statements of a business unit and explain how differently they interpret the financial data?
