

Code No: 09A60401

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY, HYDERABAD

B. Tech III Year II Semester Examinations, June - 2014

MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS

(Common to ECE, CSE, ETM, MMT)

Time: 3 hours

Max. Marks: 75

Answer any five questions
All questions carry equal marks

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1. What is Demand Analysis? Elucidate the determinants of Demand.
2. What is Demand Forecasting? Explain the factors of influencing Demand Forecasting.
3. Explain briefly the following.
 - i) Opportunity cost
 - ii) Fixed Vs. Variable cost
 - iii) Explicit cost Vs. Implicit cost.
4. Explain the following:
 - i) Cost plus pricing
 - ii) Going rate pricing
 - iii) Skimming pricing.
5. How is Company form of Ownership different from Partnership form? Explain the features of Joint Stock Company.
- 6.a) Calculate the Pay-back period of a project which requires a cash outflow of Rs.40,000 but the project generate a cash inflows of Rs.19,000, Rs.12,000, Rs.9000, Rs.6,000 for four years respectively.
b) What will be ARR if the same data is used?
7. From the following information prepare Profit and Loss account and Balance Sheet of Mr. Ramu and Co. for the year ended with 31.03.2014

Gross profit	Rs. 27,000	Discount allowed	Rs. 400
Rent	Rs. 3,600	General expenses	Rs. 800
Bad debts recovered	Rs. 2,500	Office expenses	Rs. 1000
Salaries	Rs. 8,500	Legal expenses	Rs. 1,200
Depreciation	Rs. 3,000	Discount received	Rs. 500
Creditors	Rs. 3,00,000	Debtors	Rs. 2, 00,000
Closing stock	Rs.50, 000	Bills Payable	Rs. 97,500
Machinery	Rs. 3, 00,000	Motor van	Rs. 70,000
Capital	Rs. 5, 00,000	Goodwill	Rs. 100000

- 8.a) What are financial ratios?
- b) How can these ratios help in Interpretation.
