

B.Tech III Year I Semester (R09) Supplementary Examinations November/December 2017

**MANAGERIAL ECONOMICS & FINANCIAL ANALYSIS**

(Common to CE, BT, ME, EEE, ECC &amp; MCT)

Time: 3 hours

Max. Marks: 70

Answer any FIVE questions  
All questions carry equal marks

\*\*\*\*\*

- 1 What is demand? Explain the various factors that influence the demand for a computer.
- 2 What is elasticity of demand? Explain how elasticity of demand is useful for decision making.
- 3 Write short notes on the following:
  - (a) Internal economies.
  - (b) External economies.
  - (c) Production function.
- 4 What is monopoly? Explain the features and types of monopoly.
- 5 Define business environment. What is the need for small scale business entrepreneurs?
- 6 Write short notes from the following:
  - (a) Non-Cumulative preference shares.
  - (b) Trade credit.
  - (c) Transfer of shares.
  - (d) Discount factor.
- 7 Journalize the following transactions and prepare necessary ledger accounts in the books of XYZ firm.

2005, March, 1	XYZ firm commenced business with Rs. 40000
4	Sold goods worth Rs. 60,000
6	Bought goods worth Rs. 48,000 from Kumar
8	Deposited into Bank Rs. 30,000
15	Paid rent Rs. 4000; Advertising Rs. 3000
18	Sold goods worth Rs. 50000 to Suresh
24	Suresh pays Rs. 48,600 in full settlement of Account
31	Paid Rs. 40,000 to Kumar on Account.

- 8 What are the limitations of financial statements? How ratio analysis overcome these limitations?

\*\*\*\*\*