

B.Tech II Year II Semester (R09) Supplementary Examinations May/June 2016

MANAGERIAL ECONOMICS & FINANCIAL ANALYSIS

(Common to EIE, E.Con.E & ECE)

Time: 3 hours

Max. Marks: 70

Answer any FIVE questions

All questions carry equal marks

- 1 Explain the nature of demand. What could be the different variations in the nature of demand?
- 2 What is forecasting demand? How correlation and regression methods can be used for forecasting demand?
- 3 Explain how do you determine breakeven point in volume and value? Explain graphically.
- 4 (a) What are the causes for the formulation of monopoly?
(b) Discuss how the monopolist can formulate output and pricing decisions.
- 5 Differentiate between:
(a) Private company and public company.
(b) Company and partnership firm.
- 6 Give various examples of Capital Budgeting decisions. Classify them into specific kinds?
- 7 Journalize the following transactions:

a.	Started business with a capital of Rs.2,00,000
b.	He paid into the Bank Rs.15,000
c.	He purchased goods for cash Rs.50,000
d.	He withdraw cash from Bank for office use Rs.8,000
e.	He sold goods for cash Rs.6,000 to Y
f.	He purchased furniture for cash Rs.2,000 from Chan dram & Co.
g.	He purchased goods from M on credit for Rs.4,000
h.	He paid wages Rs.3,000 for installation of a new plant purchased for Rs.10,000
i.	He used goods valued at Rs.200 of the business for his domestic purpose
j.	He sold goods to K for Rs.2, 000 and received a cheque.

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