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JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

B. Tech III Year II Semester Examinations, December - 2012

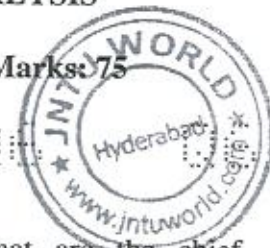
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS

(Common to ECE, CSE, ETM, MMT)

Time: 3 hours

Max. Marks: 75

Answer any five questions
All questions carry equal marks



- Why the demand curve slopes from left to right? What are the chief characteristics of law of demand? Explain. [15]
- What is Demand Forecasting? What are the different methods of Demand Forecasting? [15]
- Explain the characteristics of Isoquants and Isocosts and MRTS with the help of schedule and graph. [15]
- Explain different types of classification of markets and their features based on competition. [15]
- What are the essential features of partnership and joint stock companies? [15]
- An Investor intends to set up a Project with an outlay of Rs.1,00,000/-. The Cash Inflows for the project are as under. Find the pay back period and Net Present Value @ interest factor of 12%

Year	1	2	3	4	5
Cash Inflows	20000	25000	30000	35000	40000

[15]
- From the following Trial Balance of Rao and Sons, prepare the Trading and Profit and Loss account and Balance Sheet as on 31-12-98. [15]



Trial Balance on 31-12-98

Particulars	Debit	Credit
Rs.	Rs.	
Debtors	12,000	-
Creditors	-	7,900
Capital	-	30,000
Drawings	2,900	-
Rent & Taxes	570	-
Trading Expenses	350	-
Purchases	8,640	-
Sales	-	14,290
Purchase Returns	-	280
Sales Returns	190	-
Carriage Inward	250	-
Wages	2,920	-
Salaries	1,200	-
Stock (1-1-98)	3,100	-
Discount allowed	80	-
Discount received	-	240
Bad Debts	300	-
Machinery	3,510	-
Furniture & Fittings	1,000	-
Cash at Bank	300	-
Cash in Hand	15,400	-
	52,710	52,710

Stock as on 31-12-98 is Rs.14,220/-.

8. From the following balance sheet of ABC Co. Ltd., calculate the following ratios.
(i) Current Ratio (ii) Quick ratio (iii) Debt equity ratio.

Balance Sheet of ABC Co., Ltd., as on 31.12.2008.

Liabilities	Rs.	Assets	Rs.
Equity Share Capital	1000	Plant and Machinery	975
Debentures	900	Stock	550
Creditors	200	Debtors	550
Outstanding expenses	100	Cash in hand	375
Profit and loss account	100	Prepaid expenses	50
Bank loan (Long Term)	200		
Total	2500		2500