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JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD
B.Tech II Year II Semester Examinations, May - 2019
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS
(Common to EEE, PTM)

Time: 3 Hours   **Max. Marks: 75**

Note: This question paper contains two parts A and B.
Part A is compulsory which carries 25 marks. Answer all questions in Part A.
Part B consists of 5 Units. Answer any one full question from each unit.
Each question carries 10 marks and may have a, b, c as sub questions.

PART- A

(25 Marks)

1.   Answer the following:
       a) Scope of Managerial Economics.   [2]
       b) Types of Elasticity.   [3]
       c) Isoquants and Isocosts.   [2]
       d) Internal and External Economics.   [3]
       e) Types of Competition.   [2]
       f) Partnership.   [3]
       g) Significance of Capital.   [2]
       h) Types of capital.   [3]
       i) Journal and Ledger.   [2]
       j) DuPont Chart.   [3]

PART-B

(50 Marks)

2.a)   Describe the nature of Managerial Economics.
  b)   What is demand? Explain the law of demand and its exceptions.   [5+5]
                                       OR

3.a)   Define Elasticity of demand and explain its measurement.
  b)   Explain the importance of demand forecasting and describe the factors governing demand
       forecasting.   [5+5]

4.a)   Explain the concepts of MRTS and describe least cost combination of inputs.
  b)   Examine the salient features of Cobb-Douglas Production function.   [5+5]
                                         OR

5.a)   Briefly explain the laws of returns.
  b)   What is break - even analysis? And explain its application value.   [5+5]

6.a)   Explain the salient features of Perfect competition.
  b)   Describe the price-output determination in Perfect competition.   [5+5]
                                         OR

7.a)   Explain the objectives and Policies of Pricing.
  b)   Briefly explain the salient features, merits and demerits of joint stock companies. [5+5]

8.a) Explain the process of estimation of fixed and working capital requirements.
  b) Explain the salient features of capital budgeting proposals. [5+5]

OR

9.a) Briefly explain different methods of capital budgeting.
  b) Whether a machine having following particulars must be purchased or not: [5+5]

Cost of machine	=	Rs. 4000
Expected return in first year	=	Rs. 2400
Expected return in second year	=	Rs. 1600
Expected return in third year	=	Rs. 1400
Salvage value at the end of third year	=	Rs. 400

10.a) Explain the importance of Financial Accounting and describe the importance of Double-Entry book Keeping.
  b) Describe the significance of financial analysis and examine the interpretation of different liquidity ratios. [5+5]

OR

11. From the following Trail balance, prepare a Trading, Manufacturing and Profit and Loss Account and Balance Sheet as on 31-12-1999.

TRIAL BALANCE
as on 31st December, 1999

Sl.No. (01)	Particulars (02)	Amount (Rs.) (03)	Amount (Rs.) (04)
01	Stock on 01-01-1999		
	Raw Materials	2,000	
	Work-in-Progress	5,000	
	Finished Goods	10,000	
02	Manufacturing Wages	10,000	
03	Purchasing of Raw Materials	30,000	
04	Factory Rent	5,000	
05	Carriage of Raw Materials	3,000	
06	Salary of the Works Manager	2,000	
07	Office Rent	2,000	
08	Printing & Stationery	1,000	
09	Bad Debts	1,000	
10	Sales		60,000
11	Land Buildings	30,000	
12	Plant and Machinery	20,000	
13	Depreciation on Plant	2,000	
14	Sundry Debtors	5,000	
15	Sundry Creditors		30,000
16	Cash in Hand	5,000	
17	Capital		43,000
		1,33,000	**1,33,000**

Adjustments:
a) Stock as on 31.12.1999
  Raw Materials 5,000
  Works in progress 10,000
  Finished goods 15,000
b) Write off bad debts Rs. 500. [10]

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