### II B.Tech II Semester Examinations, April/May 2012 MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS Common to BME, MECT, BT, E.CONT.E, EIE, EEE

Time: 3 hours Max Marks: 80

### Answer any FIVE Questions All Questions carry equal marks

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- 1. (a) Discuss the law of variable proportions and also represent the same diagrammatically.
  - (b) What are the assumptions for the application of law of variable proportions.

[8+8]

2. Write short notes on the following:

 $[4 \times 4]$ 

- (a) Types of Capital
- (b) Retained earnings
- (c) Current Assets
- (d) Non-discounting methods.
- 3. The following balances were taken from the books of Balaram with the help of which prepare Trading, Profit & Loss A/c for the year ending 31<sup>st</sup> March 2005 and the Balance sheet. [16]

	Debit	Credit
Opening stock	4,500	
Purchases	25,000	
Wages	2,500	
Salaries	2,000	
Postage	200	
Drawings	2,800	
Debtors	2,000	
Buildings	7,500	
Furniture	4,000	
Sales		30,000
Capital		16,500
Creditors		3,300
Interest received		700
	50,500	50,500

#### Adjustments:

- (a) Closing stock was valued at Rs.10,000
- (b) Wages were outstanding by Rs.500
- (c) Interest received in advance amounted Rs. 200 out of the given balance.

- 4. What are the needs for demand forecasting. Explain the various steps involved in demand forecasting. [16]
- 5. (a) If the current ratio is 2.2:1 and the Networking capital is Rs. 36,000, calculate the amount of current Assets and current liabilities. [8+8]
  - (b) With the given data calculate
    - i. Current ratio and
    - ii. Gross profit ratio.

	Rs.		Rs.
Current Assets	70,00,000	Sales	12,00,000
Current liabilities	35,00,000	Cost of goods sold	6,00,000
Stock on hand	3,00,000		

- 6. "Privatisation of Public Sector Enterprises affects the welfare of weaker sections in the country". Comment. [16]
- 7. (a) Discuss the basic components in a market structure.
  - (b) What is the criteria for market classification.
  - (c) Can government interfere in the commodity markets? [4+6+6]
- 8. What is meant by Demand? Every one desires to own a Maruti car. Does this mean that the demand for Maruti car is large? If it is otherwise, how do you narrate?

  [16]

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## R05

Set No. 4

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Time: 3 hours Max Marks: 80

#### Answer any FIVE Questions All Questions carry equal marks

\*\*\*\*

- 1. "Privatisation of Public Sector Enterprises affects the welfare of weaker sections in the country". Comment. [16]
- 2. (a) Discuss the basic components in a market structure.
  - (b) What is the criteria for market classification.
  - (c) Can government interfere in the commodity markets? [4+6+6]
- 3. What are the needs for demand forecasting. Explain the various steps involved in demand forecasting. [16]
- 4. Write short notes on the following:

 $[4\times4]$ 

- (a) Types of Capital
- (b) Retained earnings
- (c) Current Assets
- (d) Non-discounting methods.
- 5. What is meant by Demand? Every one desires to own a Maruti car. Does this mean that the demand for Maruti car is large? If it is otherwise, how do you narrate?

  [16]
- 6. (a) Discuss the law of variable proportions and also represent the same diagrammatically.
  - (b) What are the assumptions for the application of law of variable proportions. [8+8]
- 7. The following balances were taken from the books of Balaram with the help of which prepare Trading, Profit & Loss A/c for the year ending  $31^{st}$  March 2005 and

the Balance sheet. [16]

	Debit	Credit
Opening stock	4,500	
Purchases	25,000	
Wages	2,500	
Salaries	2,000	
Postage	200	
Drawings	2,800	
Debtors	2,000	
Buildings	7,500	
Furniture	4,000	
Sales		30,000
Capital		16,500
Creditors		3,300
Interest received		700
	50,500	50,500

#### Adjustments:

- (a) Closing stock was valued at Rs.10,000
- (b) Wages were outstanding by Rs.500
- (c) Interest received in advance amounted Rs. 200 out of the given balance.
- 8. (a) If the current ratio is 2.2:1 and the Networking capital is Rs. 36,000, calculate the amount of current Assets and current liabilities. [8+8]
  - (b) With the given data calculate
    - i. Current ratio and
    - ii. Gross profit ratio.

	Rs.		Rs.
Current Assets	70,00,000	Sales	12,00,000
Current liabilities	35,00,000	Cost of goods sold	6,00,000
Stock on hand	3,00,000		

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Time: 3 hours Max Marks: 80

#### Answer any FIVE Questions All Questions carry equal marks

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1. What is meant by Demand? Every one desires to own a Maruti car. Does this mean that the demand for Maruti car is large? If it is otherwise, how do you narrate?

[16]

- 2. (a) Discuss the basic components in a market structure.
  - (b) What is the criteria for market classification.
  - (c) Can government interfere in the commodity markets?

[4+6+6]

3. The following balances were taken from the books of Balaram with the help of which prepare Trading, Profit & Loss A/c for the year ending 31<sup>st</sup> March 2005 and the Balance sheet. [16]

	Debit	Credit
Opening stock	4,500	
Purchases	25,000	
Wages	2,500	
Salaries	2,000	
Postage	200	
Drawings	2,800	
Debtors	2,000	
Buildings	7,500	
Furniture	4,000	
Sales		30,000
Capital		16,500
Creditors		3,300
Interest received		700
	50,500	50,500

#### Adjustments:

- (a) Closing stock was valued at Rs.10,000
- (b) Wages were outstanding by Rs.500
- (c) Interest received in advance amounted Rs. 200 out of the given balance.
- 4. (a) Discuss the law of variable proportions and also represent the same diagrammatically.
  - (b) What are the assumptions for the application of law of variable proportions.

[8+8]

- 5. "Privatisation of Public Sector Enterprises affects the welfare of weaker sections in the country". Comment. [16]
- 6. (a) If the current ratio is 2.2:1 and the Networking capital is Rs. 36,000, calculate the amount of current Assets and current liabilities. [8+8]
  - (b) With the given data calculate
    - i. Current ratio and
    - ii. Gross profit ratio.

	Rs.		Rs.
Current Assets	70,00,000	Sales	12,00,000
Current liabilities	35,00,000	Cost of goods sold	6,00,000
Stock on hand	3,00,000		

7. Write short notes on the following:

 $[4\times4]$ 

- (a) Types of Capital
- (b) Retained earnings
- (c) Current Assets
- (d) Non-discounting methods.
- 8. What are the needs for demand forecasting. Explain the various steps involved in demand forecasting. [16]

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Time: 3 hours Max Marks: 80

### Answer any FIVE Questions All Questions carry equal marks

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- 1. (a) Discuss the basic components in a market structure.
  - (b) What is the criteria for market classification.
  - (c) Can government interfere in the commodity markets?

[4+6+6]

2. The following balances were taken from the books of Balaram with the help of which prepare Trading, Profit & Loss A/c for the year ending 31<sup>st</sup> March 2005 and the Balance sheet. [16]

	Debit	Credit
Opening stock	4,500	
Purchases	25,000	
Wages	2,500	
Salaries	2,000	
Postage	200	
Drawings	2,800	
Debtors	2,000	
Buildings	7,500	
Furniture	4,000	
Sales		30,000
Capital		16,500
Creditors		3,300
Interest received		700
	50,500	50,500

#### Adjustments:

- (a) Closing stock was valued at Rs.10,000
- (b) Wages were outstanding by Rs.500
- (c) Interest received in advance amounted Rs. 200 out of the given balance.
- 3. Write short notes on the following:

 $[4\times4]$ 

- (a) Types of Capital
- (b) Retained earnings
- (c) Current Assets
- (d) Non-discounting methods.

## R05

## Set No. 3

- 4. "Privatisation of Public Sector Enterprises affects the welfare of weaker sections in the country". Comment. [16]
- 5. What is meant by Demand? Every one desires to own a Maruti car. Does this mean that the demand for Maruti car is large? If it is otherwise, how do you narrate?

  [16]
- 6. (a) Discuss the law of variable proportions and also represent the same diagrammatically.
  - (b) What are the assumptions for the application of law of variable proportions. [8+8]
- 7. What are the needs for demand forecasting. Explain the various steps involved in demand forecasting. [16]
- 8. (a) If the current ratio is 2.2:1 and the Networking capital is Rs. 36,000, calculate the amount of current Assets and current liabilities. [8+8]
  - (b) With the given data calculate
    - i. Current ratio and

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ii. Gross profit ratio.

	Rs.		Rs.
Current Assets	70,00,000	Sales	12,00,000
Current liabilities	35,00,000	Cost of goods sold	6,00,000
Stock on hand	3,00,000		