

Code :RA07A5HS01A

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## III B.Tech I Semester(R07) Supplementary Examinations, May 2011

MEFA  
(Information Technology)

For students of R05 regulation readmitted to III B.Tech I Semester R07

Time: 3 hours

Max Marks: 80

Answer any FIVE questions  
All questions carry equal marks

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1. Explain the demand analysis and examine its purpose and importance.
2. Briefly discuss about the measurement aspects relating to elasticity of demand.
3. Write brief note on the following: Each question carries equal marks.
  - (a) Iso-cost lines
  - (b) Selling costs.
4. Explain the basic features of model of average cost pricing.
5. What do you understand by Joint Stock Company? What are its salient features?
6. (a) What are the limitations of Accounting Rate of Returns?  
(b) How is profitability index of a project calculated? What are its advantages?
7. Journalise the following transactions in the books of Raj Shekhar:

Jan.1	Bought goods from Rao for	500
Jan.2	Sold goods for cash	150
Jan.5	Sold goods to Murthy	300
Jan.12	Bought goods for cash	750
Jan.18	Bought furniture for cash	200
Jan.20	Bought furniture for cash	250
Jan.24	Received from Murthy on account	175
Jan.28	Paid Rao on account	225
Jan.30	Paid salaries	150
Jan.31	Paid landlord rent	45

8. The following details are taken from the balance sheet of Mitra Financiers Ltd.

Current Assets	Rs.	Current Liabilities	Rs.
Cash	40,000	Accounts payable	75,000
Govt. Securities	20,000	Accrued taxes	30,000
Amounts receivable	1,10,000	Current liabilities	40,000
Inventories	1,50,000		

Compute :

- (a) Current ratio
- (b) Acid test ratio.

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