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**SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR**  
(AUTONOMOUS)

**B.Tech III Year I Semester Supplementary Examinations August-2021**

**MANAGERIAL ECONOMICS & FINANCIAL ANALYSIS**

(Common to ECE & CSIT)

Time: 3 hours

Max. Marks: 60

(Answer all Five Units 5 x 12 = 60 Marks)

**UNIT-I**

- 1 a Explain the Nature of Managerial Economics. 6M  
b Define the scope of Managerial Economics. 6M

**OR**

- 2 a What is Elasticity of demand and its types of Elasticity of Demand? 6M  
b Explain the determinants of demand. 6M

**UNIT-II**

- 3 a Define production function and explain it. 6M  
b Explain Iso-quant and Iso-cost curves. 6M

**OR**

- 4 a Define Break-even point with graph. 6M  
b A firm has Fixed Cost of Rs 10000/-, selling price per unit is Rs.5/- and variable cost per unit is Rs. 3/- Determine Break Even Point in terms of Volume and also Sales Value. 6M

**UNIT-III**

- 5 a Explain how price is determined under perfect competition. 6M  
b Explain the structure of market. 6M

**OR**

- 6 a Explain the pricing strategies for a new product. 6M  
b What is Perfect Competition? Describe its features. 6M

**UNIT-IV**

- 7 a Explain the methods of capital budgeting. 6M  
b The cost of a project is Rs.50,000 which has an expected life of 5 years. The cash inflows for next 5 years are Rs.24, 000; Rs.26,000; Rs.20,000; Rs.17000 and Rs.16,000 respectively. Determine the Payback period 6M

**OR**

- 8 a What is the importance of Capital budgeting. 6M  
b What is meant by working capital and working capital cycle. 6M

**UNIT-V**

- 9 a Explain briefly about various types of ratios. 6M  
b Write a short note on the following. 6M  
i) Liquidity ratio ii) Define Debt Collection Period.

**OR**

- 10 a Journalise the following transactions of Mr.Ravi 6M  
2010, June 1 Ravi invested Rs.5,00,000 cash in the business  
3 Paid into bank Rs.80,000  
5 Purchased building for Rs.3,00,000  
b Write short notes on debtors' turnover ratio. 6M

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