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**SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR**  
(AUTONOMOUS)**B.Tech II Year I Semester Regular Examinations May-2022**  
**MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS**

(Common to CSE, CSIT &amp; CE)

Time: 3 hours

Max. Marks: 60

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

**UNIT-I**

- 1 a Define the Managerial Economics. Explain how it helps in solving managerial problems. L1 6M
- b What do you mean by elasticity of demand? State the different types of elasticity of demand. L1 6M

**OR**

- 2 a Discuss the various methods of demand forecasting techniques. L5 6M
- b Explain the determinants of demand in detail. L3 6M

**UNIT-II**

- 3 a Explain the Laws of Returns with appropriate examples. L1 6M
- b A firm has Fixed Cost of Rs 20000/-, selling price per unit is Rs.8/- and variable cost per unit is Rs. 4/- L6 6M
- (i) Predict Break Even Point in terms of Volume and also Sales Value
- (ii) calculate the Margin of safety considering that the actual production is 9000 units

**OR**

- 4 a Define Break Even Analysis and what are the uses of Break-even analysis chart? L1 6M
- b Define production function. How can a producer find it useful? Illustrate L2 6M

**UNIT-III**

- 5 a Distinguish between monopoly and perfect competition. L2 6M
- b Do you think "privatization" is an effective measure to turn around an ailing economy such as India. L3 6M

**OR**

- 6 a Explain the different methods of pricing in detail. L1 6M
- b List out the features of monopolistic competition. L1 6M

**UNIT-IV**

- 7 a List out the sources of finance in detail. L2 6M
- b Explain the Non-Discounted cash flow Methods of Capital Budgeting. L2 6M

OR

- 8 Krishna company has the following two investment alternatives and each requires Rs.10, 00,000 cash outlay. The expected cash inflows are as follows:

**L6 12M**

Year	Project1	Project 2
1	3,00,000	6,00,000
2	5,00,000	4,00,000
3	6,00,000	3,00,000

The cost of capital is 10% p.a. Evaluate both the projects using NPV Method.

**UNIT-V**

- 9 Definition of accounting. Explain the concepts of accounting in detail.

**L1 12M**

OR

- 10 a List out the types of accounts and their rules governing each account.  
b Journalize the following transactions in the book of Mr. Hari. 2010,

**L3 4M**

**L6 8M**

- June 1 Hari invested Rs.5,00,000 cash in the business  
3 Deposited cash into bank Rs.80,000  
5 Purchased building for cash Rs.3,00,000  
7 Purchased goods for Rs.70,000  
10 Sold goods for cash Rs.80,000  
15 Withdrawn cash from bank Rs.10,000  
25 Paid electric charges Rs.3,000  
30 Paid salary Rs.15,000

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