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

(Common to AGE, CSM & CIC)

Time: 3 hours

Max. Marks: 60

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

UNIT-I

- 1 a What is Managerial Economics? Explain the scope of Managerial Economics. L2 6M
b Define Elasticity of Demand. Explain various measures of Elasticity of Demand. L1 6M

OR

- 2 “Managerial economics is the integration of economic theory with business practice for the purpose of facilitating decision making and forward planning by management”. Comment. L4 12M

UNIT-II

- 3 a Explain the Iso-quants or Iso-Product curve with diagram. L3 6M
b In decision making, costs need to be analyzed and understood in a wider perspective – justify. L4 6M

OR

- 4 A firm has declared the following details about its sales: L6 12M

	Year 1	Year 2
Sales (Rs.)	1,40,000	1,60,000
Profit (Rs.)	15,000	20,000

- (i) Calculate PV Ratio. (ii) Find out the firm's BEP (iii) How much should the company produce and sell to earn profit of Rs.40, 000?

UNIT-III

- 5 a Define market and explain features of monopoly. L1 6M
b What is meant by perfect competition? Explain its features. L2 6M

OR

- 6 a State the marketing strategy based pricing. L1 6M
b Globalization is a means of attaining international standard of living .Do you agree with this statement? L5 6M

UNIT-IV

- 7 a Explain the types of Capital Budgeting methods. **L2 6M**
 b Write short notes on Long term capital. **L1 6M**

OR

- 8 Consider the case of the company with the following two investment alternatives **L5 12M**
 each costing Rs.9 lakhs. The details of cash inflows are as follows:

Year	Project1	Project2
1	3,00,000	6,00,000
2	5,00,000	4,00,000
3	6,00,000	3,00,000

Estimated cost of capital is 10% per year. Determine NPV for the two projects.

UNIT-V

- 9 a Define accounting. Explain the concepts of accounting. **L2 6M**
 b What are the emerging needs of accounting? **L3 6M**

OR

- 10 Journalize the following transactions of Mr. Kavin. **L5 12M**

2010, June 1 kavin invested Rs.5,00,000 cash in the business

3 Paid into bank Rs.80,000

5 Purchased building for Rs.3,00,000

7 Purchase goods for Rs.70,000

10 Sold goods for Rs.80,000

15 Withdrew cash from bank Rs.10,000

25 Paid electric charges Rs.3,000

30 Paid salary Rs.15,000

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