

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

B.Tech II Year II Semester Regular & Supplementary Examinations June-2024
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS

(Common to AGE, CIC,CCC, CSM,CAD & CAI)

Time: 3 Hours

Max. Marks: 60

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

UNIT-I

- 1 a Explain the word demand forecasting in detail. CO1 L2 6M
b Define Managerial Economics? Explain nature of managerial economics. CO1 L1 6M

OR

- 2 a Explain the importance of managerial economics in decision making. CO1 L2 6M
b Discuss the relationship of Managerial Economics with Financial Accounting and Management. CO1 L2 6M

UNIT-II

- 3 a Explain production function with one variable input with neat diagram? CO2 L2 6M
b A high-tech rail can carry a maximum of 36,000 passengers per annum at a fare of Rs 400. The variable cost per passenger is Rs 150 while the fixed costs are Rs 25,00,000 per year. Find the break-even point in terms of number of passengers and also in terms of fare collection. CO2 L25 6M

OR

- 4 a Evaluate the Cobb-Douglas production function. CO2 L4 6M
b Discuss various cost concepts. CO2 L2 6M

UNIT-III

- 5 a Discuss price and output determination under perfect competition. CO3 L2 6M
b What do you understand by economic liberalization? CO3 L2 6M

OR

- 6 a Define features of Oligopoly. CO3 L1 6M
b Explain different kinds of strategy based pricing methods. CO3 L2 6M

UNIT-IV

- 7 a Define working capital? Explain working capital cycle. CO4 L2 6M
b The cost of project-A is Rs 50000 and cost of project-B is Rs1,00,000 the annual cash inflow for the next 4 years are Rs 25000 .What is the Payback period for the Project A & B. CO4 L5 6M

OR

- 8 a Discuss the different sources of long-term capital. CO4 L2 6M
b Consider the case of the company with the following two investment alternatives each costing Rs.9 lakhs. The details of cash inflows are as follows:

Years	1	2	3
Project-I	3,00,000	5,00,000	6,00,000
Project-II	6,00,000	3,00,000	4,00,000

Estimated cost of capital 10% per year. Compute NPV For the two Projects.

UNIT-V

9 a Define accounting. Explain accounting concepts and conventions in detail. **CO5 L2 6M**

b Journalize the following transactions during the month of January, 2022. **CO5 L3 6M**

Jan 1 Commenced business with cash 80,000

2 Deposited cash with bank 40,000

3 Purchased goods for cash 5,000

5 Sold goods to Joy 5,000

6 Paid electricity charges by cash 1,000

OR

10 a State the concept of double entry book keeping. **CO5 L1 6M**

b A firm's sales during the year were Rs. 4, 00,000 of which 60 percent were on credit basis. The balance of debtors at the beginning and end of the year were 25,000 and 15, 000 respectively. Calculate debtor's turnover ratio of the firm, also find out Debt collection period. **CO5 L5 6M**

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