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

B.Tech IV Year I Semester Regular Examinations November/December-2022

MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS

(Civil Engineering)

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 a Examine the significance of studying the concept- demand forecasting. L4 6M
b List out the various factors that determine the demand for a Mobile Phone. L4 6M

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 structure. L1 4M
b How markets are classified based on degree of competition? L4 8M

OR

- 6 a Define monopoly and state its features. L1 6M
b Illustrate the price and output determination in case of monopoly. L2 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 A business needs a new machine and has to make the choice between machine Y and Machine Z. The initial cost and net cash flow over five years to the business have been calculated for each machine as follows:

	Machine Y	Machine Z
Initial cost		
Net cash flow	20,000	28,000
1	8,000	10,000
2	12,000	12,000
3	9,000	12,000
4	7,000	9,000
5	6,000	9,000

Only one machine is needed, calculate : i) Pay Back Period

ii) Accounting rate of Return

UNIT-V

- 9 a What is meant by Ratio analysis? **L1 6M**
 b Explain briefly about various types of ratios. **L2 6M**

OR

- 10 a Calculate debtors turnover ratio and debt collection period, if credit sales for the year Rs.9,00,000 debtors Rs.90,000 and bills payable Rs.60,000. **L5 6M**
 b Calculate the acid test ratio , if current assets Rs.8,00,000; Current liabilities Rs.4,00,000 and Stock Rs. 2,20,000. **L5 6M**

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