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SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR
(AUTONOMOUS)**B.Tech III Year II Semester Regular & Supplementary Examinations October-2020**
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS

(Mechanical Engineering)

Time: 3 hours

Max. Marks: 60

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

UNIT-I

- 1 a What is Demand and what are factors governing of demand. **6M**
b What meant Demand and explain the types of Demand. **6M**

OR

- 2 a Define the law of demand. What are their exceptions? **6M**
b Define the term Demand? List out and explain the determinants of demand. **6M**

UNIT-II

- 3 a Define 'Cost'. Explain any Three important cost concepts. **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/- (i). Determine Break Even Point in terms of Volume and also Sales Value (ii). Calculate the Margin of safety considering that the actual production is 8000 unit. **6M**

OR

- 4 a Explain Iso-quant and Iso-cost curves and state characteristics. **6M**
b Short answer questions: i) Cobb-Douglas Production Function. **6M**
ii) MRTS iii) Least cost production function.

UNIT-III

- 5 a Define Oligopoly and state the features. **6M**
b Explain how price is determined under perfect competition. **6M**

OR

- 6 a Short answer questions: i) Monopolistic competition ii) Cost plus pricing **6M**
iii) Skimming pricing
b Write short notes on new economic environment. **6M**

UNIT-IV

- 7 a Explain briefly Net Present Value technique of capital budgeting. **6M**
b Explain Accounting rate of return method. **6M**

OR

- 8 a The cost of the project is Rs.50000. which has an expected life of five years. The cash inflow for the next five years is Rs.24000, Rs.26000, Rs.27000 and Rs.16000 respectively determine payback period. **6M**
b What is the importance of Capital budgeting and its limitations? **6M**

UNIT-V

- 9 a Write a short note on Ledger with format. **6M**
b Journalize the following transactions of Mr. Ravi. June10 Sold goods for Rs.80,000, **6M**
June15 Withdrew cash from bank Rs.10,000, June25 Paid electric charges Rs.3,000.

OR

- 10 a Write about various types of accounts and their rules governing each account. **6M**
b Write a short note on the following i) Liquidity ratio ii) Define Debt Collection **6M**
Period.

*** END ***