

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

B.Tech. II Year II Semester Regular & Supplementary Examinations March/April-2026
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS
(Common to CAD, CSE, CCC, CIC,CIA, CE & EEE)

Time: 3 Hours

Max. Marks: 70

PART-A

(Answer all the Questions 10 x 2 = 20 Marks)

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|-----|---|-----|----|----|
| 1 a | What is law of demand? | CO1 | L1 | 2M |
| b | List out the interdisciplinary of managerial economics. | CO1 | L1 | 2M |
| c | Define production function? | CO2 | L1 | 2M |
| d | What are isoquant features? | CO2 | L1 | 2M |
| e | Define market structure? | CO3 | L1 | 2M |
| f | Define sole trader? | CO3 | L1 | 2M |
| g | Define Net Present Value. | CO4 | L1 | 2M |
| h | Example for current assets. | CO4 | L3 | 2M |
| i | Define journal. | CO5 | L1 | 2M |
| j | Format of Ledger Account. | CO5 | L1 | 2M |

PART-B

(Answer all Five Units 5 x 10 = 50 Marks)

UNIT-I

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| 2 a | What is Managerial Economics? Briefly explain the role of managerial economics in business decision making. | CO1 | L2 | 5M |
| b | Define Elasticity of demand. Explain various measures of Elasticity of Demand. | CO1 | L1 | 5M |

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| 3 | What do you mean by demand forecasting? Explain various demand forecasting techniques. | CO1 | L2 | 10M |
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UNIT-II

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| 4 | Explain the concept of isoquants and iso-costs. How do they help firms determine the least cost combination of inputs? | CO2 | L2 | 10M |
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| 5 | From the following information relating to Hi-Tech publishers, you are required to find out i) Break-even point ii) Margin of Safety. | CO2 | L5 | 10M |
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	Year 1 (in Rs.)	Year 2 (in Rs.)
Sales	50000	120000
Fixed cost	10000	20000
Variable cost	30000	60000

UNIT-III

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| 6 a | What is an oligopoly, and what are its key features? | CO3 | L1 | 5M |
| b | Explain the key features of perfect competition and imperfect competition. How do they differ in terms of market structure and pricing? | CO3 | L2 | 5M |

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| 7 | Given a scenario where an individual wants to start a small local shop, how would the sole trader form of business organization benefit this individual? | CO3 | L3 | 10M |
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UNIT-IV

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| 8 a | What is capital? and why is it needed by businesses? | CO4 | L1 | 6M |
| b | If a company is planning to expand its operations, how might the factors be determining the requirement of working capital change? | CO4 | L3 | 4M |

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| 9 | A company is considering two investment opportunities (A&B) that cost Rs 4,00,000 and Rs 3,00,000 respectively. The first project generates Rs1,00,000, Rs 1,00,000, Rs1,00,000, Rs 1,00,000 over a 4-year period. The second generates Rs 60,000, Rs1,00,000, Rs 80000, Rs90000 and Rs70000 over a 5-year period. A company's cost of capital is 8%. Which one do you choose under NPV method? | CO4 | L4 | 10M |
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UNIT-V

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| 10 | Journalize the following transactions in the books of Ms Ambani 2023, Jan 1 Ambani commenced business with cash Rs.5,00,000
2 Purchased goods for cash Rs.20,000
3 Purchased goods from Mohan Rs.6,000
7 Paid into bank Rs.5,000
10 Purchased furniture Rs.2000
20 Sold goods to Suresh on credit Rs.5,000
25 Cash sales Rs. 3,500
26 Paid to Mohan on account Rs.3,000 Paid salaries Rs.2,800 | CO5 | L2 | 10M |
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| 11 | What is meant by Ratio? Explain briefly about various types of ratios. | CO5 | L1 | 10M |
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