Q.P. Code: 18HS0812 **R18**

Reg. No: | | | | | | | | | | |

SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR

(AUTONOMOUS)

B.Tech IV Year I Semester Regular Examinations February-2022

MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS

(Civil Engineering)

Time: 3 hours Max. Marks: 60

PART-A

(Answer all the Questions **5 x 2 = 10** Marks)

1	a	Define Elasticity of Demand.	L1	2M
	b	Write short notes on fixed cost and variable cost with examples.	L1	2M
	c	What is meant by cost-plus pricing?	L1	2M
	d	Write a short note on operating cycle	L1	2M
	e	Write a short note on Net profit ratio	L1	2M

PART-B

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

UNIT-I

2		What do you mean by demand forecasting? Explain various techniques of demand forecasting techniques.	L5	10M

OR

3		Define managerial economics and discuss how it helps in solving managerial problems.	L1	10M

UNIT-II

4		Explain the production function with one variable inputs and laws of returns.	L5	10M

OR

5	a	Define Break-even point with graph and discuss its assumptions.	L6	5M
	b	A firm has Fixed Cost of Rs 10000/-, Selling price per unit is Rs.5/- variable cost per unit is Rs. 3/- Calculate Break Even Point in terms of sales units and Sales revenue.	L6	5M

UNIT-III

6		Discuss how the Price-Output determination is done under Monopoly Markets.	L4	10M

OR

7		Discuss the concepts of economic liberalization, Privatization and Globalization in detail.	L4	10M

UNIT-IV

8	a	Discuss the Net Present Value technique of capital budgeting in detail.	L2	6M
	b	The cost of a project is Rs.50, 000 and has an expected life of 5 years. The expected cash inflows for the next 5 years are Rs.20,000; Rs.,14,000; Rs.16,000; Rs.17000 and Rs.16, 000 respectively. Determine the Payback period for the project.	L6	4M

OR

9		Ramu company has the following two investment alternatives each requires Rs.9, 00,000 cash outlay. The expected cash inflows are as follows:	L6	10M

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

The cost of capital is 10% p.a. Evaluate both the projects using NPV Method.

UNIT-V

10		Discuss various types of ratios in detail.	L3	10M

OR

11	a	Journalize the following transactions in the book of Mr. Ravi. 2010, June 1 Ravi 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 Purchased 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	L6	4M
	b	A firm sold good worth Rs.5,00,000 and its gross profit is 20% of sales value. The inventory at the beginning of the year was Rs. 16,000 and at the end of the year were 14,000. Compute inventory turnover ratio and the inventory-holding period.	L5	6M

END