Reg. No:

SIDDHARTH INSTITUTE OF ENGINEERING & TECHNOLOGY:: PUTTUR
(AUTONOMOUS)
B.Tech III Year I Semester Regular & Supplementary Examinations Nov/Dec 2019
MANAGERIAL ECONOMICS AND FINANCIAL ANALYSIS
(ECE & CSIT)

Time: 3 hours   Max. Marks: 60

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

UNIT-I

1	**a**	Explain the Nature of Managerial Economics.	**8M**
	b	Define Managerial Economics.	**4M**

OR

2	**a**	What is Demand? Derive the demand function.	**6M**
	b	What are factors governing of demand? Explain.	**6M**

UNIT-II

3	**a**	Define production function and explain the concept of production function.	**6M**
	b	Explain 'Law of returns to scale'.	**6M**

OR

4	**a**	Define 'Cost'. How are costs classified? Explain any five important cost concepts useful for managerial decisions.	**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 units	**6M**

UNIT-III

5	**a**	Define Oligopoly and state the features.	**6M**
	b	What is market? Explain the structure of market.	**6M**

OR

6	**a**	What are different methods of pricing followed by companies?	**4M**
	b	What is meant by economic liberalization, economic privatization and globalization? Explain.	**8M**

UNIT-IV

7	**a**	The cost of a project is Rs.50,000 which has an expected life of 5 years. The cash in next 5 years are Rs.24, 000; Rs.26, 000; Rs.20, 000; Rs.17000 and Rs.16, 000 res Determine the Payback period.	**8M**
	b	Explain the methods of capital budgeting.	**4M**

OR

8	**a**	Explain briefly Net Present Value technique of capital budgeting.	**6M**
	b	What is the importance of Capital budgeting and its limitations?	**6M**

UNIT-V

9	**a**	What is meant by Ratio analysis? Explain briefly about various types of ratios.	**6M**
	b	Write a short note on Journal and Ledger with format.	**6M**

OR

10	**a**	Write short notes on Inventory turnover ratio.	**6M**
	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.	**6M**

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