SIDDHARTH INSTITUTE OF ENGINEERING AND TECHNOLOGY-PUTTUR (AUTONOMOUS)



Siddharth Nagar, Narayanavanam Road – 517583

Subject with Code: MEFA (20HS0812)

Course & Branch: B.Tech –CSM,CAD,CIC,CCC,CAI

Year & Sem: II-B.Tech & II-Sem

UNIT –I

INTRODUCTION TO MANAGERIAL ECONOMICS

1	a) Identify nature of managerial economics through its definitions.	[L2][CO1]	[6M]
	b) Analyze the significance of managerial economics in decision-making?	[L3][CO1]	[6M]
2	a) What is Managerial Economics? Briefly explain the role of managerial economics in	[L2][CO1]	[6M]
	business decision making.	[L1][CO1]	[6M]
	b) Define Elasticity of demand? Explain various measures of Elasticity of Demand?		
3	"Managerial economics is the integration of economic theory with business practice	[L4][CO1]	[12M]
	For the purpose of facilitating decision making and forward planning by		
	Management". Comment.		
4	a) What is demand analysis? Discuss in detail.	[L1][C01]	[6M]
	b) The demand for a particular product depends on several factors –Discuss.	[L2][CO1]	[6M]
5	a) List out the contemporary practices of Managerial Economics.	[L2][CO1]	[6M]
	b) Describe the "Law of Demand" and its exceptions.	[L1][CO1]	[6M]
6	a) What do you mean by elasticity of demand?	[L1][CO1]	[6M]
	b) State the different types of elasticity of demand.	[L2][CO1]	[6M]
7	Define the elasticity of demand? List out and explain the factors governing elasticity of	[L4][CO1]	[12M]
	demand.		
8	How do you measure elasticity of demand? Illustrate How you interpret the different	[L3][CO1]	[12M]
	Type of elasticity.		
9	Evaluate various methods of demand forecasting techniques.	[L4][CO1]	[12M]
10	a) What do you mean by demand forecasting?	[L1][C01]	[2M]
	b) Briefly explain about the factors governing Demand forecasting.	[L3][CO1]	[10M]

<u>UNIT –II</u>

THEORY OF PRODUCTION AND COST ANALYSIS

1	a) Define production function. Explain production function with one variable	[L2][CO2]	[6M]
	b) Explain the law of returns with appropriate examples.	[L2][CO2]	[6M]
2	Write short notes on Isoquants its features, Iso cost, least cost combination of inputs and MRTS.	[L3][CO2]	[12M]
3	a) What is Marginal rate of technical substitution?	[L2][CO2]	[6M]
	b) Evaluate the Cobb Douglas production function.	[L4][CO2]	[6M]
4	State the Break-even point with graph. Illuminate the BEP assumptions	[L3][CO2]	[12M]
5	a) Write short notes on i. MRTS ii. Iso-cost.	[L1][CO2]	[6M]
	b) Explain the significance of BEP and key terms of BEP.	[L2][CO2]	[6M]
6	 A Firm has a fixed cost of Rs 50000/- selling price per unit Rs50/- and variable cost per unit Rs 25/- present level of production is 3500/- units i) Determine BEP in terms of volume and also sales value. ii) Calculate the margin of safety. iii) What is the change in BEP and margin of safety if Fixed cost increases from Rs50000/- to Rs60000/- 	[L4][CO2]	[12M]
7	A firm has Fixed Cost of Rs 10000/-, selling price per unit is Rs.5/- and variable cost per unit is Rs. 3/- (a). Determine Break Even Point in terms of Volume and also Sales Value (b). calculate the Margin of safety considering that the actual production is 8000 units.	[L4][CO2]	[12M]
8	From the following information relating to Hi-Tech publishers, you are required to find out i) Break-even point in units ii) Margin of Safety.	[L5][CO2]	[12M]
	Year 1(in Rs.) Year 2(in Rs.) Sales 50000 120000 Fixed cost 10000 20000 Variable cost 30000 60000		
9	a) "Economies occur as a result of increase in scale of production" comment.	[L4][CO2]	[6M]
	b) State the dis-economies of scale.	[L1][CO2]	[6M]
10	A high-tech rail can carry a maximum of 36,000 passengers per annum at a fare of	[L5][CO2]	[12M]
	Rs. 400.The variable cost per passenger is Rs.150 while the fixed costs are 25,00,000		
	per year. Find the break- even point in terms of number of passengers and also in terms		
	of fare collections.		

<u>UNIT –III</u>

INTRODUCTION TO MARKETS AND NEW ECONOMIC ENVIRONMENT

1	a) Define market structure	[L1][C03]	[6M]
1	b) How markets are classified based on degree of competition?		[6M]
	b) now markets are classified based on degree of competition:		
2	a) Discuss various characteristics of market.	[L2][CO3]	[6M]
	b) State the features of Imperfect competition.	[L1][CO3]	[6M]
3	a) Define market and explain features of monopoly.	[L1][CO3]	[6M]
	b) What is meant by perfect competition? Explain its features.	[L2][CO3]	[6M]
4	a) Explain how the price is determined in case of perfect competition.	[L3][CO3]	[6M]
	b) Explain different methods of pricing.	[L2][CO3]	[6M]
5	a) Write short notes on skimming strategy	[I_2][CO2]	[6M]
Э	a) while short notes on skinning strategy.		
	b) Distinguish between monopoly and perfect competition.	[L2][C03]	
6	Illustrate the price and output determination in case of monopoly	[] 2][CO3]	12M
U	indistrate the price and output determination in case of monopory		12111
7	a) Define aligenely and its features	[I_1][CO2]	[6M]
/	a) Define ongopoly and its features.		
	b) Compare between Perfect competition and Imperfect competition.	[L4][C03]	
8	Globalization is a means of attaining international standard of living. Do you agree with	[1.5][CO3]	[12M]
0	this statement?		
9	Write short notes on new economic environment and Evaluate LPG	[L4][CO3]	[12M]
-		[][000]	[]
10	a) What do you understand by economic liberalization?	[L2][CO3]	[6M]
	b) Do you thinkprivatization" is an effective measure to turn around an ailing economy	[L5][CO3]	[6M]
	such as India''s?		
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1	a) What is the importance of Capital budgeting and what are its limitations?					[L3][CO4]	[6M]
	b) What is meant by working capital and working capital cycle?			[L2][CO4]	[6M]		
2	Define capital budgeting. E	Explain the variou	s methods of	Capital Budge	ting.	[L2][CO4]	12M]
3	a) Explain the major source	es of Capital.				[L2][CO4]	[6M]
	b) What are advantages and	d disadvantages o	f Pay back M	lethod.		[L4][CO4]	[6M]
4	a) The cost of project-A is F	Rs 50000 and cost	of project-B	is Rs1,00,000	the annual cash	[L5][CO4]	[6M]
	inflow for the next 4 years	are Rs 25000 .W	hat is the Pay	back period fo	or the Project A		
	& B?	D C 0.000 1		. 1 1.0			
	b) The cost of a project i	18 Ks.50,000 White	ch has an exponent ch has ch ch ch ch ch ch ch ch	a 20,000, $Ba 1'$	5 years. The		[ON]
	Rs 16 000 respectively. De	termine the Pavh	ns.20,000, n ack period	S.20,000, KS.1	7000 and		
5	From the following particles	s of two machines	each costing	Rs 2 50 000/-	suggest which	[L5][CO4]	[12M]
•	is the best machines and wh	v ?	eden eosting	, 10 2,50,000	suggest which		[]
	Years	1	2	3	4		
		-					
	Machine X	90,000	1,60,000	1,20,000	70,000		
	Machine Y	1,60,000	1,20,000	90,000	50,000		
	Calculate: i) Pay Back Per	iod ii) Accounting	rate of Retu	rn	I		
	Calculate. 1) Fay Back Fellou II) Accounting fate of Return,						
6	6 Consider the case of the company with the following two investment alternatives each						[12M]
	costing Rs.9 lakhs. The details of cash inflows are as follows:						
	Year 1 2 3						
	Project1 3.00.000 5.00.000 6.00.000						
	Project2 6,00,000 3,00,000 4,00,000						
	Estimated the cost of capital is 10% per year. Determine NPV for the two projects.						
7	a) Write short notes on pay	back period.				[L1][CO4]	[4M]
	b) The cost of the project is Rs.10,00,000, which has an expected life of five years. The [L5][CO4]						[8M]
	cash inflow for the next five years are Rs.3,20,000, Rs.3,80,000, Rs.3,00,000, Rs						
	3,00,000 and Rs.2,60,000 respectively Determine payback period.						
8	8 a) What do you understand by internal rate of returns method?					[L1][CO4]	[6M]
	b) Elucidate the Accounting rate of return method.				[L4][CO4]	[6M]	
9	Write short notes on Net Pre	esent Value and a	dvantages and	d disadvantage	s of NPV.	[L3][CO4]	[12M]
10	Calculate Net Present Value	a discount factor	of 12% and	capital of 5.00	.00 each is		
	used to the projects.			r 01 0,00	,	[L5][CO4]	[12M]
	Project A 1,50,000 2,50	,000 2,00,000	1,50,000	1,00,000			_
	Project B 50,000 1,50	2.00.000	3.00.000	2.00.000			

<u>UNIT –V</u>

INTRODUCTION TO FINANCIAL ACCOUNTING AND ANALYSIS

	a) What is meant by Ratio a	analysis?			[L1][CO5]	[6M]	
	b) Explain briefly about various types of ratios.				[L2][CO5]	[6M]	
2	a) Define accounting. Explain the concepts of accounting					[6M]	
	b) What are the emerging needs of accounting?					[6M]	
3	Write short notes on:				[L1][CO5]	[6M]	
	a) Journal and Ledger with	format. b) Trading account with form	at.	[L1][CO5]	[6M]	
4	a) Elucidate the importance	of accountin	g.		[L2][CO5]	[6M]	
	b) State the concept of dou	ble entry bool	k keeping.		[L1][CO5]	[6M]	
5	a) Write about various type	s of accounts	and their rules governing ea	ch account.	[L2][CO5]	[6M]	
	b) Brief note on accounting	cycle.			[L2][CO5]	[6M]	
6	From the following balance	Sheet of XYZ	Co. Ltd., Calculate liquidit	y ratios.	[L5][CO5]	[12M]	
	Balance she	et of XYZ Co	D. Ltd. As on 31.12.2022	, ,			
	Liabilities	(Rs in	Assets	(Rs in			
	Liuointies	thousand)	105005	thousand)			
	Preference share capital	100	Lands and buildings	225			
	Equity share capital	150	Plant and Machinery	250			
	General reserve	250	Furniture and Fixtures	100			
	Debentures	400	Stock	250			
	Creditors	200	Debtors	125			
	Bills Payable	50	Cash at Bank	250			
	Outstanding Expenses	50	Cash in hand	125			
	Profit and loss account	100	Prepaid expenses	50			
	Bank	200	Marketable securities	125			
	Total	1500	Total	1500			
/	write short notes on inventor	ry Turnover F	katio and inventory holding p	beriods. And also			
	calculate with following data	a. A Firm sold	1 goods worth Ks 5, 00,000 a	nd its grossprofit			
is 20 percent of sales value. The inventory at the beginning of the year was							
Ks 16000 and at end of the year was Ks 14000.							
8	8 a) Write a short note on the following Liquidity ratio.					[6M]	
	b) A firm's sales during the year were Rs 4,00,000 of which 60 percent were on credi						
	basis. The balance of debtors at the beginning and end of the year were 25 000 and 15					[6M]	
	000 respectively Calcu	late debtor's	turnover ratio of the firm	also find out Debt	-		
	collection period						
	collection period	Conection period. 0 a) Write short notes on interest coverage ratio					
9	collection period. a) Write short notes on inte	rest coverage	ratio		[L2][C05]	[4M]	
9	a) Write short notes on interb) Explain Gross profit rational	rest coverage	ratio.		[L2][CO5] [L1][CO5]	[4M] [8M]	
 7 Write short notes on Inventory Turnover Ratio and Inventory holding periods. And also calculate with following data. A Firm sold goods worth Rs 5, 00,000 and its grossprofit is 20 percent of sales value. The inventory at the beginning of the year was Rs 16000 and at end of the year was Rs 14000. 8 a) Write a short note on the following Liquidity ratio. b) A firm's sales during the year were Rs. 4, 00,000 of which 60 percent were on credit basis. The balance of debtors at the beginning and end of the year were 25,000 and15, 000 respectively. Calculate debtor's turnover ratio of the firm, also find out Debt collection period. 9 a) Write short notes on interest coverage ratio. 					[L5][CO5] [L2][CO5] [L5][CO5]	[12M] [6M] [6M]	

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10	Journalize the follow	[L5][CO5]	[12M]	
	2012, Jan 1	Jeevani 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		
	31	Paid salaries Rs.2,800		

Prepared by:

Department of MBA