

Code No.: SM401MS

R20

H.T.No.

8

R

**CMR ENGINEERING COLLEGE: : HYDERABAD
UGC AUTONOMOUS**

**II-B.TECH-II-Semester End Examinations (Supply) - February- 2023
BUSINESS ECONOMICS & FINANCIAL ANALYSIS
(Common to CSE, IT, CSC & CSD)**

[Time: 3 Hours]

[Max. Marks: 70]

Note: This question paper contains two parts A and B.

Part A is compulsory which carries 20 marks. Answer all questions in Part A.

Part B consists of 5 Units. Answer any one full question from each unit. Each question carries 10 marks and may have a, b, c as sub questions.

PART-A

(20 Marks)

1. a) Define Theory of Firm? [2M]
- b) What is Limited Liability Company? [2M]
- c) Write on Elasticity of Demand. [2M]
- d) Explain Supply Function. [2M]
- e) What are the factors of Production? [2M]
- f) Define Oligopoly market? [2M]
- g) Write Accounting Equation. [2M]
- h) What is Double Entry book Keeping? [2M]
- i) Short note on fund flow analysis. [2M]
- j) What is Solvency ratio? [2M]

PART-B

(50 Marks)

2. Define Business Economics? Explain its nature and scope. [10M]
- OR**
3. What is Joint stock Company. Discuss the Sources of finance required by Joint stock company. [10M]
 4. Explain the Law of demand with Assumptions. [10M]
- OR**
5. How do you Apply the Elasticity of Demand in Decision Making? Explain. [10M]
 6. Explain the Production Function. With reference to Law of variable proportion Suitability of factors. [10M]
- OR**
7. From the following information Calculate Break even sales in terms of Value and Volume. [10M]
Sales = 10,00,000
Unit sold = 5000
Variable cost per unit = 100
Fixed Cost = 200,000

8. What are the golden rules of Maintaining books of Accounts Explain? [10M]

OR

9. Journalize the following transactions in the books of Amrutha. [10M]

2000 jan1 Amrutha Commenced business with cash Rs 50,000

2 Purchased goods from Mohan Rs 10,000

3 Deposit into Bank Rs 5,000

4 Purchased Furniture Rs 2,000

5 Sold goods to Suresh on credit Rs 5,000

6 Cash Sales 3,500

7. Paid Salaries 5,000

10. What is Ratio Analysis. Explain advantages and limitations of Ratio Analysis [10M]

OR

11. Differentiate between cash flow Analysis and Fund flow Analysis [10M]
