

21/12

Code No.: (R22SM503MS)

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CMR ENGINEERING COLLEGE: : HYDERABAD
UGC AUTONOMOUS
III-B.TECH-I-Semester End Examinations (Regular) - December- 2024
BUSINESS ECONOMICS & FINANCIAL ANALYSIS
(Common for ECE, CSC, CSM)

[Time: 3 Hours]

[Max. Marks: 60]

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

Part A is compulsory which carries 10 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.

PART-A

(10 Marks)

1. a) What is Business Economics? [1M]
- b) Difference between Micro and Macro Economics [1M]
- c) What do you understand by Elasticity of Demand? [1M]
- d) Define Law of Supply. [1M]
- e) What are the Factors of Production? [1M]
- f) What is Average Cost? [1M]
- g) Write the rule of Real Account. [1M]
- h) What is Trial Balance? [1M]
- i) How is calculated Debtor Turnover Ratio? [1M]
- j) What is Net Profit Ratio? [1M]

PART-B

(50 Marks)

2. What are the different types of Business Entities? [10M]
- OR**
3. Explain various concepts of National Income. [10M]
 4. Explain the Law of Demand. What are its Exceptions? [10M]
- OR**
5. Explain various methods of Demand Forecasting. [10M]
 6. Bring out the phases of Production Function in short run with suitable diagram. [10M]
- OR**
7. If sales is 10,000 units and selling price is Rs 20 per unit. Variable cost Rs 10 per unit and fixed cost is Rs 80,000. Find out BEP in units and in sales revenue. What should be the sales for earning a profit of Rs 60,000? [10M]

8. What is Double Entry Book Keeping system? Explain its advantages and disadvantages. [10M]

OR

9. Journalise the following transactions [10M]

- i) Venu commenced business with a capital of Rs. 50,000
- ii) Purchased machinery of Rs 35,000
- iii) Purchases furniture from Mahesh Rs 5,000
- iv) Paid cash to Mahesh Rs 4,000
- v) Sold goods to Suresh Rs 4,500
- vi) Purchased goods for cash Rs 5,000
- vii) Received cash from Suresh Rs. 3,000
- viii) Paid cash to Mahesh Rs 2,000
- ix) Paid Rent Rs 10,000
- x) Purchased furniture from Rajesh Rs 2,500
- xi) Received cash from Rajesh Rs 2,000
- xii) Paid Salaries Rs 25,000

10. What is Double Entry Book Keeping system? Write the Rule of Accounts. [10M]

OR

11. From the following information calculate Liquidity Ratios [10M]

Stock	Rs 250	Marketable securities	Rs 110
Debtors	Rs 125	Creditors	Rs 200
Cash at Bank	Rs 250	Bank overdraft	Rs 50
Cash in hand	Rs 120	Outstanding expense	Rs 25
Prepaid expenses	Rs 50		
