

Code No.: SM501MS

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CMR ENGINEERING COLLEGE: : HYDERABAD
UGC AUTONOMOUS

III–B.TECH–I–Semester End Examinations (Supply) - June- 2025

BUSINESS ECONOMICS & FINANCIAL ANALYSIS

(Common to MECH, ECE, CSM)

[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.

PART-A

(20 Marks)

1. a) What do you mean by partnership? [2M]
- b) Write a short note on theory of firm. [2M]
- c) What is supply function? [2M]
- d) Explain Giffen's Paradox. [2M]
- e) Define perfect competition. [2M]
- f) Write a short note on Law of Returns to Scale. [2M]
- g) Explain rules for maintaining books of accounts? [2M]
- h) Write a short note on Trial balance. [2M]
- i) Define Proprietary Ratios. [2M]
- j) Explain Leverage Ratios. [2M]

PART-B

(50 Marks)

2. Define Managerial Economics. Explain the nature and scope of Business Economics. [10M]
- OR**
3. What is Business Cycle? List out the features and phases of Business Cycle. [10M]
4. What are the factors affecting Elasticity of Demand? [10M]
- OR**
5. Discuss Demand Forecasting? Describe the various factors involved in demand forecasting of a product. [10M]
6. Analyze Cobb-Douglas Production function and state its applications. [10M]
- OR**
7. From the following data, Calculate [10M]
 - i. P/V ratio
 - ii. Profit when sales are Rs.20,000Fixed expenses Rs.4000, Breakeven point Rs.10,000.
8. What are Final Accounts? Explain the format of Final Accounts and Balance sheet. [10M]
- OR**
9. Enter the following transactions in Journal and post them into Ledger: [10M]

2024 Jun 1. Mr. Ram started business with cash Rs. 4,00,000
Jun 2 He purchased furniture for Rs. 80,000
Jun 3 He purchased goods for Rs. 2,40,000
Jun 5 He sold goods for cash Rs. 3,20,000
Jun 6 He paid Salaries Rs. 40,000
10. Differentiate between Funds Flow Statement and Cash Flow Statement. [10M]
- OR**
11. What is Ratio Analysis? Explain types of Ratio Analysis. [10M]
