

Code No.: R22SM503MS

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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 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) Write Any two types of Sources of Capital. [1M]
- b) What is Gross Domestic Product? [1M]
- c) Define Law of Supply. [1M]
- d) Define Elasticity. [1M]
- e) Explain the Cost Function. [1M]
- f) Sketch the types of Markets. [1M]
- g) Explain the format of Trial Balance. [1M]
- h) Outline the Journal proforma. [1M]
- i) Write the formula of Quick Ratio. [1M]
- j) What is Fund Flow? [1M]

**PART-B**

**(50 Marks)**

2. Explain the Nature and scope of Business Economics. [10M]
- OR**
3. Define Business Cycle. Explain the Various stages of Business Cycle. [10M]
4. What is Elasticity of Demand? Explain factors influencing Elasticity of Demand. [10M]
- OR**
5. Explain the different Methods of Demand Forecasting. [10M]
6. Differentiate between Perfect and Imperfect Market. [10M]
- OR**
7. Define Product Life Cycle and Stages of Product Life Cycle. [10M]

8. Prepare a Trial Balance as on 31-12-2000 from the Following Information.

[10M]

Particulars	Rs	Particulars	Rs
Debtors	32,000	Bills payable	7500
Stock	22,000	Purchases	218870
Cash in hand	35	Cash at bank	1545
Plant and Machinery	17500	Creditors	10650
Trade Expenses	1075	Sales	234500
Salaries	2225	Carriage outwards	400
Rent	900	Discount(Dr )	1100
Capital	79500	Premises	34500

**OR**

9. Define Accounting. Write Accounting Concepts and Conventions.

[10M]

10. Differentiate between the Fund Flow and Cash Flow Statement.

[10M]

**OR**

11. From the Following information Calculate A) Current Ratio B) Quick Ratio.

[10M]

Capital	360,000	Debenture	420000
Reserve Fund	24,000	Creditors	36000
Bank OD	60,000	Rent outstanding	6000
Provision for Tax	78000	Land and Building	440,000
Plant and Machinery	2,35000	Furniture	140,000
Motor Vehicle	105000	Stock	60,000
Debtors	90000	Short term Investment	75000
Cash at Bank	30,000	Cash in Hand	25000

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