

Code No.: SM501MS

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

**III-B.TECH-I-Semester End Examinations (Supply) - June- 2024
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) Define Macro and Micro Economics. [2M]
- b) Write a short note on National Income. [2M]
- c) What is Law of Supply? [2M]
- d) Write a short note on Demand Forecasting. [2M]
- e) Differentiate Total Costs and Marginal Costs. [2M]
- f) Define Product life cycle based Pricing. [2M]
- g) Explain Accounting Equation. [2M]
- h) Write a short note on Final Accounts. [2M]
- i) Define Ratio Analysis. [2M]
- j) Explain Profitability Ratio. [2M]

PART-B

(50 Marks)

2. Briefly explain the Role of Managerial Economist in business Decision Making. [10M]
- OR**
3. Explain the features of Joint Stock Company. Explain the Procedure for the formation of a Joint Stock Company. [10M]
4. What is Law of Demand? Explain the Assumptions and Exceptions to the Law of Demand. [10M]
- OR**
5. What is Supply Analysis? Explain the Determinants of Supply. [10M]
6. Analyze what is Perfect Competition. What are its features? Is it an ideal Market condition? Give reasons. [10M]
- OR**
7. A high-tech rail can carry a maximum of 46,000 passengers per annum at a fare of Rs.400. The variable cost per passenger is Rs. 150 while the fixed cost is Rs. 25,00,000 per year. Find the breakeven point in terms of number of passengers and also in terms of fare collections. [10M]
8. What is Double Entry System? What are the steps involved in Double Entry System? [10M]
- OR**
9. Discuss about Accounting Concepts and Conventions. [10M]

10. What is Funds Flow Statement? Explain preparation of Funds Flow Statement. [10M]

OR

11. From the following information calculate Stock Turnover Ratio: [10M]

Gross	:	5,00,000
Sales Return	:	25,000
Opening stock	:	70,000
Closing stock at cost	:	85,000
Purchases	:	3,00,000
Direct expenses	:	1,00,000
