

R16

Code No: 134AG

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

B. Tech II Year II Semester Examinations, February -2024

BUSINESS ECONOMICS AND FINANCIAL ANALYSIS

(Common to CE, EEE, ME, ECE, CSE, IT)

Time: 3 Hours

Max. Marks: 75

- Note:** i) Question paper consists of Part A, Part B.
ii) Part A is compulsory, which carries 25 marks. In Part A, answer all questions.
iii) In Part B, Answer any one question from each unit. Each question carries 10 marks and may have a, b as sub questions.

PART – A

(25 Marks)

1. Write note on the following:
- a) Business cycle and its phases. [2]
 - b) National Income [3]
 - c) Supply Function [2]
 - d) Demand forecasting [3]
 - e) Production Function [2]
 - f) Returns to scale [3]
 - g) Accounting Equation [2]
 - h) Conservatism [3]
 - i) Working Capital components [2]
 - j) Funds from Operations. [3]

PART – B

(50 Marks)

- 2.a) What is “Joint Stock Company”? Discuss the sources of capital required by a Joint stock company.
- b) Elucidate the significance of business economics. [5+5]
- OR**
- 3.a) Describe the various stages of business cycle.
- b) Define the term Inflation, its impact on the money supply. [5+5]
- 4.a) With suitable examples distinguish between complementary goods and substitutes.
- b) Discuss about different types of Elasticity of demand. [5+5]
- OR**
- 5.a) How is Law of supply helpful in decision making?
- b) Explain different methods of demand forecasting. [5+5]

6.a) Given the following demand curve of a consumer for a monopolist's product $Q = 14 - 2P$, find the total revenue of the monopolist when it sells six units of the commodity without practicing any form of price discrimination. What is the value of consumers' surplus?

b) Define breakeven point. What are the assumptions in breakeven analysis? [5+5]

OR

7.a) Explain the features of perfect competition.

b) Explain the concept of cost-volume-profit analysis. [5+5]

8.a) Outline the pros and cons of double entry system of accounting and brief on concepts of accounting.

b) Explain how a ledger account can be maintained? [6+4]

OR

9.a) Explain the elements of financial statements.

b) What are rule of maintaining of books of accounts? And brief on the procedure in preparing final accounts. [5+5]

10.a) Describe the various types of profitability ratios.

b) Explain the procedure for preparing "statement showing changes in working capital" with Imaginary figures. [5+5]

OR

11.a) What are turnover ratios? What purpose is served by debtor's turnover ratio and creditor's turnover ratio?

b) Calculate: i) Debt equity ratio ii) Liquidity ratio

Stock 30,000

Equity Capital 1,00,000

Debtors 40,000

Secured loan 1,00,000

Sales 5,60,000

Land and Buildings 1,40,000

Reserves 50,000

Good will 60,000. [5+5]

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