

Code No: 155AJ

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD**B. Tech III Year I Semester Examinations, February - 2022****BUSINESS ECONOMICS AND FINANCIAL ANALYSIS****(Mechanical Engineering)****Time: 3 hours****Max. Marks: 75****Answer any five questions****All questions carry equal marks**

- 1.a) Discuss the nature, scope of Managerial economics and brief on source of capital for a company.
b) Examine the features and phases of business cycle. [8+7]
- 2.a) What are the features of partnership and explain the non-conventional sources of finance.
b) How do you classify the public enterprises and discuss the concepts, importance of national income? [7+8]
- 3.a) Illustrate the different types of Elasticity of demand and factors affecting elasticity of demand.
b) Brief on law of supply. [10+5]
- 4.a) Narrate the law of demand and its exceptions and distinguish between durable demand and perishable demand.
b) Examine the determinants of supply and supply function. [9+6]
- 5.a) Explain how Cost-Output relationship helps managers in decision making.
b) From the following particulars, calculate the Break-even point in terms of both quantity and value. Production in units - 10,000, Sales price - Rs. 5 per unit Variable Costs – Rs. 20,000, Fixed Costs - Rs. 12,000. [8+7]
- 6.a) How do you classify markets on the basis of competition and explain the features of different markets?
b) Explain any four methods of pricing based on Strategy. [8+7]
- 7.a) Describe the advantages and disadvantages of double entry book keeping.
b) Mr. Normal has the following transactions in the month of April. Write Journal Entries for the transactions.
10th April: Commenced business with a capital of Rs.1,00,000
11th April: Purchased goods from Veeru for Rs.20,000
13th April: Purchased Goods for Cash Rs. 15,000
14th April: Purchased Goods from Abhiram for cash Rs.9,000
16th April: Bought Goods from Shyam on credit Rs.12,000
17th April: Sold goods worth Rs.15,000 to Tarun
19th April: Sold goods for cash Rs.20,000
20th April: Sold goods to Utsav for cash Rs.6,000
21st April: Sold goods to Pranav on credit Rs.17,000
22nd April: Returned goods to Veeru Rs. 3,000 [7+8]
- 8.a) Explain the funds flow statement with suitable example.
b) Ratios are really helpful for financial statement analysis. Distinguish your answer. [7+8]

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