

Code No: 155AG

JAWAHARLAL NEHRU TECHNOLOGICAL UNIVERSITY HYDERABAD

B. Tech III Year I Semester Examinations, February - 2022

BUSINESS ECONOMICS AND FINANCIAL ANALYSIS

(Common to ECE, EIE, MCT, AE)

Time: 3 Hours

Max. Marks: 75

Answer any five questions
All questions carry equal marks

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1. Define Business Economics? Explain the nature and scope of business economics and brief on business cycle, its features and phases of business cycle. [15]
2. Examine the micro, macro economic concepts and brief on the concepts and importance of national income in managerial economics. [15]
- 3.a) Discuss the different methods of demand forecasting.
b) Explain the law of supply and supply function. [7+8]
4. List out the determinants of demand. Explain law of demand and discuss the measurement and significance of elasticity of demand. [15]
- 5.a) Explain the concept of Break even analysis. Discuss its applications.
b) Describe the production function and brief on law of returns to scale. [7+8]
- 6.a) Define Monopoly. Explain price output determination under monopoly.
b) Brief about the short run and long run cost function. [8+7]
- 7.a) Define Accounting. Discuss any four accounting concepts.
b) Discuss the procedure for preparation of final accounts. [8+7]
8. The following Trading and Profit and Loss Account of Fantasy Ltd. for the year 31-3-2000 is given below:

| Particulars | Rs. | Particulars | Rs. |
|-----------------------------|----------|-----------------------------|----------|
| To Opening Stock | 76,250 | By Sales | 5,00,000 |
| To Purchases | 3,15,250 | By Closing Stock | 98,500 |
| To Carriage and Freight | 2,000 | | |
| To Wages | 5,000 | | |
| To Gross Profit b/d | 2,00,000 | | |
| | 5,98,500 | | 5,98,500 |
| To Administrative Expenses | 1,01,000 | By Gross Profit b/d | 2,00,000 |
| To Selling & Dist. Expenses | 12,000 | By non-operating incomes: | |
| To non-operating expenses | 2,000 | By Interest on Securities | 1,500 |
| To Financial Expenses | 7,000 | By Dividend on shares | 3,750 |
| Net Profit c/d | 84,000 | By Profit on Sale of Shares | 750 |
| | 2,06,000 | | 2,06,000 |

Calculate:

- a) Gross Profit Ratio
- b) Expenses Ratio
- c) Operating Ratio
- d) Net Profit Ratio
- e) Stock Turnover Ratio.

[15]