R22 Regulation *Subject code:4H5DE*

TKR COLLEGE OF ENGINEERING AND TECHNOLOGY

(Autonomous, Accredited by NAAC with 'A+' Grade)

B.Tech V Semester Supplementary Examinations, April 2026

BUSINESS ECONOMICS AND FINANCIAL ANALYSIS

(ECE)

Maximum Marks: 60 Date:20.04.2026 Duration: 3 hours

Note: **1.This question paper contains two parts A and B.**
2. Part A is compulsory which carries 10 marks. Answer all questions in Part A.
3. Part B consists of 5 Units. Answer any one full question from each unit.
4. Each question carries 10 marks and may have a, b, c, d as sub questions.

Part-A

All the following questions carry equal marks (10X1M=10 Marks)		Marks	CO	BTL
1.a)	What is meant by inflation?	1M	1	L1
b)	List out two functions of a business economist.	1M	1	L1
c)	Define the Law of Demand.	1M	2	L1
d)	What is the main objective of demand forecasting?	1M	2	L1
e)	Name any two types of market structures.	1M	3	L1
f)	What is the purpose of Break-Even Analysis?	1M	3	L1
g)	What is the basic accounting equation?	1M	4	L1
h)	What are final accounts?	1M	4	L1
i)	Discuss turnover ratios.	1M	5	L6
j)	List out various types of liquidity ratios.	1M	5	L1

Part-B

Answer All the following questions. (5X10M=50Marks)		Marks	CO	BTL
2	a) Explain the types of business entities with suitable examples. b) Distinguish between Sole Proprietorship and Partnership firm.	5M 5M	1	L2 L4
	OR			
3	a) Explain how sources of capital influence business expansion. b) Illustrate the phases of a Business Cycle with a neat diagram.	5M 5M	1	L2 L2
4	a) Demonstrate the methods of measuring elasticity of demand. b) What are the factors affecting elasticity of demand?	5M 5M	2	L2 L1
	OR			
5	a) Classify the steps involved in the demand forecasting process. b) Write a short note on trend projection method of demand forecasting.	5M 5M	2	L4 L2
6	a) Distinguish between Perfect Competition and Monopolistic Competition. b) What is pricing? Explain any three types of pricing policies used by firms.	5M 5M	3	L4 L1

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<tr><td></td><td>OR</td><td></td><td></td><td></td></tr>
<tr><td>7</td><td>a) Define Cost and explain different cost concepts used in cost analysis.
b) Explain the relationship between inputs and outputs in a production function.</td><td>5M
5M</td><td>3</td><td>L1
L4</td></tr>
<tr><td>8</td><td>a) Explain the classification of accounts and describe the Golden Rules of Accounting.
b) Discuss the importance of financial statements in decision-making.</td><td>5M
5M</td><td>4</td><td>L2
L6</td></tr>
<tr><td></td><td>OR</td><td></td><td></td><td></td></tr>
<tr><td>9</td><td>From the following particulars for the year ending 31.3.2012 of M/s Pant. Bros. prepare Trading Account, Profit & Loss Account and a Balance Sheet as on 31.3.2012
Dr. Cr.
<table>
<tr><th>Particulars</th><th>Rs.</th><th>Particulars</th><th>Rs.</th></tr>
<tr><td>Capital</td><td>4,00,000</td><td>Salaries</td><td>1,20,000</td></tr>
<tr><td>Opening Stock</td><td>85,000</td><td>Rent & Taxes</td><td>40,000</td></tr>
<tr><td>Purchases</td><td>4,20,000</td><td>Postage & Telegrams</td><td>25,000</td></tr>
<tr><td>Creditors</td><td>75,000</td><td>Interest Paid</td><td>20,000</td></tr>
<tr><td>Debtors</td><td>1,20,000</td><td>Furniture</td><td>2,00,000</td></tr>
<tr><td>Sales</td><td>8,10,000</td><td>Insurance</td><td>1,00,000</td></tr>
<tr><td>Discount received</td><td>18,000</td><td>Freight</td><td>20,000</td></tr>
<tr><td>Discount allowed</td><td>16,000</td><td>Cash in hand</td><td>50,000</td></tr>
<tr><td>Purchases Returns</td><td>20,000</td><td>Cash at bank</td><td>47,000</td></tr>
<tr><td>Sales Returns</td><td>10,000</td><td>Motorcar</td><td>50,000</td></tr>
</table>
Adjustments:
1. Closing stock valued as on 31.3.2012 ` 1,70,000<br>2. Salaries outstanding ` 12,000
3. Charge depreciation on Motor Car @ 10% P.A.</td><td>10M</td><td>4</td><td>L5</td></tr>
<tr><td>10</td><td>a) Discuss the significance of the Return on Investment ratio.
b) Differentiate between Debtors Turnover Ratio and Creditors Turnover Ratio.</td><td>5M
5M</td><td>5</td><td>L6
L4</td></tr>
<tr><td></td><td>OR</td><td></td><td></td><td></td></tr>
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11	Estimate the following Ratios from the given information, i) Current Ratio ii) Acid Test Ratio iii) Absolute Ratio	10M	5	L5

Particulars	Amount in Rs.
Inventories	50,000
Trade Receivable	50,000
Advance Tax	4,000
Cash & Cash Equivalent	30,000
Trade Payables	1,00,000
Short Term Borrowings	4,000