R22 Regulation *Subject code:4H6AE*

TKR COLLEGE OF ENGINEERING AND TECHNOLOGY

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

B.Tech VI Semester Regular Supplementary Examinations, April 2026

BUSINESS ECONOMICS AND FINANCIAL ANALYSIS

(Common to CE & EEE)

Maximum Marks: 60 Date: 25.04.2026 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	Bloom Tx
1.a)	Define Business.	1M	CO1	L1
b)	What is a Business Cycle?	1M	CO1	L1
c)	Explain the determinants of Demand.	1M	CO2	L2
d)	What is elasticity of Demand?	1M	CO2	L1
e)	What are the features on which Market structure is based?	1M	CO3	L1
f)	Explain the term GST.	1M	CO3	L2
g)	Why is recording of transactions necessary?	1M	CO4	L1
h)	Spell the rules for debit and credit of the three classifications of aspects.	1M	CO4	L1
i)	Identify the advantages of Ratio Analysis?	1M	CO5	L3
j)	How to calculate current ratio?	1M	CO5	L1

Part-B

Answer All the following questions. (5X10M=50Marks)		Marks	CO	Bloom Tx
2	a) Explain different sources of capital for business. b) Distinguish between Micro and Macroeconomics.	5M 5M	CO1	L4
	OR			
3	a) What is the role of a Business Economist? b) Illustrate the four different phases of business cycle.	5M 5M	CO1	L2
4	a) Infer the Law of Demand with suitable table and graph. b) Summarize the steps involved in Demand forecasting methods.	5M 5M	CO2	L2
	OR			
5	a) Analyze the different price elasticity of demand influence in business decisions. b) Discuss any two methods of demand forecasting with examples.	5M 5M	CO2	L4
6	a) Explain internal and external economies of larger firm. b) Distinguish between Fixed Cost Vs Variable Cost with examples.	5M 5M	CO3	L4
	OR			

7	a) What are the features of perfect competition? b) Illustrate the stages in product life cycle.	5M 5M	CO3	L3
8	a) Prepare a trial balance for the month ending 31st August.	5M	CO4	L5

Cash	50,500
Madhu Capital	30,000
Discount Credit	250
Purchases Returns	500
Bank	10,000
Rent	2500
Purchases	2000
Sales Returns	100
salaries	500
Expenses	150
David account	3000
Sales	35000
Interest from Bank	3000

	b) Explain any five Accounting Concepts.	5M		
	OR			
9	a) Journalize the following entries. i. Started business with Rs. 2,50,000 bank balance ii. Paid rent by cheque Rs. 5,000 iii. Bought goods for resale on credit from Zaheer & co Rs. 50,500 iv. Paid wages of assistant in cash Rs. 1,500 v. Paid Rao & Co. Rs. 14,500 by cheque. b) From the following balances extracted at the close of year ended 31st March 1996, prepare profit and loss account.	5M 5M	CO4	L5

Gross profit	50,000
Carriage outward	3,500
Salaries	6,000
Rent	1,000
Fire Insurance Premium	800
Bad debts	2000
Commission received	1500
Discount (Dr)	500
Apprentice premium (Cr)	2000
Printing & Stationary	300
Rates & Taxes	350
Traveling expenses	500
Discount allowed by creditors	1000
Sundry trade expenses	300

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<tr><td>10</td><td>a) Define Ratio, what are the objectives of Ratio analysis?
b) Calculate stock turnover ratio.
Cost of Goods sold – 53,000 Closing Stock - 30,000, Opening Stock - 20,000</td><td>5M

5M</td><td>CO5</td><td>L1</td></tr>
<tr><td></td><td>OR</td><td></td><td></td><td></td></tr>
<tr><td>11</td><td>a) For Goodwill Trading Company Ltd., model quick assets and current liabilities are: i)Calculate Quick ratio.
<table>
<tr><th>Quick (Assets)</th><th>Rs</th></tr>
<tr><td>Loans and advances</td><td>6,00,000</td></tr>
<tr><td>Investment</td><td>2,00,000</td></tr>
<tr><td>Sundry debtors</td><td>10,00,000</td></tr>
<tr><td>Cash at bank</td><td>5,00,000</td></tr>
<tr><td>Current liabilities</td><td>Rs</td></tr>
<tr><td>Bank overdraft</td><td>8,00,000</td></tr>
<tr><td>Outstanding expenses</td><td>50,000</td></tr>
<tr><td>Bills payable</td><td>1,50,000</td></tr>
</table>
b) Explain classification of Ratio analysis.</td><td>5M

5M</td><td>CO5</td><td>L5</td></tr>
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