



R20 Regulation

**TKR COLLEGE OF ENGINEERING AND TECHNOLOGY**

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

**B.Tech III Semester Regular Examinations, February 2022**

Subject code:3H3EA

**BUSINESS ECONOMICS AND FINANCIAL ANALYSIS**  
(Common to CSE, CSE(AI&ML) and IT)

Maximum Marks: 70

Date:21.02.2022 Duration: 3 hours

- Note:
1. This question paper contains two parts A and B.
  2. Part A is compulsory which carries 20 marks. Answer all questions in Part A.
  3. Part B consists of 5 Units. Answer any one full question from each unit which carries 10M.
  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

(10x2M=20 Marks)

- 1 Define Business Economics?
- 2 Differentiate between firm and Industry?
- 3 Importance of demand forecasting
- 4 What is Unitary elasticity of demand?
- 5 Draw Break even chart?
- 6 What is two-part pricing?
- 7 What is Double entry system?
- 8 Write short notes on accounting conventions?
- 9 Write short notes on liquidity ratios
- 10 Define current ratio.

**Part-B**

Answer All the following questions.

(5X10M=50Marks)

- 11 A. What are the features and phases of business cycles? [5M]  
B. What is partnership form of business? Mention the advantages over the sole proprietorship form of business? [5M]
- OR
- 12 A. Explain role of Business Economist? [5M]  
B. Discuss about types of Business entities? [5M]
- 13 A. Define Elasticity of Demand? Explain various types of Price Elasticity of demand with examples. [7M]  
B. Explain various Types of Demand. [3M]
- OR
- 14 A. Define the Law of Demand? Explain various determinants of law of demand and its Exceptions. [6M]  
B. Explain any five demand forecasting techniques. [4M]
- 15 A. Explain about Goods and Services Tax? [5M]  
B. Define Market? Explain its classification? [5M]
- OR
- 16 A. Explain the features of Imperfect competitive market. [5M]  
B. Explain various methods under demand-based pricing? [5M]

- 17 A. What is posting of Journal Entries? Give example. [4M]  
B. Explain about accountancy concepts and conventions. [6M]

OR

- 18 A. Explain about accounting process? [4M]

B. From the following Trial Balance prepare Trading and Profit and Loss account for 31-03-2020. [6M]

| Particulars         | Dr Amount ( Rs) | Cr Amount ( Rs) |
|---------------------|-----------------|-----------------|
| Cash Bank           | 1,20,000        |                 |
| Purchases/Sales     | 2,00,000        | 1,05,000        |
| Investments         | 1,97,000        |                 |
| Returns             | 50,000          | 25,000          |
| Carriage Inward     | 7,000           |                 |
| Carriage Outward    | 3,500           |                 |
| Salaries            | 12,000          |                 |
| Commission          | 72,000          |                 |
| Discount paid       | 600             |                 |
| Wages               | 40,000          |                 |
| Rent                | 23,000          |                 |
| Postage             | 48,000          |                 |
| Drawings            | -               | 15,000          |
| Travelling Expenses | 24,000          |                 |
| Repairs             | 1,500           |                 |
| Debtors/Creditors   | 10,000          | 15,000          |
| Loan (Short term)   | -               | 150,000         |
| Capital Account     | -               | 400,000         |
| Loan ( Long term )  | -               | 98,600          |
|                     | 8,08,600        | 8,08,600        |

- 19 A. What is a ratio? [3M]  
B. Explain about classification of various ratios? [7M]
- OR
- 20 A. Explain the significance of Ratio analysis? [5M]  
B. Write about the importance and limitation of Ratio analysis? [5M]