



B.Tech III Semester Regular/Supplementary Examinations, March/April 2023

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

Maximum Marks: 70

Date:27.03.2023 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.
 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 Write the circular flow of income.
- 2 Outline the features of Business cycle.
- 3 Distinguish between Income elasticity of demand and Cross elasticity of demand.
- 4 Write down the various determinants of demand.
- 5 Write the concept of Production Function.
- 6 Write the features of Perfect Competition.
- 7 Write the objectives of GST.
- 8 What is the principle of recording Real account.
- 9 Explain the limitations of Ratio analysis.
- 10 Discuss the significance of Ratio analysis.

Part-B

Answer All the following questions.

(5X10M=50Marks)

- 11 (a) Define National Income. Explain the importance of National Income. 5M
(b) Explain limited liability companies. 5M
OR
- 12 (a) Discuss the nature and Scope of Business Economics. 5M
(b) Explain different sources of capital for Business. 5M
- 13 (a) Explain steps involved in demand forecasting. 5M
(b) Infer the significance of elasticity of demand. 5M
OR
- 14 (a) Summarize the factors affecting the elasticity of demand. 5M
(b) Discuss statistical methods of demand forecasting. 5M
- 15 (a) Explain fully the concept of breakeven analysis. 5M
(b) Distinguish between perfect competition and monopoly. 5M
OR
- 16 (a) Discuss the stages in Product life cycle. 5M
(b) Distinguish between Skimming pricing and Penetration pricing. 5M

- 17 (a) Explain the various concepts of accounting. 5M
 (b) What are the benefits of Accounting Standards in India? 5M

OR

- 18 (a) What are the advantages and disadvantages of Financial Accounting? 5M
 (b) Prepare Trial Balance from the following. 5M

Ram Capital	7000	Sundry debtors	5600
Purchases	8000	Furniture	500
Rent paid	240	Salaries	720
Ram drawings	400	Creditors	5600
Bills receivable	12000	Carriage	100
Opening stock	1000	Insurance	40
Purchases return	280	Cash in hand	100
Sales return	160	Cash at bank	1950
Machinery and plant	4000	Commission paid	40
Sales	9600	Bills payable	1580
Discount allowed	40	Discount received	30

- 19 (a) Calculate Stock turnover ratio from the following information: 5M
 Opening Stock – 29000
 Closing Stock – 31000
 Sales – 3,20,000
 Gross Profit – 25%
 (b) Explain Liquidity Ratio's.

OR

- 20 (a) Explain the role of Ratio Analysis in the interpretation of Financial Statements. 5M
 (b) Discuss about Capital gearing ratio with interpretation. 5M