



R20 Regulation

Subject code: 3H6AA

TKR COLLEGE OF ENGINEERING AND TECHNOLOGY

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

B.Tech VI Semester Regular/Supplementary Examinations, July 2024

BUSINESS ECONOMICS AND FINANCIAL ANALYSIS

(Common to CE & EEE)

Maximum Marks: 70

Date:19.07.2024 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)		CO	Bloom Tx
1	Define Economics	CO1	L1
2	Define National Income.	CO1	L1
3	Define Demand Forecasting.	CO2	L1
4	Define Demand.	CO2	L1
5	What is production function.	CO3	L1
6	Define Break Even Point.	CO3	L2
7	What is Ledger?	CO4	L1
8	What are the Rules for personal Accounts?	CO4	L1
9	Define activity ratio with formula.	CO5	L1
10	Liquidity Ratio with Formula.	CO5	L1

Part-B

Answer All the following questions. (5X10M=50Marks)			
11	A. Explain Nature and Scope of Business Economics. [5] B. Define Inflation. Types of Inflation, Reasons for Inflation and Measures to Control Inflation? [5]	CO1	L2 L1
OR			
12	A. Explain difference between Joint Stock Company and Partnership. [5] B. What is the Importance of National Income. [5]	CO1	L2 L1
13	A. Define Law of Demand. State the Assumptions and Exceptions of Law of Demand? [5] B. Explain the Steps of Demand Forecasting. [5]	CO2	L1 L2
OR			
14	A. Explain the Methods of Measuring Elasticity of Demand. [5] B. Explain the Determinants of Demand. [5]	CO2	L2
15	A. Define Cost? Explain the types or concepts of cost. [5] B. Explain Functional organization. [5]	CO2 CO3	L1 L2
OR			
16	A. Define monopoly and Write features of monopoly. [5] B. Write the features of perfect Competition. [5]	CO3	L1 L1

17	A. Explain the various accounting concepts and conventions. [5] B. What is the difference between a journal and ledger? [5]	CO4	L2 L1																																																
OR																																																			
18	Prepare Trading, Profit and loss Account and balance sheet of Gopal an Co.[10] Trial balance as on 31.03.2002	CO4	L3																																																
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 60%;">Particulars</th> <th style="width: 20%;">Debt Rs.</th> <th style="width: 20%;">Credit Rs.</th> </tr> </thead> <tbody> <tr> <td>Capital</td> <td></td> <td>1,00,000</td> </tr> <tr> <td>Drawings</td> <td>2,000</td> <td></td> </tr> <tr> <td>Plant and machinery</td> <td>50,000</td> <td></td> </tr> <tr> <td>Furniture</td> <td>2,500</td> <td></td> </tr> <tr> <td>Purchases</td> <td>35,000</td> <td></td> </tr> <tr> <td>Sales</td> <td></td> <td>59,800</td> </tr> <tr> <td>Wages</td> <td>6,000</td> <td></td> </tr> <tr> <td>Salaries</td> <td>12,000</td> <td></td> </tr> <tr> <td>Carriage</td> <td>600</td> <td></td> </tr> <tr> <td>Discounts</td> <td>500</td> <td>1000</td> </tr> <tr> <td>Insurance</td> <td>1,200</td> <td></td> </tr> <tr> <td>Stock (1.4.2002)</td> <td>20,000</td> <td></td> </tr> <tr> <td>Debtors and Creditors</td> <td>35,000</td> <td>20,000</td> </tr> <tr> <td>Cash at bank</td> <td>15,000</td> <td></td> </tr> <tr> <td>Cash in hand</td> <td>1,000</td> <td></td> </tr> </tbody> </table> <p>Additional information:</p> <ol style="list-style-type: none"> 1. Stock on 31.3.2002 Rs. 15,000 2. Depreciation on Plant and machinery by 10% 3. Insurance prepaid Rs. 300 4. Outstanding wages Rs. 500 <p>Provide doubtful debts Rs. 5%</p>				Particulars	Debt Rs.	Credit Rs.	Capital		1,00,000	Drawings	2,000		Plant and machinery	50,000		Furniture	2,500		Purchases	35,000		Sales		59,800	Wages	6,000		Salaries	12,000		Carriage	600		Discounts	500	1000	Insurance	1,200		Stock (1.4.2002)	20,000		Debtors and Creditors	35,000	20,000	Cash at bank	15,000		Cash in hand	1,000	
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19	The earnings before interest and taxes of a company is Rs. 5,60,000. Its fixed commitments include payment of 10% on 7000 debentures of Rs. 100 each. It is subject to tax of 30% per annul. Calculate Interest coverage ratio. [10]	CO5	L3																																																
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20	A. Explain with examples how you would use ratio analysis to understand financial statements. [5] B. Explain the advantages of ratio analysis. [5]	CO5	L2 L1																																																