



R18 Regulation **Subject code: A3H5DA**
TKR COLLEGE OF ENGINEERING AND TECHNOLOGY
 (Autonomous, Accredited by NAAC with 'A+' Grade)

B.Tech V Semester Supplementary Examinations, February 2024

BUSINESS ECONOMICS AND FINANCIAL ANALYSIS
ECE (READMITTED)

Maximum Marks: 70

Date: 16.02.2024 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.
 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	What are the sources of income.	CO1	L1
2	Outline the features of Business cycle.	CO1	L2
3	Distinguish between Income elasticity of demand and Cross elasticity of demand.	CO2	L4
4	Explain the various determinants of demand.	CO2	L2
5	Explain the concept of Production Function.	CO3	L2
6	Infer the features of Perfect Competition.	CO3	L2
7	Explain the objectives of GST.	CO4	L2
8	Infer the principle of recording Real account.	CO4	L2
9	Explain the limitations of Ratio analysis.	CO5	L2
10	Explain the significance of Ratio analysis.	CO5	L2

Part-B

Answer All the following questions. (5X10M=50Marks)

11	(a) Define National Income. Explain the importance of National Income. (b) Explain limited liability companies.	5M 5M	CO1	L2 L2
OR				
12	(a) Define the nature of Business Economics. (b) Explain different sources of capital for Business.	5M 5M	CO1	L2 L2
13	(a) Explain steps involved in demand forecasting. (b) Infer the significance of elasticity of demand.	5M 5M	CO2	L2 L2
OR				
14	(a) Summarize the factors affecting the elasticity of demand. (b) List out the statistical methods of demand forecasting.	5M 5M	CO2	L2 L4

15	(a) Explain fully the concept of breakeven analysis. (b) Distinguish between perfect competition and monopoly.	5M 5M	CO3	L2 L4																																												
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16	(a) Explain the stages in Product life cycle. (b) Distinguish between Skimming pricing and Penetration pricing.	5M 5M	CO3	L2 L4																																												
17	(a) Explain the various concepts of Accounting (b) What are the benefits of Accounting Standards in India?	5M 5M	CO4	L2 L1																																												
OR																																																
18	(a) Explain the advantages and disadvantages of Financial Accounting? (b) Solve the Trial Balance from the following.	5M 5M	CO4	L2 L3																																												
<table><tr><td>Ram Capital</td><td>7000</td><td>Sundry debtors</td><td>5600</td></tr><tr><td>Purchases</td><td>8000</td><td>Furniture</td><td>500</td></tr><tr><td>Rent paid</td><td>240</td><td>Salaries</td><td>720</td></tr><tr><td>Ram drawings</td><td>400</td><td>Creditors</td><td>5600</td></tr><tr><td>Bills receivable</td><td>12000</td><td>Carriage</td><td>100</td></tr><tr><td>Opening stock</td><td>1000</td><td>Insurance</td><td>40</td></tr><tr><td>Purchases return</td><td>280</td><td>Cash in hand</td><td>100</td></tr><tr><td>Sales return</td><td>160</td><td>Cash at bank</td><td>1950</td></tr><tr><td>Machinery and plant</td><td>4000</td><td>Commission paid</td><td>40</td></tr><tr><td>Sales</td><td>9600</td><td>Bills payable</td><td>1580</td></tr><tr><td>Discount allowed</td><td>40</td><td>Discount received</td><td>30</td></tr></table>		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			
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19	(a) Solve the Stock turnover ratio from the following information: Opening Stock – 29000 Closing Stock – 31000 Sales – 3,20,000 Gross Profit – 25% (b) Explain Liquidity Ratio's.	5M 5M	CO5	L3 L2																																												
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20	(a) Explain the role of Ratio Analysis in the interpretation of Financial Statements. (b) Explain the liquidity ratio in detail	5M 5M	CO5	L2 L2																																												