



R22 Regulation

Subject code: 4H2AL

TKR COLLEGE OF ENGINEERING AND TECHNOLOGY

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

B.Tech II Semester Regular/Supplementary Examinations, July 2025

BUSINESS ECONOMICS AND FINANCIAL ANALYSIS

(Common to CSE & CSE(AI&ML))

Maximum Marks: 60

Date:09.07.2025

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 (10X1M=10 Marks)		Marks	CO	BTL
1.a	What is microeconomics?	1M	CO1	2
b	Define capital.	1M	CO1	2
c	Define Demand Forecasting.	1M	CO2	1
d	Why elasticity of demand is important for pricing decisions?	1M	CO2	2
e	What is Fixed Cost?	1M	CO3	1
f	How do you define Returns to scale?	1M	CO3	1
g	Define Journal.	1M	CO4	2
h	List the main components of final Accounts.	1M	CO4	2
i	What are current liabilities?	1M	CO5	1
j	Give one example of a profitability ratio.	1M	CO5	1

Part-B

Answer All the following questions. (5X10M=50Marks)		Marks	CO	BTL
2	a)What is Business Cycle? Explain the different phases of business cycle in detail with picture. b) What is the implication of the word 'limited' after the company's name?	5M 5M	CO1	3
OR				
3	a) What is national income? Explain its importance in economic planning and policy formulation. b) What is the major difference between macroeconomics and microeconomics?	5M 5M	CO1	2
4	a) What is Price elasticity of Demand? Explain two methods of price elasticity of demand with examples and diagrams. b) Explain the Law of demand with assumptions.	5M 5M	CO2	3
OR				
5	a)Define demand Forecasting and explain different demand forecasting techniques used in economics perspective. b) Discuss the essential characteristics of demand forecasting.	5M 5M	CO2	2

6	Discuss GST structure and impact on businesses and consumers in India.	10M	CO3	3																						
OR																										
7	Explain the production function. Describe the Law of Returns to Scale with suitable diagrams.	10M	CO3	2																						
8	a) Outline the pros and cons of double entry system of accounting. b) Prepare journal entries, post them into ledgers, and draw a trial balance for the following transactions: Started business with Rs.50,000 Bought goods for cash Rs.20,000 Sold goods for Rs.30,000 Paid rent Rs.5,000 Received cash from debtor Rs.10,000	5M 5M	CO4	4																						
OR																										
9	a) What are the elements of financial statements? b) Prepare Profit and Loss Account, from the following balances of Mr. X for the year ending 31.03.2014.	4M 6M	CO4	3																						
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Particulars</th> <th style="text-align: right;">Amount (Rs)</th> </tr> </thead> <tbody> <tr> <td>Office rent</td> <td style="text-align: right;">3,000</td> </tr> <tr> <td>Printing expenses</td> <td style="text-align: right;">2,200</td> </tr> <tr> <td>Tax, Insurance</td> <td style="text-align: right;">1,400</td> </tr> <tr> <td>Discount received</td> <td style="text-align: right;">400</td> </tr> <tr> <td>Advertisement</td> <td style="text-align: right;">3,600</td> </tr> <tr> <td>Salaries</td> <td style="text-align: right;">8,000</td> </tr> <tr> <td>Stationeries</td> <td style="text-align: right;">2,400</td> </tr> <tr> <td>Discount allowed</td> <td style="text-align: right;">600</td> </tr> <tr> <td>Travelling expenses</td> <td style="text-align: right;">2,600</td> </tr> <tr> <td>Gross Profit transferred from the Trading A/c</td> <td style="text-align: right;">25,000</td> </tr> </tbody> </table>		Particulars	Amount (Rs)	Office rent	3,000	Printing expenses	2,200	Tax, Insurance	1,400	Discount received	400	Advertisement	3,600	Salaries	8,000	Stationeries	2,400	Discount allowed	600	Travelling expenses	2,600	Gross Profit transferred from the Trading A/c	25,000			
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10	a) Explain turnover ratios. Discuss inventory turnover and debtor turnover ratios with simple numerical example. b) Explain importance of ratio analysis.	6M 4M	CO5	2																						
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11	a) Elucidate the types of turnover ratios. b) A company has: <ul style="list-style-type: none"> • Net Sales = Rs.5,00,000 • Cost of Goods Sold = Rs.3,00,000 • Net Profit = Rs.50,000 Calculate: <ul style="list-style-type: none"> • Gross Profit Ratio • Net Profit Ratio • Operating Profit Ratio 	4M 6M	CO5	4																						