

**ANURAG Engineering College**

(An Autonomous Institution)

**II B.Tech II Semester Regular Examinations, June/July – 2024****BUSINESS ECONOMICS & FINANCIAL ANALYSIS****(COMPUTER SCIENCE AND ENGINEERING & INFORMATION TECHNOLOGY)****Time: 3 Hours****Max. Marks: 60****Section – A (Short Answer type questions)****(10 Marks)****Answer All Questions**

	<b>Course Outcome</b>	<b>B.T Level</b>	<b>Marks</b>
1. Define Business Economics.	CO1	L1	1M
2. What is the meaning of micro economics?	CO1	L1	1M
3. Write few determinants of supply.	CO2	L2	1M
4. What are the factors affecting demand forecasting?	CO2	L1	1M
5. List out the factors of production.	CO3	L3	1M
6. Define market and give some suitable examples.	CO3	L3	1M
7. State the formula of accounting equation?	CO4	L5	1M
8. Define ledger. Write the format of ledger?	CO4	L4	1M
9. Write a short note on asset turnover ratio.	CO5	L4	1M
10. Distinguish between assets and liabilities.	CO5	L3	1M

**Section B (Essay Questions)****Answer all questions, each question carries equal marks.****(5 X 10M = 50M)**

11. A) What is Business? Elaborate various types of business entities with examples?	CO1	L2	10M
<b>OR</b>			
B) What are the features of business cycle and explain the various phases of business cycle.	CO1	L2	10M
12. A) Consider a local car dealership that gathers data on changes in demand and consumer income for its cars for a particular year. When the average real income of its customers falls from \$50,000 to \$40,000, the demand for its cars from 10,000 to 5,000 units sold, all other things unchanged. Calculate Income elasticity of demand?	CO2	L3	10M
<b>OR</b>			
B) i) Mention characteristics of good demand forecasting?	CO2	L2	5M
ii) Discuss the various determinants of supply function?	CO2	L2	5M
13. A) State and illustrate Cobb-Douglas production function. What are the properties of this function?	CO3	L3	10M
<b>OR</b>			
B) What is meant by the term "Market Structure". Discuss the various types of competition with examples.	CO3	L2	10M
14. A) Define Financial Accounting. Explain the importance and limitations of financial accounting.	CO4	L3	10M

**OR**

- B) Prepare a Trail Balance XYZ Company on Dec 31<sup>st</sup> 2020 of the following particulars. CO4 L3 10M

Particulars	Amount (Rs)
Cash	67000
Accounts Receivables	3000
Office Supplies	3000
Office Equipment	5000
Bank Loan	5000
Accounts Payables	1000
Common Stock	10000
Consulting Revenue	7000
Rent	10600
Salaries	52500
Supplies used	1200
Utilities Expenses	700

15. A) What is ratio analysis? Explain different types of ratio analysis. CO5 L3 10M

**OR**

- B) The following is the balance sheet of a company 31<sup>st</sup> March 2021: CO5 L3 10M

Liabilities	Rs	Assets	Rs
Share capital	2,00,000	Land and Buildings	1,40,000
P&L Account	30,000	Plant and machinery	3,50,000
General reserve	40,000	stock	2,00,000
12% debentures	4,20,000	Sundry Debtors	1,00,000
Sundry Creditors	1,00,000	Bills receivables	10,000
Bills payables	50,000	Cash at Bank	40,000

**Calculate:**

- i) Current ratio      ii) Quick ratio      iii) Debt to Equity ratio