



**MARRI LAXMAN REDDY**  
**INSTITUTE OF TECHNOLOGY AND MANAGEMENT**

(AN AUTONOMOUS INSTITUTION)

(Approved by AICTE, New Delhi & Affiliated to JNTUH, Hyderabad)

Accredited by NBA and NAAC with 'A' Grade & Recognized Under Section 2(f) & 12(B) of the UGC act, 1956

II B.Tech II Sem Supply End Examination, July 2022

**Business Economics and Financial Analysis**

(CSE & IT)

**Time: 3 Hours.**

**Max. Marks: 70**

Note: 1. Question paper consists: Part-A and Part-B.

2. In Part – A, answer all questions which carries 20 marks.

3. In Part – B, answer any one question from each unit.

Each question carries 10 marks and may have a, b as sub questions.

**PART- A**

**(10\*2 Marks = 20 Marks)**

- |       |  |    |     |     |
|-------|--|----|-----|-----|
| 1. a) | Define Company.  | 2M | C01 | BL1 |
| b)    | What is National Income?   | 2M | C01 | BL1 |
| c)    | Define Elasticity of Demand.   | 2M | C02 | BL1 |
| d)    | Discuss Supply Function.   | 2M | C02 | BL1 |
| e)    | Differentiate between Perfect competition and Imperfect competition. | 2M | C03 | BL2 |
| f)    | What is Product function?  | 2M | C03 | BL1 |
| g)    | Define Accountancy.  | 2M | C04 | BL1 |
| h)    | What is the purpose of preparing Trail balance?                      | 2M | C04 | BL1 |
| i)    | Define Ratio.  | 2M | C05 | BL1 |
| j)    | What is the importance of Funds flow statement?                      | 2M | C05 | BL1 |

**PART- B**

**(10\*5 Marks = 50 Marks)**

- |   |    |  |    |     |     |
|---|----|--|----|-----|-----|
| 2 | a) | List out the merits and demerits of sole trading firm. | 5M | C01 | BL1 |
|   | b) | Explain Nature and scope of Business Economics.        | 5M | C01 | BL4 |

**OR**

- |   |  |   |     |     |     |
|---|--|---|-----|-----|-----|
| 3 |  | Describe the sources of mobilizing Capital. | 10M | C01 | BL2 |
|---|--|---|-----|-----|-----|

- |   |    |   |    |     |     |
|---|----|---|----|-----|-----|
| 4 | a) | Illustrate the Law of Demand with examples. | 5M | C02 | BL3 |
|   | b) | List out the factors determines supply.     | 5M | C02 | BL1 |

**OR**

- |   |  |   |     |     |     |
|---|--|---|-----|-----|-----|
| 5 |  | Explain different types Demand forecasting methods. | 10M | C02 | BL4 |
|---|--|---|-----|-----|-----|

- 6 a) Explain different types of costs. 5M C03 BL4  
 b) What are the features of Monopoly? 5M C03 BL1

OR

- 7 Explain different stages in Product life cycle. 10M C03 BL4

- 8 a) Elaborate the Concepts and Convention of Accountancy. 5M C04 BL5  
 b) Explain the importance of preparing Final Accounts with performs. 5M C04 BL4

OR

- 9 Journalise the following transaction 10M C04 BL3  
 2021 May 1. Business commenced with a capital of Rs.50,000  
 3. Cash deposited in Bank Rs.40,000  
 5. Purchased goods for cash Rs.6000  
 6. Salary paid to Sharma Rs.1500  
 8. sold good for cash Rs.20,000  
 9. Good sold to Krishna Rs.5,000  
 10. Cash received from Krishna Rs.5,000  
 12. Rent paid to land lord Rs.800

- 10 a) Define Ratio. Explain different types of Ratios. 5M C05 BL4  
 b) What are the uses of Funds flow statement? 5M C05 BL1

OR

- 11 From the following information, 10M C05 BL3  
 Calculate  
 (i) Current Ratio  
 (ii) Quick Ratio and comment on Liquidity position of the firm.

Bills payables Rs.10000  
 Sundry Debtors Rs.25000  
 Stock Rs.15000  
 Sundry creditors Rs.5000  
 Bills payable Rs.1000

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