

## Department of ECE

### B. Tech. mid Question Bank (R20 Regulation)

Academic Year: 2024-25

Semester: VII

Subject Name: BUSINESS ECONOMICS & FINANCIAL ANALYSIS (20MB701HS)

Faculty Name: G SURESH VKUMAR

#### PART-A

Q.No	Questions	Marks	BL	CO	Unit No
1	Write about Nature of Business Economics.	2M	L4	CO1	UNIT-I
2	Distinguish the Micro and Macro Economics.	2M	L4	CO1	UNIT-I
3	List out the role of Business Economist.	2M	L4	CO1	UNIT-I
4	Define the Business Economics.	2M	L1	CO1	UNIT-I
5	List out the sources of capital for a company.	2M	L4	CO1	UNIT-I
6	Explain briefly about National Income.	2M	L2	CO1	UNIT-I
7	Explain the Supply function.	2M	L2	CO2	UNIT-II
8	What is Law of Demand?	2M	L1	CO2	UNIT-II
9	What is Demand Forecasting?	2M	L1	CO2	UNIT-II
10	Explain the Price Elasticity of Demand.	2M	L2	CO2	UNIT-II
11	What is meant by Perfectly Elasticity of Demand?	2M	L1	CO2	UNIT-II
12	What is meant by Elasticity of Demand?	2M	L1	CO2	UNIT-II
13	Explain Production Function.	2M	L1	CO3	UNIT-III
14	Write about Different types of Production Function.	2M	L2	CO3	UNIT-III
15	What is meant by Cost?	2M	L1	CO3	UNIT-III
16	Define the Market.	2M	L1	CO3	UNIT-III
17	What is the Meaning of Pricing?	2M	L1	CO3	UNIT-III
18	Explain the Breakeven point.	2M	L1	CO3	UNIT-III
19	What is Accounting?	2M	L1	CO4	UNIT-IV
20	What is the rule of double entry system?	2M	L1	CO4	UNIT-IV
21	Write about any three Accounting concepts.	2M	L3	CO4	UNIT-IV
22	What is the meaning of dual entry system?	2M	L1	CO4	UNIT-IV
23	Draw the proforma of Ledger.	2M	L4	CO4	UNIT-IV
24	Explain Accounting equation.	2M	L2	CO4	UNIT-IV
25	Explain the meaning of Ratio.	2M	L2	CO5	UNIT-V
26	Write the formula for Gross Profit Ratio.	2M	L2	CO5	UNIT-V
27	What is the Formula for Current Ratio?	2M	L1	CO5	UNIT-V
28	Write the formula of Quick Ratio.	2M	L2	CO5	UNIT-V
29	Explain any three limitations of Ratios.	2M	L2	CO5	UNIT-V
30	Write the Uses of Ratio analysis.	2M	L2	CO5	UNIT-V

#### PART-B

Q.No	Questions	Marks	BL	CO	Unit No
1	Explain Types of Business entities.	3M	L1	CO1	UNIT-I
2	What are the Non-Conventional sources of finance?	3M	L1	CO1	UNIT-I

3	Define Inflation and Explain.	3M	L2	CO1	UNIT-I								
4	Explain the Nature of Business Economics.	3M	L2	CO1	UNIT-I								
5	Business Economics is the Integration of Economic theory. Discuss.	3M	L4	CO1	UNIT-I								
6	Explain the significance of Business Economics.	3M	L2	CO1	UNIT-I								
7	Explain the Business Economics and its scope.	6M	L2	CO1	UNIT-I								
8	List out the different types of Business firms, Explain.	6M	L4	CO1	UNIT-I								
9	Define the Business cycle and Explain the Phases.	6M	L1	CO1	UNIT-I								
10	List out the Survey methods in Demand Forecasting.	3M	L4	CO2	UNIT-II								
11	Explain the Importance of Elasticity of Demand.	3M	L1	CO2	UNIT-II								
12	Define the Measurements in Elasticity of Demand.	3M	L1	CO2	UNIT-II								
13	Identify what are the Areas/Factors will determine the Demand. Explain.	3M	L3	CO2	UNIT-II								
14	Write about Demand function.	3M	L1	CO2	UNIT-II								
15	What are the Characteristics of Demand Forecasting.	3M	L1	CO2	UNIT-II								
16	What are the Statistical (Quantitative) Methods of Demand Forecasting?	6M	L1	CO2	UNIT-II								
17	Identify what are the Areas/Factors will determine the supply. Explain.	6M	L3	CO2	UNIT-II								
18	What are the types of Elasticity of Demand? Explain briefly.	6M	L2	CO2	UNIT-II								
19	Explain the Production function with one Variable.	3M	L2	CO3	UNIT-III								
20	What are the Different types of Cost? Discuss.	3M	L1	CO3	UNIT-III								
21	Explain the Perfect competition. How to determine the price under Perfect competition?	3M	L3	CO3	UNIT-III								
22	List out the Different types of Pricing	3M	L4	CO3	UNIT-III								
23	<p>You are given the following information</p> <table border="1" style="margin-left: 40px;"> <thead> <tr> <th>Particulars</th> <th>Amount(Rs)</th> </tr> </thead> <tbody> <tr> <td>sales</td> <td>Rs.10,00,000</td> </tr> <tr> <td>Fixed Expenses</td> <td>Rs.2,00,000</td> </tr> <tr> <td>Variable Expenses</td> <td>Rs.3,00,000</td> </tr> </tbody> </table> <p>You are required to Calculate</p> <ol style="list-style-type: none"> <li>BEP</li> <li>P/V Ratio</li> <li>Margin of Safety</li> <li>Profit</li> </ol> <p>Sales required to earn a profit of Rs. 2, 50,000.</p>	Particulars	Amount(Rs)	sales	Rs.10,00,000	Fixed Expenses	Rs.2,00,000	Variable Expenses	Rs.3,00,000	3M	L4	CO3	UNIT-III
Particulars	Amount(Rs)												
sales	Rs.10,00,000												
Fixed Expenses	Rs.2,00,000												
Variable Expenses	Rs.3,00,000												
24	<p>You are required to calculate</p> <ol style="list-style-type: none"> <li>Margin of Safety</li> <li>Total sales</li> <li>Variable cost from the following figures;</li> </ol> <p>Fixed costs Rs. 12,000, Profit Rs. 1,000, Break-Even Sales Rs.60,000</p>	3M	L4	CO3	UNIT-III								
25	“Accounting principles are essential for maintaining of systematic accounting.” Do you	3M	L4	CO4	UNIT-IV								

	agree? Comment																																												
<b>26</b>	Journalize the following transactions in the books of Raj Shekhar: Jan.1 Bought goods from Rao for Rs.500 Jan.2 Sold goods for cash Rs.150 Jan.5 Sold goods to Murthy Rs.300 Jan.12 Bought goods for cash Rs.750 Jan.18 Bought furniture for cash Rs. 200	<b>3M</b>	<b>L4</b>	<b>CO4</b>	<b>UNIT-IV</b>																																								
<b>27</b>	What are the Accounting concepts? Explain.	<b>3M</b>	<b>L2</b>	<b>CO4</b>	<b>UNIT-IV</b>																																								
<b>28</b>	Explain Accounting conventions	<b>3M</b>	<b>L2</b>	<b>CO4</b>	<b>UNIT-IV</b>																																								
<b>29</b>	What is Double entry system? Discuss the Advantages.	<b>3M</b>	<b>L3</b>	<b>CO4</b>	<b>UNIT-IV</b>																																								
<b>30</b>	Write the Meaning and Definition of Accounting.	<b>3M</b>	<b>L1</b>	<b>CO4</b>	<b>UNIT-IV</b>																																								
<b>31</b>	Journalize the following transactions of 2010 May month. 1.05.2010. Vamsi commenced business with Rs1,00,000 2.05.2010. Deposited Rs. 40,000 with bank. 5.05.2010. Purchased good worth Rs. 15,000 from Mr.A 10.5.2010. Purchased goods worth Rs. 5,000 from Mr. 12.05.2010. Sold goods to Mr.Z worth Rs. 8000 15.05.2010. Goods returned by Mr. Z worth Rs. 250 16.05.2010. Returned defective goods worth Rs. 900 to Mr. A	<b>6M</b>	<b>L4</b>	<b>CO4</b>	<b>UNIT-IV</b>																																								
<b>32</b>	The following are the closing balances extracted from the books of Bhargav for the year ending 31st December 2004 with the help of which prepare Trading Account, Profit and Loss A/c and Balance Sheet. <table border="1" data-bbox="321 1199 927 1881"> <thead> <tr> <th>Debit balances</th> <th>Rs.</th> <th>Credit Balances</th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>Opening stock</td> <td>6,050</td> <td>Sales</td> <td>13,720</td> </tr> <tr> <td>Purchases</td> <td>9,030</td> <td>Purchases returns</td> <td>130</td> </tr> <tr> <td>Carriage</td> <td>220</td> <td>Capital</td> <td>3,000</td> </tr> <tr> <td>Drawings</td> <td>450</td> <td>Creditors</td> <td>4,500</td> </tr> <tr> <td>Investments</td> <td>3,800</td> <td>Discounts received</td> <td>350</td> </tr> <tr> <td>Debtors</td> <td>2,500</td> <td>Mortgage loan</td> <td>4,000</td> </tr> <tr> <td>Cash</td> <td>1,350</td> <td></td> <td></td> </tr> <tr> <td>Printing charges</td> <td>1,200</td> <td></td> <td></td> </tr> <tr> <td>Wages</td> <td>1,100</td> <td></td> <td></td> </tr> </tbody> </table>	Debit balances	Rs.	Credit Balances	Rs.	Opening stock	6,050	Sales	13,720	Purchases	9,030	Purchases returns	130	Carriage	220	Capital	3,000	Drawings	450	Creditors	4,500	Investments	3,800	Discounts received	350	Debtors	2,500	Mortgage loan	4,000	Cash	1,350			Printing charges	1,200			Wages	1,100			<b>6M</b>	<b>L4</b>	<b>CO4</b>	<b>UNIT-IV</b>
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		25,700		25,700				
	<b>ADJUSTMENTS</b> (a) Closing stock was valued at Rs.16,000 (b) Wages outstanding by Rs.900 (c) Outstanding discounts receivable Rs.150 (d) Write off bad debts Rs. 500 (e) Prepaid printing charges Rs. 500.							
<b>33</b>	Define double entry system. Explain the rules of double entry system while converting business transaction in to journal entry.				<b>6M</b>	<b>L1</b>	<b>CO4</b>	<b>UNIT-IV</b>
<b>34</b>	How are ratios classified for the purpose of financial analysis?				<b>3M</b>	<b>L1</b>	<b>CO5</b>	<b>UNIT-V</b>
<b>35</b>	Illustrate any two types of ratios under each category				<b>3M</b>	<b>L3</b>	<b>CO5</b>	<b>UNIT-V</b>
<b>36</b>	From the following information, calculate				<b>3M</b>	<b>L1</b>	<b>CO5</b>	<b>UNIT-V</b>
	i. Current ratio							
	ii. Quick ratio							
		Rs.		Rs.				
	Cash	2,40,000	Bank balance	1,30,000				
	Closing stock	60,000	Sundry	70,000				
	General reserve	40,000						
Creditors	66,000							
Bills payable	14,000							
Bank overdraft	20,000							
<b>37</b>	Explain the Importance of Ratio Analysis				<b>3M</b>	<b>L2</b>	<b>CO5</b>	<b>UNIT-V</b>
<b>38</b>	What are the different Types of Liquidity Ratios? Explain				<b>3M</b>	<b>L1</b>	<b>CO5</b>	<b>UNIT-V</b>
<b>39</b>	Explain Advantages and Disadvantages of Ratio analysis.				<b>3M</b>	<b>L2</b>	<b>CO5</b>	<b>UNIT-V</b>
<b>40</b>	From the following information, calculate				<b>6M</b>	<b>L4</b>	<b>CO5</b>	<b>UNIT-V</b>
	i. Debt-Equity ratio							
	ii. Current ratio							
		Rs.		Rs.				
	Debentures	1,40,000	Bank balance	30,000				
	Long term	70,000	Sundry	70,000				
	General reserve	40,000						
Creditors	66,000							
Bills payable	14,000							
Share capital	1,20,000							
<b>41</b>	From the following information calculate				<b>6M</b>	<b>L4</b>	<b>CO5</b>	<b>UNIT-V</b>
	i. Current ratio							
	ii. Quick ratio							
iii. Gross profit								
iv. net profit ratio								
	Particular	Amount	Particular	Amount				
	cash	1,00,	bill	25,000				

		000	payable					
	prepaid expenses	10,000	bank overdraft	10,000				
	bank	25,000	net profit	25,000				
	closing stock	40,000	sales	1,00,000				
	debtors	25,000	gross profit	40,000				
	creditors	15,000						
<b>42</b>	What are the advantages and limitations of Ratio Analysis? Does ratio analysis really measure the financial performance of a company?				<b>6M</b>	<b>L1</b>	<b>CO5</b>	<b>UNIT-V</b>

