

Department of CSE (AIML& CSM)

III B. Tech mid-Question Bank (R22 Regulation)

Academic Year: 2024-25

Semester: V

Subject Name: BUSINESS ECONOMICS & FINANCIAL ANALYSIS (22MB504HS)

Faculty Name: Dr V Ramesh Naik & Ms. Deepthi Reddy

PART-A

MID-I Questions					
Q.No	Questions	Marks	BL	CO	Unit No
1	Write about the Nature of Business Economics.	2M	L1	CO1	UNIT-I
2	Distinguish the Micro and Macro Economics.	2M	L1	CO1	UNIT-I
3	List out the role of the Business Economist.	2M	L1	CO1	UNIT-I
4	Define the Business Economics.	2M	L1	CO1	UNIT-I
5	List out the sources of capital for a company.	2M	L1	CO1	UNIT-I
6	Explain briefly about National Income.	2M	L1	CO1	UNIT-I
7	Explain the Supply function.	2M	L1	CO2	UNIT-II
8	What is the 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	L1	CO2	UNIT-II
11	What is meant by perfect 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	L1	CO3	UNIT-III
15	What is meant by Cost?	2M	L1	CO3	UNIT-III
MID-II Questions					
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 the double entry system?	2M	L1	CO4	UNIT-IV
21	Write about any three Accounting concepts.	2M	L1	CO4	UNIT-IV
22	What is the meaning of a dual entry system?	2M	L1	CO4	UNIT-IV
23	Draw the proforma of Ledger.	2M	L1	CO4	UNIT-IV
24	Explain Accounting equation.	2M	L1	CO4	UNIT-IV
25	Explain the meaning of Ratio.	2M	L2	CO5	UNIT-V
26	Write the formula for Gross Profit Ratio.	2M	L1	CO5	UNIT-V
27	What is the Formula for Current Ratio.	2M	L1	CO5	UNIT-V
28	Write the formula of Quick Ratio.	2M	L1	CO5	UNIT-V
29	Explain any three limitations of Ratios.	2M	L1	CO5	UNIT-V
30	Write the Uses of Ratio analysis.	2M	L1	CO5	UNIT-V

PART-B

MID-I Questions					
Q.No	Questions	Marks	BL	CO	Unit No
1	Explain Types of Business Entities.	4M	L2	CO1	UNIT-I

2	What are the Non-Conventional sources of finance.	4M	L2	CO1	UNIT-I			
3	Define Inflation and Explain.	4M	L2	CO1	UNIT-I			
4	Explain the Nature of Business Economics.	4M	L2	CO1	UNIT-I			
5	Business Economics is the Integration of Economic Theory. Discuss.	4M	L4	CO1	UNIT-I			
6	Explain the significance of Business Economics.	4M	L2	CO1	UNIT-I			
7	Explain the Business Economics and its scope.	8M	L2	CO1	UNIT-I			
8	List out the different types of Business firms, Explain.	8M	L4	CO1	UNIT-I			
9	Define the Business cycle and Explain the Phases.	8M	L2	CO1	UNIT-I			
10	List out the Survey methods in Demand Forecasting.	4M	L4	CO2	UNIT-II			
11	Explain the Importance of Elasticity of Demand.	4M	L2	CO2	UNIT-II			
12	Define the Measurements in Elasticity of Demand.	4M	L2	CO2	UNIT-II			
13	Identify what are the Areas/Factors that will determine the Demand. Explain.	4M	L3	CO2	UNIT-II			
14	Write about the Demand function.	4M	L2	CO2	UNIT-II			
15	What are the Characteristics of Demand Forecasting.	4M	L2	CO2	UNIT-II			
16	What are the Statistical (Quantitative) Methods of Demand Forecasting.	8M	L2	CO2	UNIT-II			
17	Identify what are the Areas/Factors that will determine the supply. Explain.	8M	L3	CO2	UNIT-II			
18	What are the types of Elasticity of Demand Explain briefly.	8M	L2	CO2	UNIT-II			
19	Explain the Production function with one Variable.	4M	L2	CO3	UNIT-III			
20	What are the Different Types of Costs? Discuss	4M	L2	CO3	UNIT-III			
21	Explain the Perfect competition, How to determine the price under Perfect competition?	4M	L3	CO3	UNIT-III			
MID-II Questions								
22	List out the Different types of Pricing.	4M	L2	CO3	UNIT-III			
23	You are given the following information	4M	L2	CO3	UNIT-III			
	<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>					Particulars	Amount(Rs.)	sales
Particulars	Amount(Rs.)							
sales	Rs.10,00,000							
Fixed Expenses	Rs.2,00,000							
Variable Expenses	Rs.3,00,000							
	You are required to Calculate a) BEP b) P/V Ratio c) Margin of Safety d) Profit Sales required to earn a profit of Rs. 2, 50,000.							
24	You are required to calculate a) Margin of Safety b) Total sales c) Variable cost from the following figures; Fixed costs Rs.12,000, Profit Rs.1,000, Break-Even Sales Rs.60,000	4M	L3	CO3	UNIT-III			

25	“Accounting principles are essential for maintaining systematic accounting.” Do you agree? Comment.	4M	L3	CO4	UNIT-IV																																				
26	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	4M	L3	CO4	UNIT-IV																																				
27	What are the Accounting concepts? Explain.	4M	L2	CO4	UNIT-IV																																				
28	Explain Accounting conventions.	4M	L2	CO4	UNIT-IV																																				
29	What is a double-entry system? Discuss the Advantages	4M	L3	CO4	UNIT-IV																																				
30	Write the Meaning and Definition of Accounting.	4M	L2	CO4	UNIT-IV																																				
31	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 the bank. 5.05.2010. Purchased goods 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	8M	L4	CO4	UNIT-IV																																				
32	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.	8M	L4	CO4	UNIT-IV																																				
	<table border="1"> <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> </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		
	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																																		
		25,700		25,700																																
	<p>ADJUSTMENTS</p> <p>(a) Closing stock was valued at Rs. 16,000</p> <p>(b) Wages outstanding by Rs.900</p> <p>(c) Outstanding discounts receivable Rs.150</p> <p>(d) Write off bad debts Rs. 500</p> <p>(e) Prepaid printing charges Rs. 500.</p>																																			
33	Define a double-entry system. Explain the rules of the double entry system while converting business transactions into journal entries.				8M	L2	CO4	UNIT-IV																												
34	How are the ratios classified for financial analysis				4M	L2	CO5	UNIT-V																												
35	Illustrate any two types of ratios under each category				4M	L3	CO5	UNIT-V																												
36	<p>From the following information, calculate</p> <p>i. Current ratio</p> <p>ii. Quick ratio</p> <table border="1"> <thead> <tr> <th></th> <th>Rs.</th> <th></th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>Cash</td> <td>2,40,000</td> <td>Bank balance</td> <td>1,30,000</td> </tr> <tr> <td>Closing stock</td> <td>60,000</td> <td>Sundry Debtors</td> <td>70,000</td> </tr> <tr> <td>General reserve</td> <td>40,000</td> <td></td> <td></td> </tr> <tr> <td>Creditors</td> <td>66,000</td> <td></td> <td></td> </tr> <tr> <td>Bills payable</td> <td>14,000</td> <td></td> <td></td> </tr> <tr> <td>Bank Overdraft</td> <td>20,000</td> <td></td> <td></td> </tr> </tbody> </table>					Rs.		Rs.	Cash	2,40,000	Bank balance	1,30,000	Closing stock	60,000	Sundry Debtors	70,000	General reserve	40,000			Creditors	66,000			Bills payable	14,000			Bank Overdraft	20,000			4M	L2	CO5	UNIT-V
	Rs.		Rs.																																	
Cash	2,40,000	Bank balance	1,30,000																																	
Closing stock	60,000	Sundry Debtors	70,000																																	
General reserve	40,000																																			
Creditors	66,000																																			
Bills payable	14,000																																			
Bank Overdraft	20,000																																			
37	Explain the Importance of Ratio Analysis				4M	L2	CO5	UNIT-V																												
38	What are the different Types of Liquidity Ratios? Explain				4M	L2	CO5	UNIT-V																												
39	Explain the Advantages and Disadvantages of Ratio analysis				4M	L2	CO5	UNIT-V																												
40	<p>From the following information, calculate</p> <p>i. Debt-Equity ratio</p> <p>ii. Current ratio</p> <table border="1"> <thead> <tr> <th></th> <th>Rs.</th> <th></th> <th>Rs.</th> </tr> </thead> <tbody> <tr> <td>Debentures</td> <td>1,40,000</td> <td>Bank balance</td> <td>30,000</td> </tr> <tr> <td>Long term Loans</td> <td>70,000</td> <td>Sundry Debtors</td> <td>70,000</td> </tr> <tr> <td>General reserve</td> <td>40,000</td> <td></td> <td></td> </tr> <tr> <td>Creditors</td> <td>66,000</td> <td></td> <td></td> </tr> <tr> <td>Bills payable</td> <td>14,000</td> <td></td> <td></td> </tr> <tr> <td>Share capital</td> <td>1,20,000</td> <td></td> <td></td> </tr> </tbody> </table>					Rs.		Rs.	Debentures	1,40,000	Bank balance	30,000	Long term Loans	70,000	Sundry Debtors	70,000	General reserve	40,000			Creditors	66,000			Bills payable	14,000			Share capital	1,20,000			8M	L4	CO5	UNIT-V
	Rs.		Rs.																																	
Debentures	1,40,000	Bank balance	30,000																																	
Long term Loans	70,000	Sundry Debtors	70,000																																	
General reserve	40,000																																			
Creditors	66,000																																			
Bills payable	14,000																																			
Share capital	1,20,000																																			
41	<p>From the following information calculate</p> <p>i. Current ratio</p> <p>ii. Quick ratio</p> <p>iii. Gross profit</p> <p>iv. net profit ratio</p>				8M	L4	CO5	UNIT-V																												

	Particular	Amount	Particular	Amount				
	cash	1,00,000	bill payable	25,000				
	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						
42	What are the advantages and limitations of Ratio Analysis? Does ratio analysis measure the financial performance of a company?				8M	L2	CO5	UNIT-V

