



Name :

Roll No. :

Invigilator's Signature :

CS/B.Tech (CE)/SUPPLE/SEM-8/CE-804/2010

2010

ACCOUNTANCY & ECONOMICS

Time Allotted : 3 Hours

Full Marks : 70

The figures in the margin indicate full marks.

*Candidates are required to give their answers in their own words
as far as practicable.*

GROUP – A

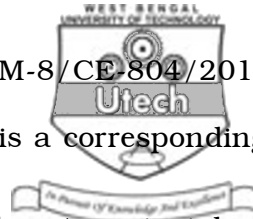
(Multiple Choice Type Questions)

1. Choose the correct alternatives for any *ten* of the following : 10 × 1 = 10

- i) Perfectly elastic demand curve is
 - a) downward sloping
 - b) parallel to vertical axis
 - c) upward rising
 - d) parallel to horizontal axis.
- ii) Budgetary control serves the purpose of
 - a) planning
 - b) co-ordination
 - c) control
 - d) all of these.
- iii) Primary factors of production are
 - a) land & organization
 - b) labour & organization
 - c) labour & land
 - d) none of these.
- iv) Cash account is a
 - a) personal account
 - b) real account
 - c) nominal account
 - d) none of these.



- v) Goods worth of Rs. 100 lack by the proprietor for personal used should be credited to
- a) sales account
 - b) proprietor's personal account
 - c) purchase account
 - d) expenses account.
- vi) At break-even point
- a) Total sales = Variable cost
 - b) Total sales = Fixed cost
 - c) Total sales = Total cost
 - d) None of these.
- vii) Goodwill is
- a) fixed asset
 - b) current asset
 - c) fictitious asset
 - d) wasting asset.
- viii) The trial balance checks
- a) arithmetic accuracy of books
 - b) honesty of book-keeper
 - c) valuation of closing stock
 - d) none of these.
- ix) 'Debit what comes in, Credit what goes out' is a rule for
- a) real account
 - b) nominal account
 - c) personal account
 - d) none of these.
- x) A brief explanation about a journal entry is
- a) narration
 - b) ledger
 - c) journalising
 - d) posting.



- xi) 'The statement for every debit, there is a corresponding and equal credit' is applicable to
- double entry principle
 - single entry principle
 - both (a) & (b)
 - none of these.
- xii) Wages paid for installation of machinery but debited to wages a/c, it is
- error of commission
 - error of omission
 - error of principle
 - compensating error.

GROUP – B

(Short Answer Type Questions)

Answer any *three* of the following. $3 \times 5 = 15$

- Distinguish between budget & budgetary control.
- Write a short note on ledger.
- State the assumptions of C-V-P analysis.
- Discuss the objectives of financial management.
- The following transactions took place in the newly started proprietary business of Mr X :

Started business with cash Rs. 12,000

Goods purchased in cash Rs. 8,000

Purchased some furniture in cash Rs. 1,500

Sold goods in cash for Rs. 6,500

Paid salary to the assistant Rs. 600

Purchased goods on credit from Saha & Company for Rs. 10,000

Paid carriage for bringing the goods Rs. 250

Paid electric charges Rs. 100

Cash paid to Saha & Company Rs. 6,000

Record the above transactions in the Journal of Mr X.



GROUP – C

(Long Answer Type Questions)

Answer any *three* of the following. $3 \times 15 = 45$

7. Write short notes on any three of the following : 3×5
- a) Margin of safety
 - b) Master budget
 - c) Joint stock company.
8. a) Discuss the double entry system of book-keeping.
- b) Journalize the following transactions :
- i) Purchase of goods for Rs. 50,000 in each
 - ii) Sale of goods for Rs. 2,00,000 in cash
 - iii) Cash deposited into banks Rs. 50,000
 - iv) Capital introduced into between business Rs. 60,000. $7 + 8$
9. a) Define elasticity of demand.
- b) State and explain the various factors on which elasticity of demand depends.
- c) Deduce the relationship between marginal revenue and demand elasticity. $3 + 6 + 6$
10. a) "Long run cost curve is the envelope of short run cost curve." Justify the statement.
- b) What are the objectives of the demand forecasting ? $10 + 5$
11. Distinguish between the following *three* pairs : 3×5
- a) Developed and underdeveloped economies
 - b) Shares and debentures
 - c) Capitalistic and socialistic economies.