

ECONOMICS FOR ENGINEERS**(HU 503)****TIME: 1 HR****FM: 30****GROUP-A****(Multiple choice type questions)**

1. Choose the correct alternatives for any 5 of the following: (5×1=5)
- (i) Which of the following comes under credit column of trial balance?
(A) Carriage Inward (B) Carriage outward (C) Return Inward (D) Return Outward
 - (ii) Depreciation A/c is an example of
(A) Expenses (B) Assets (C) Loss (D) Income
 - (iii) Which of the followings is prepared to maintain arithmetical accuracy of records?
(A) Journal (B) Ledger (C) Trial Balance (D) Final Accounts
 - (iv) Capital is shown under liabilities because of the
(A) Conservatism Concept (B) Entity Concept (C) Accrual Concept (D) Matching Concept
 - (v) Which of the followings is not a fixed asset?
(A) Land and building (B) Plant and Machinery (C) Bank balance (D) Furniture
 - (vi) Increase Assets is always
(A) Debit (B) Credit (C) Not a transaction (D) none of these
 - (vii) Books of original entry is called
(A) Journal (B) ledger (C) Trial balance (D) None of these

GROUP-B (Short answer Type Questions)**Answer any three questions (5×3= 15)**

- 2) From the following transaction, pass the journal entry:-
 1/1/2019 Mr X started a business with Cash and bank balance of Rs 5000 & Rs10000 respectively.
 3/1/2019 Purchased Goods from Mr P amounted to Rs 3000
 5/1/2019 Sold goods in cash to Mr Q amounted to Rs 5000
- 3) Write a short note on "Golden Rules"
- 4) Write a short note on Separate Entity Concept.
- 5) What is double entry system?

GROUP-C (Long answer Type Questions)**Answer any one question (10×1 = 10)**

- 6) From the following balance of A. Ghosh enterprise prepare a trial balance as at 31st March, 2019,
 Capital RS 50000, Opening stock Rs 7000, Purchases Rs 30000, Sales Rs 73000, Purchases return Rs 2000,
 Return inward Rs 1000, Wages Rs 12000, Salary Rs 10000, Carriage inward Rs 2000, Discount allowed Rs 500,
 Discount received Rs 200, Debtors Rs 18000, Creditors Rs 9000, Plant and Machinery Rs 20000, Cash at bank
 Rs 23700, Furniture Rs 8000, Drawings Rs 2000

(10)

- 7) a) Write a short note on Ratio analysis and its importance in Accounting.
 b) From the following information, calculate the value of closing stock:-
 Opening stock = Rs 50000,
 Net Profit = Rs 75000,
 Operating ratio = 85%, G.P Ratio = 25%, Stock turnover ratio = 1.5 month (5+5)