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**END SEMESTER EXAMINATION – 2019**

Semester : 3rd (Old)

Subject Code : Hu-302

**ENGINEERING ECONOMICS  
AND ACCOUNTANCY**

Full Marks –70

Time – Three hours

The figures in the margin indicate full marks  
for the questions.

**Instructions :**

1. *All* questions of PART – A are compulsory.
2. Answer any *five* questions from PART – B.

**PART – A**

Marks – 25

1. Fill in the blanks :  $1 \times 10 = 10$ 
  - (a) \_\_\_\_\_ is called the father of Economics.
  - (b) Economics is a \_\_\_\_\_ science.

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- (c) Free goods have a great value-in-\_\_\_\_\_.
  - (d) The demand for necessaries are \_\_\_\_\_.
  - (e) Capital is the produced means of \_\_\_\_\_.
  - (f) For every debit there is a \_\_\_\_\_.
  - (g) Ledger is a \_\_\_\_\_ book.
  - (h) Liabilities + Capital = \_\_\_\_\_.
  - (i) Journal entries are the basis of \_\_\_\_\_.
  - (j) Cash book always shows \_\_\_\_\_ balance.
2. Write True or False : 1×10=10



- (a) Price is a value expressed in terms of money.
- (b) Gold has a very high value-in-use.
- (c) Demand Curve moves upward to the right.
- (d) Production is the creation of utility and creation of value.
- (e) As the income increases, the percentage of expenses on essentials of life increases.

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- (f) Narration is a short explanation of the nature of the transaction of the journal entry.
  - (g) Loan Account is a Real Account.
  - (h) Every transaction involves at least two accounts.
  - (i) Bad debt is a loss and debited in the Profit and Loss Account.
  - (j) Trial Balance is an account.
3. Choose the correct answers : 1×5=5

- (a) People are engaged in various activities to earn money/for own interest/ for public interest.
- (b) If we consume a thing more and more, then the desire for additional units will be increased/decreased/remains constant.
- (c) Cash book is a journal/ledger/journal as well as ledger.
- (d) The term imprest system is used in relation to purchases/petty cash/sales book.
- (e) A trial balance is a Real Account/Nominal Account/list of balances.

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PART - B

Marks - 45

4. Answer the following questions :

- (a) What do you mean by economic problem ? 2
- (b) Define economic goods. 2
- (c) Differentiate between journal and ledger. 2
- (d) Name the Books of Account. 3
5. Define want. Describe the characteristics of want  
How would you classify the wants ? 2+5+2=9
6. (a) Describe the different forms of utility. 4  
(b) State the law of demand. Explain it with the  
help of a suitable diagram. 2+3=5
7. (a) Mention four advantages of small scale  
industries. 2  
(b) Discuss the factors on which efficiency of  
labour depends. 4  
(c) Mention some causes of unemployment in  
India. 3

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8. (a) Mention the Rules of Debit and Credit. 3

(b) How accounts are classified ? Give two  
examples of each type of account. 3

(c) Write a note on Balance Sheet. 3

9. (a) What do you mean by Double Entry System  
of Book Keeping ? Also give its advantages. 4

(b) Discuss the errors revealed by the Trial  
balance. Is the agreement in a Trial balance  
not the conclusive proof of accuracy ? 5

10. Journalise the following transactions : 9  
2019

January

1. Started business with Rs. 2,00,000.
5. Purchased goods amounting Rs. 80,000.
8. Purchased furniture for Rs. 50,000.
12. Sold goods to Sachin for Rs. 40,000 on credit.
16. Withdrawn from bank Rs. 60,000.
20. Received from Sachin Rs. 30,000 on account.
23. Interest charged on capital Rs. 2,000.
28. Paid salaries to staff Rs. 20,000 by cheque.
30. Received commission Rs. 5,000.

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(5)

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11. Enter the following transactions in a suitable columns Cash book :

2019

April

1. Cash in hand Rs. 50,000.  
Cash at bank Rs. 4,50,000.
4. Cash sales Rs. 65,000.
7. Deposited into bank of Rs. 80,000.
10. Purchased goods by cheque Rs. 60,000.
15. Withdrawn from bank Rs. 70,000 for office use.
20. Purchased machineries for cash Rs. 40,000.
23. Withdrawn from business Rs. 5,000 for personal use.
26. Received interest Rs. 12,000.
30. Paid house rent by cheque Rs. 10,000.

