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Hu-302/EEA/C/3rd Sem/2017/N

**ENGINEERING ECONOMICS AND
ACCOUNTANCY**

Full Marks – 70

Time – Three hours

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

**GROUP – A
(Economics)**

1. Answer all the questions : 1×5=5

(A) Fill in the blanks choosing suitable words
from the bracket :

(i) Economics is primarily a study of
_____ (man / wealth).

(ii) Man's wants are _____ and means to
satisfy them are _____ (limited /
unlimited).

(iii) Diamond have a very high _____
(value in use / value-in-exchange).

[Turn over

(iv) The demand for necessities are _____
(elastic / in elastic).

(v) If more is demanded at the same price it
is a case of _____ (extension /
increase) in demand.

(B) Multiple choice questions : $1 \times 3 = 3$

(i) Demand for commodity is more due to
price fall is a situation of

- (a) Increase in demand
- (b) Extension in demand
- (c) Contraction in demand

(ii) Inflation belongs to which economics ?

- (a) Microeconomics
- (b) Macroeconomics
- (c) None of the above

(iii) Which one of the following not a factor
of production ?

- (a) Motivation
- (b) Labour
- (c) Capital

(C) State true or false : $1 \times 5 = 5$

- (i) Food, cloth and shelter is necessities for existence.
- (ii) Ancillary industry provide support to cottage industry.
- (iii) Utility is the want satisfying power of goods.
- (iv) Toy making is a cottage industry.
- (v) When demand increases price decreases.

2. Short type question. Answer any *four* : $4 \times 2\frac{1}{2} = 10$

- (i) Economics is the science scarcity and science of choice. Explain.
- (ii) Define wealth. What are the different kind of wealth ?
- (iii) What are the kinds of demand ? Give your answer with example.
- (iv) Differentiate between economic activity and non-economic activity.
- (v) State the law of supply ?
- (vi) Differentiate between value in use and value in exchange.

3. Long type questions (any *three*) : $6 \times 2 = 12$

- (a) Why demand curve slopes downward ? Explain.
- (b) "Efficient labour means better productivity". Justify the statement.
- (c) Discuss the role of small scale industry in economic development of Assam.

GROUP – B

(Accountancy)

4. (a) Choose the correct answer : $1 \times 6 = 6$

- (i) Every debit must have corresponding _____. (credit / balance)
- (ii) Salary Account is a _____ Account. (Real / Nominal)
- (iii) Depreciation means _____ (increase / decrease) in the value of fixed assets.
- (iv) All expenses and losses are _____. (credited / debited)
- (v) Purchases of machine for future use is a _____ expenditure. (revenue / capital)
- (vi) Ledger book is a _____ book. (primary / secondary)

(b) State whether the following statements are true or false : $1 \times 6 = 6$

(i) Trade discount is not taken into the books of account for accounting purposes.

(ii) Cash received from Dinesh Rs. 5000 is credited to Dinesh A/C.

(iii) Capital + Liabilities = Assets.

(iv) Loss increases capital.

(v) Ledger Book is a primary book.

(vi) Cash book is both the journal and ledger.

5. Write short notes on any *three* : $3 \times 3 = 9$

(i) Rules of debit and credit

(ii) Petty Cash Book

(iii) Cash discount and trade discount

(iv) Final Accounts and Balance Sheet.

Or

What is Double entry system of Book-keeping ?

State its advantages and disadvantages. $2+3+4=9$

6. From the following transactions prepare an imprest system Petty Cash Book for April' 2016. 7

01.04.2016	Received from head cash	Rs. 3,500
"	Paid Printing charges	Rs. 1280
"	Paid Cartage	Rs. 120
02.04.2016	Bought postal stamps	Rs. 180
"	Paid taxi fare for manager	Rs. 275
03.04.2016	Tips to peon	Rs. 50
"	Sent speed post letters	Rs. 175
04.04.2016	Purchased 10 Number of paper weights @ Rs.20/- each	
"	Paid coolies charges	Rs. 80
05.04.2016	Paid bus fare for sales boys	Rs. 120
"	Refreshment to customers	Rs. 220
06.04.2016	Purchased 4 number of staplers @ Rs. 80/- each	

7. From the following transactions prepare a suitable Cash Book. 7

2017

- 01.04. Started business with cash 2,50,000.
- 04.04 Opened bank account with SBI depositing Rs, 2,00,000.
- 08.04 Purchased a machine worth Rs. 1,40,000; Rs. 40,000 paid in cash and the balance in cheque.
- 12.04 Received from Amit Rs. 25,000 and received discount Rs. 200.
- 17.04 Drew from bank Rs. 12,000 for office use.
- 22.04 Paid Das & Co. Rs. 8,000 by cheque in full settlement of Rs. 8,100.
- 30.04 Cash drew for personal use Rs. 2000.