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## GIET UNIVERSITY, GUNUPUR – 765022

M. C. A. (First Semester) Examinations, May – 2021

### MCA20105 – Fundamentals of Economics and Accounting

Time: 2 hrs

Maximum: 50 Marks

(The figures in the right hand margin indicate marks.)

#### PART – A

(2 x 10 = 20 Marks)

Q.1. Answer **ALL** questions

- Define Law of Demand.
- What is Elasticity of Demand?
- Write a short note on Internal Rate of Return
- What is Depreciation?
- Discuss briefly about Cost Benefit Analysis.
- What are the Stages in the Accounting Cycle?
- What is meant by Accounting Equation?
- Define Journal.
- What do you mean by Trading Account?
- What are Subsidiary Books?

#### PART – B

(6 x 5 = 30 Marks)

Answer **ANY FIVE** the questions

Marks

- Enumerate the factors affecting Price Elasticity of Demand (6)
- What is Economic Equivalence Principle? Write the significance of cash flow diagram in Economic Analysis? (6)
- Discuss the purpose of Cost-benefit analysis in public projects. (6)
- Describe the Classification of transaction and their effect on Accounting. (6)
- Discuss the Objectives of Accounting. (6)
- Journalise the following transaction (6)
  - Purchased goods for cash Rs,10,000
  - Purchased furniture for cash Rs.3,000
  - Sold goods for cash Rs.8,000
  - Sold goods to James Rs.2,000
  - Paid freight Rs.300
  - Received Rs.800 from Kamal
  - Cash Withdrawn from Bank Rs.50,000
  - Cash withdrawn from bank for Personal use of the Proprietor Rs.6,250

8.. Prepare Trading and Profit and Loss Account from the Information given below

(6)

Particulars	Amount (Rs)	Particulars	Amount (Rs)
Opening Stock	3,600	Rent (Factory)	400
Purchases	18,260	Rent (Office)	500
Wages	3,620	Sales Returns	700
Closing Stock	4,420	Purchase Returns	900
Sales	32,000	General Expenses	900
Carriage on Purchases	500	Discount to Customers	360
Carriage on Sales	400	Interest from Bank	200

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