

FACULTY OF INFORMATICS

**M.C.A. (2 Years Course) I - Semester (CBCS) (Backlog) Examination,
October/ November 2023**

Subject: Managerial Economics and Accountancy

Time: 3 Hours

Max. Marks: 70

**Note: I. Answer one question from each unit. All questions carry equal marks.
II. Missing data, if any, may be suitably assumed.**

Unit – I

1. Elaborate the nature and scope of Managerial Economics.

(OR)

2. Why Managerial Economics is significant and to whom it is important? Discuss.

Unit – II

3. a) Write a note on

i) Cross elasticity of demand

ii) Price elasticity of demand

b) What are the factors influencing Income elasticity of demand? Explain in detail.

(OR)

4. What is law of demand? Explain with the help of diagrams and also its exceptions.

Unit – III

5. Explain the law of returns to scale and also explain economies and diseconomies responsible for its occurrence.

(OR)

6. What is Break-even point? Explain with the help of a chart and also its features and limitations.

Unit – IV

7. Explain the reasons for adequacy and inadequacy of working capital in an organization.

(OR)

8. Consider the case of the company with the following two investment alternatives each costing Rs. 9 lakhs. The details of cash inflows of 5 Years are as follows:

Year	Project 1	Project 2
1	3,00,000	4,00,000
2	6,00,000	6,00,000
3	5,00,000	4,00,000
4	4,00,000	5,00,000
5	6,00,000	6,00,000

The cost of capital is 10% per year. Which one will you choose both under (A) NPV Method (B) Profitability index method.

Unit – V

9. Critically examine the fundamental concepts and convention of accountancy along with examples.

(OR)

10. From the following trial balance of Sharat, Prepare trading and profit and loss account for the year ending 31st December 2017 and balance sheet as on that data. The closing stock on 31st December 2017 was valued at Rs. 2,50,000.

Debit Balances	Amount (Rs.)	Credit Balances	Amount (Rs.)
Stock (1-1-2017)	2,00,000	Sundry creditors	12,000
Purchases	7,50,000	Purchases returns	30,000
Carriage Inwards	75,000	Sales	10,20,000
Wages	3,65,000	Commission Received	53,000
Salaries	1,20,000	Capital	33,00,000
Repairs	12,000		
Rent and taxes	2,80,000		
Cash in Hand	97,000		
Land	21,50,000		
Drawings	1,66,000		
Bank Deposits	2,00,000		
	44,15,000		44,15,000

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