

(c) What are the ways of lowering B. E. P.?

8 + 2 + 2 = 12

9. (a) What are the benefits and objectives of Accounting Standards?

(b) What is the basic difference in the expenses that appear in the Trading account and those appear in the Profit & Loss account? Elaborate by giving two examples of each.

(c) Mention four items each that appear in the Asset and Liability sides of a Balance Sheet.

4 + 4 + 4 = 12

**PRINCIPLES OF MANAGEMENT AND ACCOUNTING
(HMTS 1201)**

Time Allotted : 3 hrs

Full Marks : 70

Figures out of the right margin indicate full marks.

Candidates are required to answer Group A and any 5 (five) from Group B to E, taking at least one from each group.

Candidates are required to give answer in their own words as far as practicable.

**Group - A
(Multiple Choice Type Questions)**

1. Choose the correct alternative for the following:

10 × 1 = 10

- (i) The primary management function is
 (a) controlling (b) staffing
 (c) planning (d) organizing.
- (ii) Recruitment helps in
 (a) selecting the best candidates
 (b) short listing the eligible candidates
 (c) identifying outstanding candidates
 (d) choosing from eligible candidates
- (iii) Planning premises provide
 (a) alternatives to plan (b) assumptions to plan
 (c) the best plan (d) none of the above.
- (iv) Purchase of raw material is
 (a) capital account (b) personal account
 (c) nominal account (d) real account.
- (v) Which of the following is not an accounting concept?
 (a) Going concern (b) Matching concept
 (c) Business entity (d) Surpassing.
- (vi) At zero activity level variable cost is
 (a) equal to fixed cost (b) greater than fixed cost
 (c) equal to zero (d) none of the above.

- (vii) Which of the following expense appears in the debit side of the Trading account?
 (a) Salaries (b) Rent
 (c) Sales (d) Wages.
- (viii) Which of the following appears in the liability side of the balance sheet?
 (a) Furniture (b) Debtors
 (c) Share Capital (d) Cash in Hand.
- (ix) At zero activity level semi-variable cost is
 (a) equal to fixed cost (b) equal to variable cost
 (c) equal to zero (d) none of the above.
- (x) Which of the following appears in the asset side of the balance sheet?
 (a) Creditors (b) Debtors
 (c) Share Capital (d) Unpaid salaries.

Group - B

2. (a) What are the different levels of Management?
 (b) What are the importance of Recruitment?
 (c) What are the steps in the process of Decision Making?
4 + 4 + 4 = 12
3. (a) What are the different types of Standing / Repetitive use Plans?
 (b) Briefly discuss Strategic Planning.
 (c) What are the characteristics of a good Performance Appraisal system?
4 + 4 + 4 = 12

Group - C

4. Selling Price = Rs. 100/unit, Variable Cost = Rs. 60/unit
 Total Fixed Cost = Rs. 8,00,000/-
 Calculate:
 • B. E. P. (quantity)
 • P. V. ratio
 • B. E. P. (sales value)
 • MOS for an activity level of 30,000 units.

12

5. (a) What are the steps involved in Variance Analysis?
 (b) Standard
 • Labour usage - 4 hours/unit of output
 • Labour rate - Rs. 50/hour
 Actual
 • Output - 600 units
 • Labour hours - 2,500 hours
 • Total labour payment - Rs. 1,50,000/-
 Based on the above information, calculate all the Labour Variances.
3 + 9 = 12
- Group - D**
6. (a) What are the different types of accounts?
 (b) What are the Golden Rules of accounts?
 (c) What are the different Concepts of accounts?
3 + 3 + 6 = 12
7. Journalise the following transactions:
 • 01.01.17. started business by bringing in Rs. 2,00,000/- in Cash as Capital.
 • 01.01.17. opened Bank account and put in Rs. 1,20,000/- cash into the account.
 • 02.01.17. purchased furniture worth Rs. 35,000/- and paid by cheque.
 • 02.01.17. paid rent Rs. 10,000/- by cheque.
 • 03.01.17 purchased raw materials worth Rs. 50,000/- from A Co. Ltd. on credit.
 • 08.01.17. purchased stationery worth Rs. 1,000/- in cash.
 • 15.01.17. sold finished goods worth Rs. 55,000/- to B. Co. Ltd. on credit.
 • 31.01.17. paid salaries Rs. 40,000/- by cheque.

12**Group - E**

8. (a) Highlight the various aspects of B. E. P. through a graphical representation.
 (b) Why is it better for a Company to have a lower B. E. P.?