

MCA/2ND SEM/HMTS 1201/2019
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) Communication is not complete till
 (a) the message is sent (b) the message is decoded
 (c) the message is received (d) receiver gives proper feedback.
- (ii) Payment of Wages is
 (a) capital account (b) personal account
 (c) nominal account (d) real account.
- (iii) Which of the following is a Single Use Plan?
 (a) Policy (b) Budget (c) Procedure (d) Rules.
- (iv) Which of the following is a Line function?
 (a) Production (b) Finance (c) Research & Development (d) HR.
- (v) B.E.P can be lowered by
 (a) increasing variable cost / unit (b) increasing fixed cost
 (c) increasing selling price/unit (d) none of the above.
- (vi) In Selection , rejection generally does not occur after:
 (a) aptitude test (b) preliminary interview
 (c) medical test (d) group discussion.
- (vii) Closer an activity level is to the B.E.P., its M.O.S. would be
 (a) lower (b) higher (c) unaffected (d) exponential.
- (viii) 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.

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- (ix) Which of the following expense appears in the debit side of the P&L account?
 (a) Sales (b) Wages (c) Salaries (d) Purchase of raw material.
- (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) 'Management is an Art or Science'-discuss.
 (b) What is the basic difference between Recruitment and Selection?
 (c) What are the benefits of effective Recruitment? **4 + 4 + 4 = 12**
3. (a) What are the different types of Standing Plans ?
 (b) What are the steps in the Selection process? **6 + 6 = 12**

Group - C

4. Selling Price = Rs. 80/unit , Variable Cost = Rs. 60/unit
 Total Fixed Cost = Rs. 6,00,000/-
 Calculate :
 (i) B.E.P.(quantity)
 (ii) P.V. ratio
 (iii) B.E.P.(sales value)
 (iv) MOS for an activity level of 40,000 units. **12**
5. (a) What are the steps involved in Variance Analysis?
 (b) Standard
 ➤ Labour usage -5hours/unit of output
 ➤ Labour rate - Rs. 100/hour
 Actual
 ➤ Output - 500 units
 ➤ Labour hours - 3,000 hours
 ➤ Total labour payment - Rs.2,70,000/-
 Based on the above information, calculate all the Labour Variances. **3 + 9 = 12**

Group - D

6. (a) What are the steps involved in recording a business transaction in accounts?
(b) What are the different types of accounts?
(c) What are the Golden Rules of accounts?

3 + 3 + 6 = 12

7. Journalise the following transactions :

- 01.03.19. started business by bringing in Rs.3,00,000/- in Cash as Capital.
- 01.03.19. opened bank account by putting in Rs.2,50,000/- cash.
- 02.03.19. purchased furniture worth Rs.30,000/- and paid by cheque.
- 02.03.19. paid rent Rs.10,000/- by cheque.
- 03.03.19. purchased raw materials worth Rs.60,000/- from X Co.Ltd. on credit.
- 25.03.19. sold finished goods worth Rs.50,000/- to Y.Co.Ltd. on credit.

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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. ?
(c) What are the differences between Capital and revenue expenditure?

8 + 2 + 2 = 12

- 9.(a) What are the benefits and objectives of Accounting Standards ?
(b) Mention three items each that appear in the Trading account and the Profit & Loss account.
(c) Mention four items each that appear in the Asset and Liability sides of a Balance Sheet.

4+4+4 = 12