

Navrachana University
School of Liberal Science and Education
End-Semester Examination November 2017
FY B.Sc. Semester 1

Business Organization and Principles of Management, Accountancy (MG117)

Date: 21.11.2017

Marks: 40

Time: 10.30 am to 12.30 pm

Instructions:

- ➔ Write each answer on a new page
- ➔ Use of a calculator is permitted

Part I:**1. Match the following:**

5

I.	An Employee should receive commands only from one supervisor	A. Esprit de corps
II.	When decision making power is distributed to the subordinates in required proportion instead of keeping it in one hand	B. Unity of direction
III.	Union is strength	C. Authority
IV.	Right to give orders and power to obtain obedience	D. Scalar Chain
V.	The graded chain of authority from top to bottom through which all communications flow	E. Unity of Command
		F. Decentralization

2. Explain the following terms: (1 Mark Each)

5

- I. Spokesperson
- II. Time and Motion Study
- III. Leader
- IV. Place utility
- V. Profession

3. As stated below considering three levels of management *state and explain* the types of skills required and people appointed at each level.

4

Levels of Management	People Appointed	Skills Required
Top level		
Middle level		
Bottom level		

4. State and explain the *functions of management*. Using these functions of management plan a fresher's party for the new batch.

6

Part II:

1. Multiple choice questions:

5

- 1) Expenses will have _____ Balance
 - a) Credit
 - b) No change
 - c) Both Debit & Credit
 - d) None of the Above
- 2) Term "Credit" means _____ by the business.
 - a) Incomes
 - b) Expenses
 - c) Both a&b
 - d) None of the above
- 3) Which of the following is **NOT** an example of intangible assets?
 - a) Franchise Rights
 - b) Patents
 - c) Goodwill
 - d) Land
- 4) Companies profit divided among shareholder is
 - a) Interest
 - b) Dividend
 - c) Reserve
 - d) Surplus
- 5) Which of the following describes a record of the transactions?
 - a) General Ledger
 - b) Balance sheet
 - c) Income Statement
 - d) Journal Entries

2. Write Journal entries for the following transactions:

8

Date	Transactions
1 st Jan	Paid electricity bill worth Rs. 1,500 in cash
5 th Jan	Received dividend worth Rs. 2,000 through cash
8 th Jan	Purchased Machinery worth Rs 20,000 through cash
10 th Jan	Received Interest income worth Rs 10,000 through cheque
12 th Jan	Sold Furniture worth Rs 1,00,000 in cash
15 th Jan	Sold Machinery worth Rs 2,00,000 and received money through cheque
17 th Jan	Rent paid in cash worth Rs 1,000
20 th Jan	Rent received worth Rs 1,200 in cash

3. State the characteristics of TRANSACTION and explain them in brief. Also Explain NOMINAL ACCOUNT in detail with examples. 5
4. State the type of account (i.e. Real, personal & Nominal) with the type of Balance (i.e. Debit/Credit) according to the given example: 2

Example--- Electricity bill: Nominal account with Debit balance

1. Loss on goods sold
2. Income from insurance company
3. Stationary Expenses
4. Copy Rights

...All the best...