

**BIRLA INSTITUTE OF TECHNOLOGY, MESRA, RANCHI**  
(END SEMESTER EXAMINATION)

CLASS: BHMCT  
BRANCH: HMCT

SEMESTER : IV  
SESSION : SP/2024

SUBJECT: HM210 BASIC ACCOUNTING

TIME: 3 Hours

FULL MARKS: 50

**INSTRUCTIONS:**

1. The question paper contains 5 questions each of 10 marks and total 50 marks.
2. Attempt all questions.
3. The missing data, if any, may be assumed suitably.
4. Before attempting the question paper, be sure that you have got the correct question paper.
5. Tables/Data hand book/Graph paper etc. to be supplied to the candidates in the examination hall.

- |  | [5] | CO  | BL           |
|--|-----|-----|--------------|
| Q.1(a) The terms “identifying”, “measuring”, “recording” and “communication” are used in defining accounting. Discuss the four terms.  | [5] | 1   | 2            |
| Q.1(b) M/s Sita and Gita is dealing with food business. For the following transactions, pass journal entries for the month of April 2024.  | [5] | 1   | 3            |
| April.   |     |     |              |
| 01 Commenced business with cash  |     |     | Rs. 2,50,000 |
| 02 Opened bank account with SBI  |     |     | 10,000       |
| 04 Purchased vegetables from M/s Fresh Point on credit   |     |     | 20,000       |
| 13 Cash deposited into bank  |     |     | 1,20,000     |
| 14 Paid base kitchen rent in cash  |     |     | 30,000       |
| 15 Paid electricity bill in cash   |     |     | 15,000       |
| Q.2(a) Discuss the features and importance of ledger?  | [5] | 2   | 2            |
| Q.2(b) The following transactions are from Kavita and Co for the month of April 2024. Make journal entries and post them into Cash ledger.   | [5] | 1,2 | 3            |
| 1 Cash sales Rs. 20000   |     |     |              |
| 2 Drew cash for personal use Rs. 10000   |     |     |              |
| 3 Paid wages in cash Rs. 5000  |     |     |              |
| Q.3(a) Compare straight line method and written down value method of depreciation.   | [5] | 3   | 4            |
| Q.3(b) Calculate the amount of annual depreciation and rate of depreciation by straight line method from the following information: cost of asset = Rs 1,50,000; life of equipment = 12 years; Net residual value = Rs 6,000   | [5] | 3   | 3            |
| Q.4(a) Discuss the objectives of preparing trail balance.  | [5] | 4   | 2            |
| Q.4(b) Compare the Errors of Principle and Compensating Errors with example.   | [5] | 4   | 4            |
| Q.5(a) Prepare a trading account of M/s Tiwari & Sons from the following particulars pertaining to the year 2023-24.<br>Opening stock = Rs. 40, 000; Purchases = Rs. 1,20,000; Return Inwards = Rs. 8, 000; Sales = Rs. 3,10,000; Return outward = Rs. 9,000; Factory rent = Rs. 35,000; Wages Rs. 32,000  | [5] | 5   | 3            |
| Q.5(b) From the following information, prepare a profit and loss account for the year ending March 31, 2024<br>Gross profit = Rs. 70,000; Rent (office) = Rs 10,000; Salary = 12,000; Commission paid = Rs. 5,000; Interest paid on loan = Rs 6,000; Advertisement = Rs. 3,000; Discount received = Rs. 4500; Printing and stationery = 1,500; Legal charges = Rs. 3500; Bad debts = Rs. 2,500; Depreciation = Rs 4100; Interest received = Rs. 14,000; Loss by fire = Rs 6100 | [5] | 5   | 3            |