

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

**CLASS: BHMCT
BRANCH: HMCT**

**SEMESTER: IV
SESSION: SP/2025**

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.

		CO	BL																								
Q.1(a) Define accounting and explain its limitations.	[5]	1	2																								
Q.1(b) Pass the necessary journal entries in the books of Mr. Mohit. Rs.	[5]	1	4																								
01 Started business with cash	8,00,000																										
04 Purchased goods from S.Kumar	30,000																										
06 Sold goods to Ganga Prasad	20,000																										
13 Paid Salaries in cash	10,000																										
16 Paid rents by cheque	6,000																										
Q.2(a) Explain the golden rules of accounting with examples.	[5]	1	2																								
Q.2(b) Make the difference between capital expenditure and revenue expenditure.	[5]	2	3																								
Q.3(a) State whether the following expenses are capital expenditure or revenue expenditure.	[5]	2	2,3																								
Depreciation charged on plant. Advertising advertisement, the benefits of which will last for ten years. Registration fees paid at the time of purchase of a building. Cost of land and building purchased. Expenditure incurred on whitewash at the time of purchase of an old building.																											
ssQ.3(b) Prepare Ram's Account with the following details:	[5]	2	4																								
2024																											
Nov 1 Credit balance of Ram's account	2,000																										
Nov 15 Amount paid to Ram	1,000																										
Nov 20 Goods purchased from Ram	4,000																										
Dec 01 Paid to Ram	1,900																										
Dec 04 Goods purchased from Ram	3400																										
Q.4(a) Differentiate between straight line method and written down value method of providing depreciation.	[5]	3	3																								
Q.4(b) Explain errors of commission and give two examples of such errors.	[5]	4	2																								
Q.5(a) From the following trial balances prepare a trading and profit & loss account for the year ending 31st Dec 2024.	[5]	5	4																								
<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 50%;">Particulars</th> <th style="width: 25%;">Debit</th> <th style="width: 25%;">Credit</th> </tr> </thead> <tbody> <tr> <td>Purchases and Sales</td> <td style="text-align: center;">10,000</td> <td style="text-align: center;">20,000</td> </tr> <tr> <td>Purchase Returns</td> <td style="text-align: center;">2000</td> <td style="text-align: center;">1,000</td> </tr> <tr> <td>Wages</td> <td style="text-align: center;">6,500</td> <td></td> </tr> <tr> <td>Discount</td> <td style="text-align: center;">1000</td> <td style="text-align: center;">2,000</td> </tr> <tr> <td>Carriage inwards</td> <td style="text-align: center;">6,050</td> <td></td> </tr> <tr> <td>Trade expenses</td> <td style="text-align: center;">2,500</td> <td></td> </tr> <tr> <td>Creditors</td> <td></td> <td style="text-align: center;">5,000</td> </tr> </tbody> </table>	Particulars	Debit	Credit	Purchases and Sales	10,000	20,000	Purchase Returns	2000	1,000	Wages	6,500		Discount	1000	2,000	Carriage inwards	6,050		Trade expenses	2,500		Creditors		5,000			
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Closing stock as of 31st Dec. 2024 is Rs.3,000																											
Q.5(b) How are various assets and liabilities classified?	[5]	5	2																								