

**DIPLOMA IN ENTREPRENEURSHIP AND
SKILL DEVELOPMENT**

Term-End Examination

December, 2010

BVE-001 : BUSINESS ADMINISTRATION

Time : 3 hours

Maximum Marks : 100

Note : There are two Sections in this paper. Section-I is of 40 marks and is compulsory. Section-II comprises of 4 questions of 20 marks each. You may attempt any three questions from Section-II. There is no negative marking.

SECTION - I (40 Marks)

Multiple choice questions :

1. Write correct answers :

- (a) Management has been described as ; 2
- (i) a science
 - (ii) an art
 - (iii) science as well as an art.
 - (iv) None of the above.
- (b) Who invented the concept of scientific 2
management ?
- (i) Peter Drucker
 - (ii) F. W. Taylor
 - (iii) McKinsey
 - (iv) Henery Fayol

- (c) Departmentation based function under organisational structure is based on ; 2
- (i) Sales based activities
 - (ii) South zone area
 - (iii) Project 'D'
 - (iv) None of the above
- (d) Cash in hand in a business is described as ; 2
- (i) Liability (ii) Asset
 - (iii) Expenditure (iv) Capital
- (e) Job description of a person or post gives information about ; 2
- (i) Nature and characteristics of job.
 - (ii) Nature of the organisation/ company
 - (iii) Nature of management
 - (iv) None of the above.
- (f) Odd one out : 2
- (i) Planning process
 - (ii) Land acquisition
 - (iii) Staffing process
 - (iv) Controlling techniques
- (g) PEST analysis is an explanation given for ; 2
- (i) Political, Economical, Social, Technology
 - (ii) Political, Environmental, Social, Technology
 - (iii) Political, Environmental, Social Technique.
 - (iv) None of the above.

- (h) Which process can provide you per unit cost of product ? 2
- (i) Cost sheet
 - (ii) Balance sheet
 - (iii) Trading and Profit and Loss Account
 - (iv) Trial Balance
- (i) How would you classify of the rent paid to Mr. Bharat amounting to Rs. 10,000 ? 2
- (i) As an asset
 - (ii) As liability
 - (iii) As income received
 - (iv) As expenditure made
- (j) which of the following odd Thing you would keep out ? 2
- (i) A product
 - (ii) A place
 - (iii) Price
 - (iv) Procedure
2. Explain the 7 M's concept in Management. 5
3. Define market. Also explain the term "Market Segmentation". 5
4. What is meant by cost centre and cost unit explain fully ? 5
5. Draw format of a Journal and pass the following entries in the books of M/S Bharat, 5
- (a) For purchase of stationery an amount of Rs.7150/- was paid.
 - (b) Payment of Rs. 2500/- is made towards Interest.

SECTION - II (60 Marks)

6. (a) "Managers are not born but made". Discuss in detail. 10
- (b) Management is what manager does, explain this stating the functions of management. 10
7. Prepare a format/proforma of the following books of accounting :
- (a) Cash Book 10
- (b) Cost Sheet 10
8. Mr. Bharat has a plan to open a restaurant in a market place of your city. Please suggest all different resources he would need to start the business. Also evaluate different factors of production under 7 Ms. 20
9. Prepare a format of Journal Book of M/S Bharat and record the following transactions with narration : 10x2=20
- | | | |
|-----------------|----------------------------|--------------|
| (a) May 1, 2008 | Rent paid | Rs. 10,000 |
| (b) May 5 | Credit Sales | Rs. 40,000 |
| (c) May 10 | Dividend paid | Rs. 5,000 |
| (d) May 14 | Carriage inward | Rs. 12,000 |
| (e) May 17 | Depreciation on Machinery | Rs. 10,000 |
| (f) May 20 | Cash received from Mr Jhon | Rs. 7,000 |
| (g) May 25 | Furniture purchased | Rs. 50,000 |
| (h) May 27 | Salary paid to Mr. Raman | Rs. 25,000 |
| (i) May 30 | Deposited cash in SBI | Rs. 1,15,000 |
| (j) May 30 | Purchase of fuel | Rs. 10,000 |