

TIME: 2.5 Hours

MARKS: 75

**Note: 1.Q1 is compulsory.****2. Q2 to Q5 is compulsory with internal choice.****3. Figures to the right indicate marks.****Q1. (A) Select the correct answer from the multiple choice questions (Any8) (8)**

1. Human resources are considered as important \_\_\_\_\_ .
  - a. Liabilities
  - b. Assets
  - c. Income
  - d. Expense
2. FIRA shows human resource as \_\_\_\_\_ and not expense.
  - a. Capital
  - b. Liabilities
  - c. Income
  - d. Bad debts
3. In 1960's, \_\_\_\_\_ along with other social researchers made an attempt to define the concept of human resource accounting.
  - a. Rensis Likert
  - b. Malcolm Baldrige
  - c. Ishikawa Kauru
  - d. Stephen Knauf
4. \_\_\_\_\_ is calculated as  $\text{Basic} + \text{DA} \times \text{No. of years of service} \times 15/26$ .
  - a. Pension
  - b. Salary
  - c. TDS
  - d. Gratuity
5. \_\_\_\_\_ method involves drawing inferences from various senses that are seen and heard off in day to day life.
  - a. Questionnaire
  - b. Observation
  - c. Workshop
  - d. Interview
6. All actual cost incurred on recruitment, training, familiarisation are capitalised in \_\_\_\_\_ cost method.
  - a. Historical
  - b. Economic
  - c. Replacement
  - d. Opportunity
7. HR valuation report helps the management to control all \_\_\_\_\_ related to HR department
  - a. Income
  - b. Loss
  - c. Profit
  - d. Cost
8. The object of modern audit is to report on \_\_\_\_\_ position.
  - a. Market
  - b. Social
  - c. Financial
  - d. Present
9. \_\_\_\_\_ audits are conducted at regular intervals.
  - a. Ad hoc
  - b. Periodic
  - c. Internal
  - d. External
10. \_\_\_\_\_ is a man-made art and its principles and procedures have been evolved over a period of time.
  - a. Accounting
  - b. Human
  - c. Animals
  - d. Money

**Q1. (B) State whether following statements are True or False (Any 7) (7)**

1. Replacement method is a non-monetary method of human valuation.
2. Economic value method takes into account the valuation made by the human resources to the organisation.
3. Human resource audit can be used as an intervention to bring about organisational change.
4. Workshop method of conducting HR audit is very rigid.
5. HR audit helps in increasing the human resource cost.
6. Result of HR audit can be expressed in measurable terms.
7. Historical cost accounting concepts are unrealistic profit.
8. Professional tax or employment tax is a state base tax.
9. The valuation of human assets is based on the assumption that employees are going to remain with the organisation for a specified period.
10. The valuations of human resources along with other assets are necessary in order to find out the total cost of an organisation.

**Q2 A) Discuss the objective of HR accounting. (8)**

**B) Discuss the various stages in Historical development of HRA (7)**

**OR**

**Q2 P) Explain the components of acquisition cost and training and development cost (8)**

**Q) List and explain any 5 shortcomings / limitations of Human Resource accounting (7)**

**Q3 A) Define and explain the advantages of historical cost. (8)**

**B) Explain capitalisation of salary with its advantages and disadvantages. (7)**

**OR**

**Q3 P) Explain the replacement cost model with its advantages (8)**

**Q) Opportunity cost has both advantages and disadvantages justify (7)**

**Q4 A) What is human resource audit? Explain its features. (8)**

**B) List and explain the benefits of HR audit. (7)**

**OR**

**Q4 P) Explain the interview method of conducting HR audit along with its advantages. (8)**

**Q) Explain any three issues that may arise in case of HR audits (7)**

**Q5 Explain the monetary and non-monetary method valuation of HR in brief. (15)**

**OR**

**Q5. Write short note on (any three) (15)**

1. New Hire orientation process
2. Role of HR auditor
3. Human resource accounting
4. Questionnaire method
5. Approaches of HR audit

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