

Roll No.-----

Paper Code		
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प्रश्नपुस्तिका क्रमांक
Question Booklet No.

O.M.R. Serial No.

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प्रश्नपुस्तिका सीरीज
Question Booklet Series
B

BCA (Second Semester) Examination, July-2022

BCA-2004

Financial Accounting & Management

Time : 1:30 Hours

Maximum Marks-100

जब तक कहा न जाय, इस प्रश्नपुस्तिका को न खोलें

- K-369**
- निर्देश : —
- परीक्षार्थी अपने अनुक्रमांक, विषय एवं प्रश्नपुस्तिका की सीरीज का विवरण यथास्थान सही- सही भरे, अन्यथा मूल्यांकन में किसी भी प्रकार की विसंगति की दशा में उसकी जिम्मेदारी स्वयं परीक्षार्थी की होगी।
 - इस प्रश्नपुस्तिका में 100 प्रश्न हैं, जिनमें से केवल 75 प्रश्नों के उत्तर परीक्षार्थियों द्वारा दिये जाने हैं। प्रत्येक प्रश्न के चार वैकल्पिक उत्तर प्रश्न के नीचे दिये गये हैं। इन चारों में से केवल एक ही उत्तर सही है। जिस उत्तर को आप सही या सबसे उचित समझते हैं, अपने उत्तर पत्रक (O.M.R. ANSWER SHEET) में उसके अक्षर वाले वृत्त को काले या नीले बाल प्वाइंट पेन से पूरा भर दें। यदि किसी परीक्षार्थी द्वारा किसी प्रश्न का एक से अधिक उत्तर दिया जाता है, तो उसे गलत उत्तर माना जायेगा।
 - प्रत्येक प्रश्न के अंक समान हैं। आप के जितने उत्तर सही होंगे, उन्हीं के अनुसार अंक प्रदान किये जायेंगे।
 - सभी उत्तर केवल ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर ही दिये जाने हैं। उत्तर पत्रक में निर्धारित स्थान के अलावा अन्यत्र कहीं पर दिया गया उत्तर मान्य नहीं होगा।
 - ओ०एम०आर० उत्तर पत्रक (O.M.R. ANSWER SHEET) पर कुछ भी लिखने से पूर्व उसमें दिये गये सभी अनुदेशों को सावधानीपूर्वक पढ़ लिया जाय।
 - परीक्षा समाप्ति के उपरान्त परीक्षार्थी कक्ष निरीक्षक को अपनी ओ०एम०आर० शीट उपलब्ध कराने के बाद ही परीक्षा कक्ष से प्रस्थान करें।
 - निगेटिव मार्किंग नहीं है।
- महत्वपूर्ण : — प्रश्नपुस्तिका खोलने पर प्रथमतः जाँच कर देख लें कि प्रश्नपुस्तिका के सभी पृष्ठ भलीभाँति छपे हुए हैं। यदि प्रश्नपुस्तिका में कोई कमी हो, तो कक्ष निरीक्षक को दिखाकर उसी सीरीज की दूसरी प्रश्नपुस्तिका प्राप्त कर लें।

1. Which of the following is not an approach to the capital structure?
 - (A) Gross profit approach
 - (B) Net operating income approach
 - (C) Net income approach
 - (D) Modigliani-Miller approach
2. What factor are considered while planning the capital structure of corporate?
 - (A) Trading on equity
 - (B) Capital market conditions
 - (C) Cost of financing
 - (D) All of the above
3. Capital structure refers to _____ in the total capital.
 - (A) Long-term debts and equity
 - (B) Short-term debts and equity
 - (C) Short-term debts and owner's equity
 - (D) None of the above
4. Capital structure _____ financial structure.
 - (A) Is a part of
 - (B) Is not a part of
 - (C) Is the same as
 - (D) Is different from
5. _____ stands for the ratio between the various binds of securities to the total capitalization.
 - (A) Capital gearing
 - (B) Capital market
 - (C) Cost of capital
 - (D) None of the above

6. In the concept of capital gearing. A firm is said to be highly geared when:
- (A) Ownership capital > Creditorship capital
 - (B) Ownership capital < Creditorship capital
 - (C) Ownership capital = Creditorship capital
 - (D) None of the above
7. Which among the following component is calculated as the sum of the fixed costs that happen each time an item is ordered?
- (A) Carrying cost
 - (B) Order cost
 - (C) Holding cost
 - (D) Storing cost
8. Annual requirement of an item of inventory are 3,200 units. Inventory ordering. Costs are ₹100 per order. The inventory. Carrying costs are ₹4 per unit. Calculate EOQ of the firm-
- (A) 500 units
 - (B) 400 units
 - (C) 200 units
 - (D) 100 units
9. Which technique applied for inventory management?
- (A) Economic order quantity
 - (B) Just-in-time
 - (C) Inventory ratio
 - (D) All of the above
10. _____ are the result of extension of credit facility of the customers.
- (A) Payables
 - (B) Receivables
 - (C) Equity share
 - (D) None of the above

11. The objective of credit sales by firm is:
 - (A) Attaining growth in sales
 - (B) Enhancing profit
 - (C) Facing competition
 - (D) All of the above
12. The size of Accounts receivables depends on:
 - (A) Sales level
 - (B) Credit policies
 - (C) Credit period
 - (D) All of the above
13. The cost involved in maintaining accounts receivable is:
 - (A) Cost of capital
 - (B) Cost of collection
 - (C) Both (A) & (B)
 - (D) None of the above
14. The goal of receivables management is to maximize the value of the firm by achieving trade-off between:
 - (A) Risk and Profitability
 - (B) Liquidity and Profitability
 - (C) Return and Profitability
 - (D) Return and Liquidity
15. Which of the following statement most accurately describes the modern approach to cash management?
 - (A) Cash management involves the efficient collection and disbursement of cash
 - (B) Cash management involves the efficient disbursement of cash
 - (C) Both (A) & (B)
 - (D) Cash management involves the efficient processing, collection, and depositing of cash

16. Which one of the following events will reduce the cash balance of a business?
- (A) Purchase of stock on credit
 - (B) Purchase of fixed assets on interest free credit
 - (C) Creditors paid accounts owed
 - (D) None of the above
17. Working capital management is concerned with:
- (A) Raising of funds for day to day operations
 - (B) Planning the total investment in current assets
 - (C) Planning the level and composition of current liabilities
 - (D) All of the above
18. Net working capital will be called positive working capital when:
- (A) Current Assets > Current liabilities
 - (B) Current Assets < Current liabilities
 - (C) Current Assets = Current liabilities
 - (D) None of the above
19. Which of the following factors affects the working capital requirement of a business unit?
- (A) Nature of business
 - (B) Credit policy
 - (C) Production policy
 - (D) All the above
20. Which one of the following emphasizes the qualitative aspects of working capital management?
- (A) Gross working capital
 - (B) Quick working capital
 - (C) Net working capital
 - (D) None of the above

21. The amount of current assets that varies with seasonal requirements is referred to as _____ working capital.
- (A) Permanent
 - (B) Net
 - (C) Temporary
 - (D) Gross
22. Working capital is expressed by:
- (A) Current Assets – Current liabilities
 - (B) Current Assets + Current liabilities
 - (C) Current Assets = Current liabilities
 - (D) None of the above
23. Generally ideal ratio for debt to equity ratio is:
- (A) 2:1
 - (B) 1:1
 - (C) 1:2
 - (D) 1:75
24. Two basic measures of liquidity are:
- (A) Current ratio and Quick ratio
 - (B) Gross profit ratio and Operating ratio
 - (C) Current ratio and Average collection period
 - (D) Inventory turnover and current ratio
25. Inventory ratio is a relationship between:
- (A) Cost of goods sold and cost of average inventory
 - (B) Current Assets and Current liabilities
 - (C) Cost of goods purchased and Cost of average inventory
 - (D) None of the above

26. Cash balance ₹15,000; Trade receivables. ₹70,000; Inventory ₹95,000; Trade payables ₹24,000 and Bank overdraft is ₹6,000 current ratio will be:
- (A) 1:3
 - (B) 1:3.75
 - (C) 3.75:1
 - (D) 3:1
27. In weighted average cost of capital an organization can affect its cost of capital through:
- (A) The policy of investment
 - (B) The policy of capital structure
 - (C) The policy of dividend
 - (D) All of the above
28. Cost of capital highest in case of :
- (A) Equity
 - (B) Debentures
 - (C) Fixed deposits
 - (D) Retained earning
29. Which of the following has an implicit cost of capital?
- (A) Equity share capital
 - (B) Preference share capital
 - (C) Debentures
 - (D) Retained earnings
30. Which of the following is the correct formula to calculate the cost of debt issued at premium or discount:
- (A) $K_d = \frac{C}{P} (1-T)$
 - (B) $K_d = (1-T) R$
 - (C) $K_d = \frac{DP}{P}$
 - (D) None of the above

31. The process of transferring of items from a journal to their respective ledger account is called as:
- (A) Arithmetic correction
 - (B) Journalizing
 - (C) Balancing
 - (D) Posting
32. A ledger is called the book of:
- (A) Original entry
 - (B) Final entry
 - (C) Secondary entry
 - (D) Both (B) & (C)
33. In ledger, excess of debit side over credit side is called:
- (A) Debit balance
 - (B) Credit balance
 - (C) Assets account
 - (D) Liability account
34. The payment to a creditor will:
- (A) Decrease an asset and decrease a liability
 - (B) Increase an asset and increase in liability
 - (C) Increase one asset and decrease another
 - (D) None of these
35. Ledger is a book in which?
- (A) Real and Nominal Account are included
 - (B) Only real Accounts are included
 - (C) Real, personal and Nominal Accounts are included
 - (D) No Accounts are included

36. What type of following Accounts will have the debit balance only?
- (A) Real Account
 - (B) Personal Account
 - (C) Nominal Account
 - (D) All of the above
37. Discount received account will always have:
- (A) Credit balance
 - (B) Debit balance
 - (C) Both (A) & (B)
 - (D) None of the above
38. A newly established company cannot be successful in obtaining of finance by:
- (A) Issue of equity capital
 - (B) Issue of preference share
 - (C) Issue of debentures
 - (D) None of the above
39. Which is the type of leverage?
- (A) Operating leverage
 - (B) financial leverage
 - (C) Cost leverage
 - (D) Both (A) & (B)
40. Which regulatory body regulate securities and commodity market in India?
- (A) SEBI
 - (B) IRDA
 - (C) Reserve Bank of India
 - (D) None of the above

41. A trial balance is merely a _____ of debit & credit balances of ledger at a particular date.
- (A) Book
 - (B) Statement
 - (C) Chapter
 - (D) None of the above
42. What shall be the amount of capital if cash is ₹10,000, fixed Assets ₹1,20,000, stock ₹60,000 and creditors ₹60,000?
- (A) ₹1,30,000
 - (B) ₹1,90,000
 - (C) ₹2,40,000
 - (D) ₹2,50,000
43. Which error will be discovered by the preparation of trial balance?
- (A) Capital expenditure treated as revenue expenditure
 - (B) Complete omission of a transaction
 - (C) An incorrect amount entered twice as a debit
 - (D) None of the above
44. Which of the following is debited to the trading Account?
- (A) Sales
 - (B) Closing stock
 - (C) Salaries & wages
 - (D) Wages & salaries
45. Drawings are deducted from:
- (A) Sales
 - (B) Purchase
 - (C) Return out ward
 - (D) Capital

46. At the beginning of an accounting year a club has assets worth 25,000 liabilities 5,000 and 1800 as the debit balance of the income & expenditure account. The opening capital is:
- (A) 21,800
 - (B) 15,800
 - (C) 11,200
 - (D) 31,800
47. Preliminary expenses are shown in the balance sheet under which head?
- (A) Fixed Assets
 - (B) Reserve & Surplus
 - (C) Loan and Advances
 - (D) None of the above
48. Provision for doubtful debts given on the credit side of the trial balance is known as an:
- (A) Old provision
 - (B) New provision
 - (C) No provision
 - (D) Doubtful provision
49. Depreciation is provided on:
- (A) Current Assets
 - (B) Intangible Assets
 - (C) Fixed Assets
 - (D) All of the above
50. The closing stock is appeared in:
- (A) Balance sheet + Trading Account
 - (B) Journal
 - (C) Ledger
 - (D) None of the above

51. Motive of holding cash:
- (A) Transaction
 - (B) Precautionary
 - (C) Compensation
 - (D) All of above
52. Payment of dividend should be done within _____ days of its declaration.
- (A) 30 days
 - (B) 45 days
 - (C) 42 days
 - (D) 90 days
53. Financial leverage is called synonym to:
- (A) Trading on equity
 - (B) Trading on capital
 - (C) Trading on credit
 - (D) Trading on fixed cost
54. The capital contributed by the shareholders is known as:
- (A) Borrowed capital
 - (B) Owned capital
 - (C) Both of them
 - (D) None of them
55. Funds needed for acquiring fixed assets are known as:
- (A) Short term finance
 - (B) Long term finance
 - (C) Medium term finance
 - (D) None of the above

56. Distribution of dividend, be done out of:
- (A) Capital
 - (B) Interest
 - (C) Profits
 - (D) Debentures
57. Preference shares which guarantee a fixed rate of dividend is known as:
- (A) Cumulative preference shares
 - (B) Non-cumulative preference shares
 - (C) Participating preference shares
 - (D) None of the above
58. The capital contributed by equity shareholders in business is called:
- (A) Venture capital
 - (B) Ventura capital
 - (C) Both (A) and (B)
 - (D) None of the above
59. Ploughing back of profit is also known as:
- (A) Self financing
 - (B) Reserve financing
 - (C) Equity financing
 - (D) None of the above
60. Debenture is a:
- (A) White paper
 - (B) Promissory note
 - (C) Voting paper
 - (D) All of the above

61. Debenture holders are known as the _____ of the company.
- (A) Debtors
 - (B) Owners
 - (C) Creditors
 - (D) partners
62. “Optimum cash level is that level of cash where the carrying cost and transaction costs are the minimum”? This statement is given by:
- (A) J.L. Massie
 - (B) J.F. Bradley
 - (C) William J. Baumol
 - (D) None of the above
63. Book-Keeping means:
- (A) Keeping of books
 - (B) Keeping of the books in library
 - (C) Keeping the account in Almirah
 - (D) Recording of business transactions in a set of books
64. Kinds of Accounting are:
- (A) Financial Accounting
 - (B) Cost Accounting
 - (C) Management Accounting
 - (D) All of the above
65. Amount withdrawn by a businessman for personal use is:
- (A) Cash
 - (B) Expenses
 - (C) Drawings
 - (D) Loss

66. Intangible asset is:
- (A) Goodwill
 - (B) Patent
 - (C) Building
 - (D) (A) and (B) only
67. ABC Ltd. Follows the written down value method of depreciating building year after year due to:
- (A) Convenience
 - (B) Consistency
 - (C) Comparability
 - (D) All of the above
68. According to going concern concept, a business is viewed as having:
- (A) A limited life
 - (B) A definite life
 - (C) An indefinite life
 - (D) None of the above
69. According to which of the following accounting concepts even the owner of a Business is treated as Creditor to the extent of his Capital:
- (A) Dual aspect concept
 - (B) Money measurement concept
 - (C) Cost concept
 - (D) Business entity concept
70. Which concept is used by all accounting frame works for generating accurate and reliable financial statements?
- (A) Cost concept
 - (B) Matching concept
 - (C) Dual aspect concept
 - (D) None of the above

71. Accounting standards:
- (A) Improve the reliability of financial statements
 - (B) Ensure uniformity in the preparation of financial statements
 - (C) Harmonies accounting policies
 - (D) All of the above
72. When accounting standard board has been constitute?
- (A) 21 Feb 1977
 - (B) 21 Jan 1977
 - (C) 19 April 1977
 - (D) 21 April 1977
73. Which Accounting standard deals with the accounting for government grants?
- (A) AS-12
 - (B) AS-13
 - (C) AS-14
 - (D) AS-15
74. An employee of the organization suffers an accident at work and the organization decide to pay him Rs.1,00,000 as compensation. Should the organization pass an entry even though it has not paid it ?
- (A) Yes, because of accrual concept
 - (B) No, because it is not paid
 - (C) No, because the employee has not accepted
 - (D) None of the above
75. Income taxes comes under:
- (A) Ind AS 11
 - (B) Ind AS 12
 - (C) Ind AS 13
 - (D) Ind AS 14

76. Which type of asset class include those assets which have only definite use and become value less when the yield is over?
- (A) Fixed assets
 - (B) Current assets
 - (C) Fictitious assets
 - (D) Wasting assets
77. What is accounting equation?
- (A) $\text{Assets} = \text{Capital} + \text{Liability}$
 - (B) $\text{Assets} = \text{Liabilities} - \text{Capital}$
 - (C) $\text{Capital} = \text{Assets} + \text{Liability}$
 - (D) None of the above
78. According to the cost concept the assets are always valued at:
- (A) Market price
 - (B) Current price
 - (C) Purchase price
 - (D) None of the above
79. A person who owes money to a business against sale of goods is called:
- (A) Creditor
 - (B) Debtor
 - (C) (A) & (B) both
 - (D) None of the above
80. A liability arises because of:
- (A) Cash transaction
 - (B) Credit transaction
 - (C) Both (A) and (B)
 - (D) None of the above

81. The expenditure incurred on acquiring fixed assets is called:
- (A) Revenue expenditure
 - (B) Capital expenditure
 - (C) Both (A) & (B)
 - (D) None of the above
82. Which is not a capital expenditure?
- (A) Building
 - (B) Laptop
 - (C) Salaries
 - (D) Wages paid for installation of machinery
83. Mr. xyz Ltd. sale goods to abc and Received Rs. 50,000 which kind of receipt is this:
- (A) Revenue receipt
 - (B) Capital receipt
 - (C) Deferred revenue receipt
 - (D) Not a receipt
84. Interest on loan paid by business is an example of:
- (A) Deferred expenses
 - (B) Revenue expenses
 - (C) Capital expenses
 - (D) None of the above
85. Amount invested by the owner in the business should be credit to:
- (A) Drawing
 - (B) Cash
 - (C) Capital
 - (D) None of the above

86. Transactions are first recorded in which book/Account?
- (A) Book of original entry
 - (B) Book of secondary entry
 - (C) Book of final entry
 - (D) Accounting equation
87. Goods returned by the customer will be debited to which Account?
- (A) Sales A/c
 - (B) Purchase A/c
 - (C) Return outward
 - (D) Return inward
88. Sold goods to xyz for ₹24,000 allowed him 10% Trade discount and 10% cash discount. Half the payment was received at the time of sale. What is the amount of cash received at the time of sale?
- (A) 9,720
 - (B) 10,80
 - (C) 11,880
 - (D) 10,820
89. Suneet become insolvent and a final composition of 60 paisa in a rupee was received out of the debt of ₹10,000. Bad debts account will be debited by:
- (A) 4,000
 - (B) 6,000
 - (C) 10,000
 - (D) 8,000
90. Goods worth ₹50000 given as charity (sales price 1,00,000). What amount would be debited to charity Account?
- (A) 50,000
 - (B) 1,00,000
 - (C) 1,000
 - (D) None of the above

91. Paid Income Tax ₹50,000 by cheque which Account will be debited?
- (A) Income Tax A/c
 - (B) Drawings A/c
 - (C) Bank A/c
 - (D) Government A/c
92. Salaries due to Clerk ₹10,000 which Account to be debited?
- (A) Clerk A/c
 - (B) Salary A/c
 - (C) Debtors A/c
 - (D) Cash A/c
93. Interest due but not received ₹5,000. Name the Account to be debited:
- (A) Accrued Interest A/c
 - (B) Interest A/c
 - (C) Cash A/c
 - (D) Debtors A/c
94. While passing an opening entry all the assets are_____ while all the liabilities are_____.
- (A) Debited, Credited
 - (B) Credited, Credited
 - (C) Credited, Debited
 - (D) None of the above
95. Received cash for a bad debts written off last year Rs. 7,000. What would be the journal entry?
- (A) Cash A/c Dr. 7,000 To Bad debts recovered A/c 7,000
 - (B) Cash A/c Dr. 7,000 To Purchase A/c 7,000
 - (C) Bad debts recovered A/c 7,000 To cash A/c 7,000
 - (D) None of the above

96. What account will be debited if cheque received from a debtor and not deposited in to bank the same day?
- (A) Cash A/c
 - (B) Debtors A/c
 - (C) Bank A/c
 - (D) None of the above
97. In journal the ledger folio column is used to:
- (A) Record the number of ledger account to which information is posted
 - (B) Record the number of amounts posted to the ledger account
 - (C) Record the page number of the ledger account
 - (D) None of the above
98. When one account is debited and more than one account is credited such type of entries are called?
- (A) Compound entry
 - (B) Single compound entry
 - (C) Single entry
 - (D) None of the above
99. Establishment expenses of new machine will be debited in:
- (A) Expenses Account
 - (B) Machine Account
 - (C) Profit and Loss Account
 - (D) None of the above
100. Double entry system was introduced in:
- (A) America
 - (B) Japan
 - (C) India
 - (D) Italy

Rough Work / रफ कार्य

DO NOT OPEN THE QUESTION BOOKLET UNTIL ASKED TO DO SO

1. Examinee should enter his / her roll number, subject and Question Booklet Series correctly in the O.M.R. sheet, the examinee will be responsible for the error he / she has made.
 2. **This Question Booklet contains 100 questions, out of which only 75 Question are to be Answered by the examinee. Every question has 4 options and only one of them is correct. The answer which seems correct to you, darken that option number in your Answer Booklet (O.M.R ANSWER SHEET) completely with black or blue ball point pen. If any examinee will mark more than one answer of a particular question, then the answer will be marked as wrong.**
 3. Every question has same marks. Every question you attempt correctly, marks will be given according to that.
 4. Every answer should be marked only on Answer Booklet (O.M.R ANSWER SHEET). Answer marked anywhere else other than the determined place will not be considered valid.
 5. Please read all the instructions carefully before attempting anything on Answer Booklet **(O.M.R ANSWER SHEET)**.
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