

OMR Answer Sheet No.

--	--	--	--	--	--	--	--	--	--

24/2340

Question Booklet Number

2828183

B.C.A. (Second Semester) Examination, 2024

Financial Accounting & Management

Booklet Code

C

Paper - IV

(Major)

(निम्न पूर्तियाँ परीक्षार्थी स्वयं भरें / To be filled in by the Candidate)

अनुक्रमांक (अंकों में)
Roll No. (in figures)

अनुक्रमांक (शब्दों में)
Roll No. (in words)

Enrolment No. (in figures)

कॉलेज का नाम
Name of College

| समय : 2 : 00 घण्टे
| Time : 2 : 00 Hours
| अधिकतम अंक : 75
| Maximum Marks : 75

निरीक्षक के हस्ताक्षर
Signature of Invigilator

परीक्षार्थियों के लिए निर्देश :

1. प्रश्न-पुस्तिका को तब तक न खोलें जब तक आपसे कहा न जाए।
2. इस प्रश्न-पुस्तिका में कुल 75 प्रश्न हैं। परीक्षार्थियों को सभी प्रश्न हल करना अनिवार्य है। दिये गये OMR उत्तर-पत्रक पर ही सभी प्रश्न हल करना है। सभी प्रश्नों के अंक समान हैं।
3. प्रश्नों के उत्तर अंकित करने से पूर्व प्रश्न-पुस्तिका तथा OMR उत्तर-पत्रक को सावधानीपूर्वक देख लें। दोषपूर्ण प्रश्न-पुस्तिका, जिसमें कुछ भाग छपने से छूट गये हों या प्रश्न एक से अधिक बार छप गये हों या किसी भी प्रकार की कमी हो, उसे तुरन्त बदल लें।

Instructions to the Examinee :

1. Do not open the booklet unless you are asked to do so.
2. This booklet contains 75 questions. Examinee have to attempt all questions. All questions attempt on the given OMR Answer Sheet. All questions carry equal marks.
3. Examine the Booklet and the OMR Answer-Sheet very carefully before you proceed. Faulty question booklet due to missing or duplicate pages/questions or having any other discrepancy should be immediately replaced.

(शेष निर्देश अन्तिम पृष्ठ पर)

(Remaining Instructions on last page)

1. Determinants of capital structure are:
- (1) Flexibility
 - (2) Nature of business
 - (3) Cost of capital
 - (4) All of these
2. Which is not the kind of capital gearing?
- (1) High gearing
 - (2) Low gearing
 - (3) Mid gearing
 - (4) None of above
3. From investor's point of view, the cost of capital is:
- (1) yield of capital sacrifice
 - (2) Market value
 - (3) Interest rate
 - (4) None of these
4. Solomon Ezra has called cost of capital as:
- (1) Interest rate
 - (2) Stock Exchange value
 - (3) Reward of Risks
 - (4) Cult of rate of capital expenditure
5. The concept of cost of capital is relevant:
- (1) If determining capital structure
 - (2) In investment decision
 - (3) In project evaluation
 - (4) In all the above
6. Current Assets include:
- (1) Cash
 - (2) Stock
 - (3) Debtors
 - (4) All of these

7. Current liabilities do not include:

- (1) Bills payable
- (2) Outstanding expenses
- (3) Bank overdraft
- (4) ~~Contingent liabilities~~

8. According to 'Net Concept' of working capital, it is equal to

- (1) Current Assets
- (2) Liquid Assets
- (3) ~~Current Assets less current liabilities~~
- (4) All of the above

9. Liquid Assets means:

- (1) Cash and its equivalents only
- (2) ~~Current Assets other than stock and prepaid expenses~~
- (3) Only cash
- (4) None of these

10. Analysis of working capital is done through:

- (1) ~~Ratio Analysis~~
- (2) Working capital forecast
- (3) Altering working capital
- (4) None of the above

11. Production cycle refers to:

- (1) Continuous production
- (2) To step production
- (3) ~~Time period between purchase of Raw material and its conversion~~
- (4) None of the above

12. Funds-flow statement highlights:

- (1) Sources of funds
- (2) Application of funds
- (3) ~~Sources and application of funds~~
- (4) None of the above

13. Following is/are the motives for holding cash:

- (1) Transition motive
- (2) Precautionary motive
- (3) Sepeculative motive
- (4) ~~All of the above~~

14. Following is/are the methods for the preparation of cash budget:

- (1) Receipt and payment method
- (2) Adjusted profit and loss method
- (3) Projected balance sheet methods
- (4) All of the above

15. The following is not a cost of maintaining accounts receivable:

- (1) Capital costs
- (2) Collection costs
- (3) Defaulting costs
- (4) Ordering costs

16. Credit policy is concerned with the setting of:

- (1) Credit standards
- (2) Credit terms
- (3) Collection procedures
- (4) All of the above

17. Credit terms means the provisions relating to:

- (1) Credit period
- (2) Cash Discount
- (3) Credit Limit
- (4) All of the above

18. Inventory includes:

- (1) The stock of raw materials
- (2) The stock of WIP
- (3) The stock of finished goods
- (4) All of the above

19. Inventory turnover ratio is equal to:

- (1) Average Inventory/Sales
- (2) Cost of materials consumed / Average stock
- (3) Cost of goods sold / Sales
- (4) None of these

20. On which of the following level, the storekeeper should initiate a purchase requisition:

- (1) Re-order level
- (2) Minimum level
- (3) Maximum level
- (4) Average level

21. Minimum level is also known as:

- (1) Average stock
- (2) Buffer stock
- (3) Stock out
- (4) None of these

22. Kinds of Accounting are:

- (1) Financial Accounting
- (2) Cost Accounting
- (3) Management Accounting
- (4) All of the above

23. Accounting is:

- (1) Art
- (2) Science
- (3) Art and science both
- (4) None of these

24. What is current Asset?

- (1) Machinery
- (2) Furniture
- (3) Stock
- (4) Creditors

25. Intangible assets is:

- (1) Buildings
- (2) Furniture
- (3) Goodwill
- (4) Cash

26. Accounting is the language of:

- (1) Business
- (2) Statistics
- (3) Investment
- (4) Industry

27. Accounting principles are generally based on:

- (1) Subjectivity
- (2) Practicability
- (3) Convenience in recording
- (4) Imagination

28. Accounting period consists of:

- (1) 12 months
- (2) 24 months
- (3) 36 months
- (4) 48 months

29. According to the concept of going concern, a business is presumed to have:

- (1) A limited life
- (2) A long life
- (3) A definite life
- (4) An indefinite life

30. In case of gold and silver, revenue is recognised in the accounting period in which it is:

- (1) Sold
- (2) Delivered
- (3) Mined
- (4) All of the above

31. According to the cost concept the assets are always valued at:

- (1) Market price
- (2) Purchase price
- (3) Current price
- (4) Market price or purchase price

32. What is Accounting equation?

- (1) $\text{Assets} = \text{Capital} + \text{Liabilities}$
- (2) $\text{Assets} = \text{Liabilities} - \text{Capital}$
- (3) $\text{Capital} = \text{Assets} + \text{Liabilities}$
- (4) $\text{Liabilities} = \text{Capital} - \text{Assets}$

33. Provision for bad debts is made due to the principle of:

- (1) Conservation
- (2) Revenue Matching
- (3) Full Disclosure
- (4) Both (1) and (2)

34. Indian Accounting standards are issued by:

- (1) Reserve Bank of India
- (2) Central Government
- (3) State Government
- (4) Institute of Chartered Accountants of India

35. Accounting standards:

- (1) Improve the reliability of financial statements
- (2) Harmonise accounting policies
- (3) Eliminate the non-comparability of financial statements
- (4) All of the above

36. Accounting standards are:

- (1) A policy document
- (2) A mode of conduct
- (3) Both
- (4) None of these

37. By capital expenditure:

- (1) Assets increases
- (2) Assets decreases
- (3) Liabilities remain as it is
- (4) Liability decreases

38. A large amount spent on special advertisement is:

- (1) Capital expenditure
- (2) Revenue expenditure
- (3) Deferred Revenue expenditure
- (4) Capital and Revenue both

39. Double entry system was introduced in:

- (1) America
- (2) Japan
- (3) India
- (4) Italy

40. Capital Account is:

- (1) Personal Account
- (2) Real Account
- (3) Nominal Account
- (4) A Balance sheet

41. Gave birth to Double Entry system:

- (1) Lucas Pocioli
- (2) Marshall
- (3) Pikles
- (4) Batlibat

42. Double Entry system is more popular

because it:

- (1) Is less expensive
- (2) Adopted by all
- (3) Saves income tax
- (4) Complete scientific method

43. Generally a Journal is divided:

- (1) In two parts
- (2) In four parts
- (3) In five parts
- (4) In eight parts

44. No journal entry is made for:

- (1) Trade Discount
- (2) Cash Discount
- (3) Both of them
- (4) None of these

45. Trail balance discloses-

- (1) Errors of omission
- (2) Errors of entries
- (3) Errors of principles
- (4) Errors of Balances

46. Which of these accounts show credit balance-

- (1) Capital Account
- (2) Sales Account
- (3) Rent Received Account
- ☒ (4) All of these

47. Which of the following errors is not disclosed by Trail Balance-

- (1) Compensating errors
- ☒ (2) Errors of principles
- (3) Errors of omission
- (4) All of these

☒ 48. Profit & Loss accounts shows:

- (1) Net profit
- (2) Net Loss
- (3) Net profit or net loss
- ☒ (4) Net profit and net loss

☒ 49. Will be deducted from the capital:

- (1) Gross profit
- ☒ (2) Net profit
- (3) Gross loss
- ☒ (4) Net loss

☒ 50. Final accounts is:

- (1) Account
- (2) Statement
- ☒ (3) Accounts and statement
- (4) Ledger

51. The term "Net Purchases" include:

- ☒ (1) Cash purchases
- (2) Credit purchases
- ☒ (3) Cash and credit purchases
- (4) Cash and credit purchases less purchases returns

52. Who has propounded the concept of Ratio Analysis?

- (1) Sir Franklin
- (2) F.W. Taylor
- ☒ (3) Alexander Wall
- (4) John Milton

53. The ideal current Ratio is:

- (1) 1:1
- ☒ (2) 1:2
- (3) 2:1
- (4) 2:2

54. Debt-equity ratio means:

- ☒ (1) External equity/Internal equity
- (2) Internal equity/ External equity
- (3) Shareholders Funds/Long Term Funds
- ☒ (4) None of the above

55. The Turnover Ratio helps management in:

- (1) Managing Resources
- (2) Managing Debt
- ☒ (3) Evaluating performance
- (4) None of these

56. Long term solvency is indicated by:

- (1) Current Ratio
- (2) Acid Test Ratio
- ☒ (3) Debt Equity Ratio
- (4) Super Quick Ratio

57. The following is not a liquidity ratio:

<https://www.mgkvponline.com>

- (1) Current Ratio
- (2) Debt/Equity Ratio
- (3) Acid Test Ratio
- ☒ (4) Super Quick Ratio

58. The Funds Flow analysis, the word

'Funds' means:

- (1) Cash
- (2) Working capital
- ✓ (3) (1) and (2)
- (4) None of these

59. Goods sold on credit:

- (1) Does not result inflow of funds
- ✓ (2) In a source of funds
- (3) Is an application of funds
- (4) None of these

60. A decrease in current liabilities:

- ✓ (1) Increases working capital
- (2) Decreases working capital
- (3) Does affect working capital
- (4) None of these

61. Goods purchased on credit:

- (1) Is an application of funds
- ✓ (2) Is a source of funds
- ✓ (3) Does not result in flow of funds
- (4) None of these

62. A mortization of preliminary expenses:

- (1) Is a use of funds
- ✓ (2) Is an application of funds
- (3) Does not result in flow of funds
- (4) None of these

63. In cash flow analysis, 'cash' means:

- (1) Cash and Bank Balance
- ✓ (2) Current Assets
- (3) Working capital
- (4) None of these

64. Increase in the amount of debtors results in:

- ☒ (1) Decrease in cash
- (2) Increase in cash
- (3) No change in cash
- (4) None of these

65. Increase in the amount of bills payable results in:

- ☒ (1) Decrease in cash
- (2) Increase in cash
- (3) No change in cash
- (4) None of these

66. While calculating cash from operation, profit on sale of assets is:

- (1) Deducted from Net profit
- (2) Added to net profit
- ☒ (3) Neither added nor deducted
- (4) None of these

67. Traditional approach to financial management is characterised by:

- (1) Descriptive in nature
- (2) Sporadic
- (3) Emphasis on procurement of funds
- ☒ (4) All of the above

68. Profit in business parlance means:

- (1) Profit after tax
- (2) Profit before tax
- ☒ (3) Earning before interest & tax (EBIT)
- (4) Return on capital employed

69. Study of financial management is useful for:

- (1) Shareholders
- ☒ (2) Managers
- (3) Brokers
- (4) All of the above

70/ The following is not the responsibility of a finance manager:

- (1) Planning
- (2) Allocation of resources
- (3) Credit collection
- ✓ (4) Procurement of plant & machinery

71/ Which of the following is short term

Bank Resources:

- (1) Line of credit
- (2) Revolving credit contract
- (3) Overdraft
- ✓ (4) All of the above

72/ Following is the non-bank resources:

- (1) Trade credit
- (2) Open account
- (3) Promissory notes & Hundies
- (4) All of the above

73/ If real value of shares is less than book value of business, it will be:

- (1) Over capitalisation
- (2) Under capitalisation
- ✓ (3) Optimum capitalisation
- (4) None

74/ When the cost of capital is minimum and market price per share is maximum, it is known as:

- (1) Over capitalisation
- ✓ (2) Under capitalisation
- (3) Optimum capital structure
- (4) None of these

75/ Ideal ratio for solvency is:

- ✓ (1) 1:2
- (2) 1:1
- (3) 1:1.5
- (4) 2:1