No. of Printed Pages : 5

BPOI–002/BPOI–102

DIPLOMA IN BUSINESS PROCESS OUTSOURCING : FINANCE AND ACCOUNTING (DBPOFA)

Term-End Examination

June, 2026

BPOI-002/102 : FUNDAMENTALS OF ACCOUNTING

Time : 3 Hours *Maximum Marks : 100*

Note : *(i) There are three Sections.*

(ii) All Sections are compulsory.

Section—A

1. (A) Fill in the blanks : 5×1=5

(i) Amount which the firm owes to outsiders is known as ....

(ii) Recognition of cost in the same period as associated revenues is called ………… principle.

(iii) According to business entity concept the owner's capital in business is to be treated as a ………. for the business.

(iv) All ………… transactions are recorded in the cash book.

(v) Accounting concepts and conventions are also known as ………….. .

(B) State whether the following statements are True/False : 5×1=5

(i) Cost Accounting helps in ascertaining the controlling costs.

(ii) AS-I is meant for disclosures of accounting policies.

(iii) No narration is written while posting into Ledger accounts.

(iv) A bill of exchange is a bill receivable to the drawee.

(v) There are only two parties to a bill of exchange.

Section—B

2. Outline the need for accounting and briefly describe the objectives of accounting. 5, 5

3. What do you understand by accounting concepts ? Briefly explain the accounting concepts. 5, 5

4. What are accounting standards. Name the accounting standard specified by institute of Chartered Accountant of India. 5, 5

Section—C

Note : Attempt any *three* questions including Q. No. **5**, which is compulsory. Each question carries 20 marks.

5. Record the following transactions in a Cash Book with Cash and Bank columns and post them into ledger : 10+10

2023		Rs.
Jan. 1	Bank overdraft	12,000
	Cash in hand	2,300

Jan. 7	Cheque received from Ram	4,000
	Discount in bank	200
Jan. 9	Cheque received from Ram	
	Deposited in bank	200
Jan. 12	Cheque paid to Radha	
	and discount received	2,500
Jan. 15	Ram's cheque dishonoured	50
Jan. 20	Money withdrawn from	
	bank for office use	3,400
Jan. 23	Fees of Children paid by cheque	75
Jan. 25	Cheque received from Hira and endorsed it to Sunita on 27th Jan.	4,500
Jan. 27	Bank charges	20
Jan. 31	Paid into bank the entire balance after retaining ₹ 700 at office.	

6. Write short notes on the following : 20
   (i) Dual aspect concept
   (ii) Returns Outward Journal
   (iii) Legal status of accounting standards in India
   (iv) Error of Principle

7. Distinguish between the following : 10+10

   (a) Balance Sheet and Trial Balance

   (b) Capital Receipts and Revenue Receipts

8. Give the ruling of Bills Receivable and Bills Payable Journals and explain what is recorded in various columns. 20

9. How would you treat the following items while preparing the final account if the items are given in Adjustment : 20

   (i) Closing stock

   (ii) Provision for bad and doubtful debts

   (iii) Provision for discount on creditors

   (iv) Deferred revenue expenditure

× × × × ×