MODEL TEST PAPERS

Common Proficiency Test (CPT)

Volume - II

Board of Studies
The Institute of Chartered Accountants of India

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Price : ₹ 250.00

Revised Edition : June 2011

Updated Edition : November 2011

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ISBN No. : 978-81-8441-040-2

Published by The Publication Department on behalf of The Institute of Chartered Accountants of India, ICAI Bhawan, Post Box No. 7100, Indraprastha Marg, New Delhi - 110 002, India.

Designed & Printed at Repro India Limited, 50/2, TTC MIDC Industrial Area, Mahape, Navi Mumbai - 400 710, India.
November / 2011 / 20,000 Copies (Updated)

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A WORD ABOUT MODEL TEST PAPERS

Common Proficiency Test (CPT) is an entry level test for Chartered Accountancy Course. It is an objective type test of 200 marks of four subjects, i.e. Fundamentals of Accounting, Mercantile Laws, General Economics and Quantitative Aptitude with an objective to test the basic knowledge in these subject areas. The Board of Studies has prepared comprehensive study materials on these subjects containing lots of objective type questions which will help the students in appearing for the Common Proficiency Test. In addition, Model Test Papers are being published to strengthen the existing question bank given in the Study Material. Model Test Papers will also serve as a useful and handy reference guide to students while preparing for Common Proficiency Test (CPT). Further, it will enhance your understanding about the pattern of questions set and the manner of answering such questions within the given time frames.

The Model Test Papers have been divided in two volumes, namely Volume I containing 20 Model Test papers comprising of 4,000 objective type questions and Volume II containing 10 Model Test papers comprising of 2,000 objective type questions. These test papers will help the students to test their level of preparation in each subject. Each Model Test Paper has been divided into four sections. Section A relates to Fundamentals of Accounting carrying 60 marks and Section B Mercantile Laws carrying 40 marks. Section C and D relate to General Economies and Quantitative Aptitude carrying 50 Marks each. All Model Test Papers have been carefully designed so as to expose to students of all types of questions such as one line statement questions and fill in the blank questions, numerical based and table based questions, paragraph based and diagram based questions. The students are advised to answer each test paper under examination conditions. We are confident that these Model Test papers will enable you to enhance your speed and guide you to improve your performance in the examinations.

Happy Reading and Best Wishes !

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COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT/VOLUME - 2

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COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT – 1

Time : 4 hours ***Maximum Marks : 200***

The test is divided into four sections.

Questions 1 to 200 have only one correct answer and carry + 1 mark for each correct answer and – 0.25 mark for each wrong answer.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

1. Which of the following is/are current asset?

(a) Stock (b) Bill receivable
(c) Prepaid Expenses (d) All of the above

2. Which of the following sets of expense are the direct expenses of business.

(a) Wages, Carriage Inward, Octroi
(b) Postage, Wages, Carriage Inward
(c) Purchase, Wages, Coal Expenses
(d) Both (a) and (c)

3. Suspense Account given in the Trial Balance will be entered in the :

(a) Manufacturing A/c (b) Balance Sheet
(c) Trading A/c (d) Profit and Loss A/c

4. The accounting equation is based on

(a) Dual aspect (b) Business Entity
(c) Going concern (d) All of the above

5. Different accounting policies can be adopted in the following area/areas

(a) Valuation of inventories (b) Calculation of depreciation
(c) Valuation of investments (d) All of the above

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6. Journal is a book of

(a) Original Entry (b) All cash transactions
(c) Secondary Entry (d) All non-cash transactions

7. Normally, the following accounts are balanced

(a) Real A/c and Nominal A/c (b) Personal A/c and Real A/c
(c) Only Nominal A/c (d) All accounts

8. Opening and closing entries are recorded in :

(a) Journal Proper (b) Purchase Book
(c) Sales Book (d) Bill Receivable Book

9. Which of the following instruments is not a negotiable instrument

(a) Bearer Cheque (b) Promissory Note
(c) Crossed Cheque (d) Bills of Exchange

10. Bank Reconciliation statement is

(a) A part of the cash book
(b) A statement showing the causes of differences between the balance of cash book and passbook.
(c) A part of financial statement
(d) None of the above

11. The Installation expenses for a new machinery will be debited to

(a) Cash A/c (b) Profit & Loss A/c
(c) Machinery A/c (d) Installation expenses A/c

12. When obligation is not probable or the amount expected to be paid to settle the liability cannot be measured with sufficient reliability, it is called

(a) Contingent liability (b) Provision
(c) Secured Loan (d) None of the above

13. A Trial Balance contains the balances of

(a) Only real A/c (b) Real A/c and Nominal A/c
(c) Personal A/c (d) Both (b) and (c)

14. Error which affect only one account can be

(a) Error of complete omission (b) Error of posting
(c) Compensatory errors (d) None of the above

15. Valuing the stock in trade at net realisable value or cost price whichever is lower, is an example of the convention

(a) Conservatism (b) Consistency
(c) Dual aspect (d) All of the above

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16. In case goods are manufactured and segregated for specified consumers the best method for valuation of inventory would be

(a) FIFO
(b) Simple average
(c) Base stock
(d) Specific identification method

17. Fixed assets are

(a) Fictitious assets
(b) Kept in the business for use over a long period
(c) Meant for resale
(d) Meant for conversion into cash as quickly as possible

18. Income earned but not received is shown in

(a) Asset side of the Balance Sheet
(b) Liability of the Balance Sheet
(c) Profit and Loss A/c (Dr. balance)
(d) None of the above

19. Overriding commission is generally calculated on

(a) Cash sale only
(b) Total sales exceeding invoice value/cost
(c) Credit sales
(d) None of the above

20. Claim of the retiring partner is payable in the following form

(a) Fully in cash
(b) Fully transferred to loan A/c to be paid on with some interest on it.
(c) Partly in cash and partly as loan repayment with agreed interest
(d) Any of the above

21. As per Section 12 of Negotiable Instruments Act, which of the following is not a foreign bill?

(a) A bill drawn outside India and made payable outside India.
(b) A bill drawn outside India and made payable in India.
(c) A bill drawn outside India on a person resident in India.
(d) A bill drawn in India on a person resident outside India and made payable outside India.

22. Kishan, the acceptor of the bill has to honour a bill on 31st March, 2010. Due to financial crisis, he is unable to pay the amount of bill of Rs. 40,000. Therefore he approaches Karan, the drawer of that bill on 20th March, 2010 for extension of the bill for further 2 months. Karan agrees to extend the credit period by drawing a new bill for Rs. 42,000 together with interest of Rs. 2,000 in cash. In this case old bill of Rs. 40,000 will be considered as

(a) Dishonoured
(b) Retired
(c) Cancelled
(d) Discounted

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23. Goodwill of the firm is valued at three year's purchase of the average profit of the last five years. The profits are as under

2010	**1,60,000 (Profit)**
2009	**20,000 (Loss)**
2008	**1,20,000 (Profit)**
2007	**1,00,000 (Profit)**
2006	**80,000 (Profit)**

Goodwill amount will be

(a) Rs. 2,76,000 (b) Rs. 2,64,000
(c) Rs. 2,60,000 (d) Rs. 2,28,000

24. Rama Ltd. forfeited 800 shares of Anil of Rs. 10 each fully called up for non-payment of final call of Rs. 2 per share and reissued to Ankit as fully paid up for Rs. 10 per share. Amount transferred to capital reserve will be

(a) Rs.3,200 (b) Rs.4,600
(c) Rs.6,400 (d) Rs.8,000

25. Dabur Ltd. forfeited 400 shares of Rs. 10 each fully called up, on which the holder has paid only application money of Rs. 4 per share. Out of these 250 shares were reissued at Rs. 12 per share fully paid up. Capital reserve will be credited

(a) Rs. 1,000 (b) Rs. 1,600
(c) Rs. 4,800 (d) Rs. 3,000

26. On 1 Jan. 2010 Ankur of Delhi consigned 200 cases, cost price Rs. 3,750 at proforma invoice of 25% profit on sales to his agent Mani of Manipur. Balance of Goods Sent on Consignment A/c transferred to General Trading A/c will be

(a) Rs. 5,000 (b) Rs. 3,750
(c) Rs. 8,000 (d) None of the above

27. A manager gets 5% commission on net profit after charging such commission, gross profit Rs. 58,000 and expenses of indirect nature other than manager's commission are Rs. 16,000. Commission amount will be

(a) Rs. 2,900 (b) Rs. 2,000
(c) Rs. 1,500 (d) Rs. 2,200

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28.

Particulars	Amount	Particulars	Amount
Salaries	4,000	Interest on investment received	1,200
Interest on loan	5,000	Freight inward	2,000
Bad debts	1,200		
Wages	1,000		
Gross Profit	25,000		
Net Profit will be			

(a) Rs. 15,300 (b) Rs. 13,000
(c) Rs. 17,200 (d) Rs. 16,000

29.

(i)	Balance as per cash book on 31.03.2010	Rs. 10,000
(ii)	Cheques sent to bank but not entered in cash book	Rs. 2,200
(iii)	Cheques issued and presented on 7th April, 2010	Rs. 3,000
(iv)	Bill paid by Bank not entered in the cash book	Rs. 1,600

Balance on as per passbook will be

(a) Rs. 9,200 (b) Rs. 13,600
(c) Rs. 10,800 (d) Rs. 6,400

30. Goods purchased Rs. 100000; sales Rs. 90000. If margin 20% on sales then closing stock will be

(a) Rs. 25,000 (b) Rs. 35,000
(c) Rs. 28,000 (d) Rs. 5,600

31. The total of wages for the month of Jan, 2010 amounting Rs. 6000 was not posted. Rectifying entry for the same will be

(a) Suspense A/c Dr. 6000 ; To Labour A/c 6000
(b) Wages A/c Dr. 6000 ; To Suspense A/c 6000
(c) Wages A/c Dr. 6000 ; To Cash A/c 6000
(d) None of the above

32. Anu and Anubhav are partners sharing profits in the ratio 5 : 3, they admitted Anup giving him 3/10th share of profits. if Anup acquires 1/5th share from Anu and 1/10th share from Anubhav, new profit sharing ratio will be

(a) 5 : 6 : 3 (b) 18 : 24 : 38
(c) 17 : 11 : 12 (d) 4 : 3 : 2

33. Mr. Om sold goods worth Rs. 2,50,000 to Mr. Jai. Mr. Jai accepted a bill on 1.11.10, payable after 2 months. Mr. Om discounted this bill @ 18% p.a. on 15.11.10. On the due date Mr. Jai failed to discharge the bill. Later Mr. Jai become insolvent and 50 paise is recovered from Mr. Jai's estate. How much amount of bad debts will be recorded in the books of Om.

(a) Rs. 1,25,000 (b) Rs. 1,36,500
(c) Rs. 94,370 (d) Rs. 1,14,000

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34. A, B and C are the partners sharing profits in the ratio 4 : 3 : 2. C died on 30.06.2010 and profits for the accounting year 2009-10 were Rs. 72000. How much share in profits for the period 1st April, 2010 to 30th June 2010 will credited to C's account

(a) Rs. 4,000 (b) Rs. 16,000
(c) Rs. 18,000 (d) Rs. 12,000

35. A bill is drawn on 12th June for 2 months. The due date of the bill will be

(a) 12th August (b) 13th August
(c) 14th August (d) 15th August

36. Goods costing Rs. 2,40,000 were sent on consignment basis. Goods are invoiced at cost + 25%. The Invoice price and loading will be

(a) Rs. 2,40,000 and Rs. 60,000 (b) Rs. 3,00,000 and Rs. 10,000
(c) Rs. 4,00,000 and Rs. 1,60,000 (d) Rs. 3,00,000 and Rs. 60,000

37. Which of these is not a part of double entry system?

(a) Memorandum Joint Venture A/c (b) Joint Venture A/c
(c) Joint Bank A/c (d) Co-venturer A/c

38. Wright Ltd. issued 40000, 8% debentures of Rs. 10 each at par which are redeemable after 8 years at a premium of 20%. The amount of loss on redemption of debentures to be written off every year will be

(a) Rs. 60,000 (b) Rs. 50,000
(c) Rs. 10,000 (d) Rs. 8,000

39. Chetan Ltd. recorded the following information as on March 31, 2010

Stock (1-4-2009)	**Rs. 40,000**
Purchases	**Rs. 80,000**
Sales	**Rs. 1,00,000**

It is noticed that goods worth Rs. 30,000 were destroy due to fire against this, the insurance company accepted a claim of Rs. 14,000.
The company sells goods at cost plus 33.33%. The value of closing inventory, after taking into account the above transaction is

(a) Rs. 75,000 (b) Rs. 15,000
(c) Rs. 25,000 (d) Rs. NIL

40. Riya and Piya are partners in a firm. During the year 2009, Riya withdraw Rs. 1000 p.m. and Piya withdraw Rs. 500 p.m. on the first day of each month for personal use. Interest on drawing is to be charged @ 10% p.a. Total interest on drawings will be

(a) Rs. 975 (b) Rs. 650
(c) Rs. 900 (d) Rs. 325

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41. **Mohan drew a bill on Gopal for Rs. 100000 for 3 months, proceeds are to be shared equally. Mohan got the bill discounted at 12% p.a. and remits required proceeds to Gopal. The amount of such remittance will be**

(a) Rs. 24,250 (b) Rs. 48,500
(c) Rs. 50,000 (d) Rs. 97,000

42. **R and S are partners sharing profits and losses equally. They admitted A for 1/3 share in the firm. The new profits sharing ratio will be**

(a) 3 : 2 : 1 (b) 1 : 1 : 1
(c) 2 : 2 : 1 (d) Cannot be calculated

43. **Gattu and Bittu entered into a joint venture where Gattu bought goods of the value Rs. 1,00,000 and consigned them to Bittu to be sold by him on joint venture, profits being divided equally. Gattu paid Rs. 10,000 for freight and insurance. Bittu sold the goods for Rs. 1,50,000. Commission payable to Bittu Rs. 5,000. The amount to be remitted by Bittu to Gattu will be**

(a) Rs. 1,25,000 (b) Rs. 1,35,000
(c) Rs. 1,27,500 (d) Rs. 1,40,000

44. **10,000 litres of oil were consigned to a wholesaler the cost being Rs. 100 per litre by incurring freight Rs.8,000. 10% of loss of oil unavoidable. 8,000 litres were sold by the consignee. The remaining stock of 1000 litres will be valued at**

(a) Rs. 1,12,000 (b) Rs. 1,11,111
(c) Rs. 1,00,800 (d) Rs. 1,00,000.

45. **Machinery costing Rs. 500000 was purchased on 1.4.2008. The installation charges amounting Rs. 20000 were incurred. The depreciation at 10% per annum on straight the method for the year ended 31st March, 2010 will be**

(a) Rs. 5,00,000 (b) Rs. 50,000
(c) Rs. 52,000 (d) Rs. 45,000

46. **Credit balance as per passbook on 31.3.2010 is Rs. 22000. Cheques deposited but not cleared amount to Rs. 2000 and cheques issued but not presented of Rs. 8000. Balance as per cash book should be**

(a) Rs. 32,000 (b) Rs. 16,000
(c) Rs. 28,000 (d) Rs. 18,000

47. **A Company forfeited 2,000 shares Rs. 10 each held by Mr. Mohan for non payment of allotment money of Rs. 3 per share. The called-up value per share was Rs. 8. On forfeiture, the amount debited to share capital will be**

(a) Rs. 6,000 (b) Rs. 20,000
(c) Rs. 1,000 (d) Rs. 16,000

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48. Bill of Rs. 5000 accepted by Rajan was endorsed by Rohit to Raj on account of final settlement of Rs. 5200. The benefit of Rs. 200 earned by Rohit was

(a) Credited to discount received account by Rs. 200
(b) Debited to discount allowed account by Rs. 200
(c) Credited to rebate account by Rs. 200
(d) None of the above

49. Ankur purchased goods costing Rs. 5,000 at an invoice price, which is 50% above cost. On invoice price he enjoyed 15% trade discount and Rs. 375 cash discount on cash payment of goods in lump sum at the time of purchase. The purchase price to be recorded in the books before cash discount will be

(a) Rs. 5,000 (b) Rs. 7,500
(c) Rs. 6,375 (d) Rs. 6,000

50. Kapoor Ltd. issued 7,50,000, 12% debentures of Rs. 100 each at a premium of 10% payable Rs. 40 on application and balance on allotment. Debentures are redeemable at par after 6 years. All money due on allotment was called up and received. The amount of premium will be

(a) Rs. 3,00,00,000 (b) Rs. 75,00,000
(c) Rs. 2,25,00,000 (d) Rs. 7,50,00,000

51. Gopi Ltd. purchased land and building from Mohan Ltd. for a book value of Rs. 200000. The consideration was paid by issue of 12% debentures of Rs. 100 each at a discount of 20%. The debenture account is credited with

(a) Rs. 2,00,000 (b) Rs. 2,60,000
(c) Rs. 2,50,000 (d) Rs. 1,40,000

52. A company offers to the public 20000 shares for subscription. The company receives application for 24000 shares. If the shares are allotted on pro-rata basis the application for 24,000 shares are to be allotted as

(a) 5 Shares for every 6 shares applied
(b) 4 Shares for every 5 shares applied
(c) 6 Shares for every 7 shares applied
(d) None of the above

53. Arjun and Bheem are partners in the firm sharing profits and losses in the ratio 1 : 1. They have invested capital of Rs. 80,000 and Rs. 50,000 respectively. As per partnership deed, they are entitled to interest on capital @ 2.5% p.a. before sharing the profits. During the year firm earned a profit of Rs. 5000 before allowing interest. The net profit will be apportioned as

(a) Rs. 900 to Arjun, Rs. 900 to Bheem
(b) Rs. 875 to Arjun, Rs. 875 to Bheem
(c) Rs. 785 to Arjun, Rs. 785 to Bheem
(d) Rs. 965 to Arjun, Rs. 965 to Bheem

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54. Following figures have been taken from the trial balance of a trader

Gross Purchase Rs. 60,000 **Gross Sales Rs. 1,00,000**
Purchase Returns Rs. 5,000 **Sales Returns Rs. 7,000**
Duty Drawback Rs. 6,000 **Sales Tax Rs. 12,000**
The amount of G.P. will be

(a) Rs. 32,000 (b) Rs. 38,000
(c) Rs. 40,000 (d) Rs. 26,000

55. A debit note for Rs. 500 issued by Mr. Marshall to Mr. Fisher for goods returned by Mr. Marshall is to be accounted for

(a) Bill receivable Book (b) Purchases Return Book
(c) Purchase Book (d) Journal Proper

56. A purchase of goods from Rahul amounting to Rs. 300 has been wrongly entered through sales book, what will be the rectifying entry.

(a) Purchase A/c Dr. 300
To Sales A/c 300
(b) Sales A/c Dr. 300
To purchase A/c 300
(c) Rahul A/c Dr. 600
To purchase A/c 300
To sales A/c 300
(d) Purchases A/c Dr. 300
Sales A/c Dr. 300
To Rahul 600

57. Original Cost = Rs. 63000. Salvage value = 3000. Depreciation for 2nd year @ units of production method, If units produced in 2nd year was 5000 and total estimated production 60000 units.

(a) Rs. 5,000 (b) Rs. 6,000
(c) Rs. 5,250 (d) Rs. 5400

58. When drawing up a Bank Reconciliation Statement If you start with a debit balance as per the Bank statement, the unpresented cheques should be

(a) Not required to be adjusted (b) Subtracted
(c) Added (d) None of the above

59. Purchase of Building from payment through Bank Account will

(a) Decrease in total liabilities (b) Increase in total assets
(c) Decrease in total assets (d) Not affect total assets.

60. Economic life of an enterprise is split into periodic interval as per _____ concept

(a) Materiality (b) Periodicity
(c) Accrual (d) Conservation

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SECTION – B : MERCANTILE LAWS (40 MARKS)

61. The Indian Contract Act, 1872 is extended to

(a) The whole of India
(b) The whole of British India
(c) The whole of India excluding J & K
(d) All the States and Union territories of India.

62. Which of the following is correct?

(a) a promise is a contract
(b) a set of promises is a contract
(c) a proposal is a contract
(d) agreements enforceable by law is a contract

63. A person making a proposal is called.

(a) Promisor
(b) Vendor
(c) Contractor
(d) Promisee

64. Void agreements are

(a) Forbidden under law
(b) Not forbidden under law
(c) Punishable
(d) Legal agreements

65. Where two parties make identical offers to each other, in ignorance of each other's offer, the offers are known as

(a) Cross-offers
(b) An agreements
(c) Contracts
(d) Promises

66. In the case of specific offer, it can be accepted only

(a) by the person to whom it is made
(b) by third party
(c) by the stranger
(d) by legal heir

67. A voidable agreement is enforceable by

(a) None of the parties
(b) Only one of the parties
(c) All the parties to the contract
(d) One or more but not by the other or others

68. An illegal agreement

(a) is void ab initio
(b) becomes void
(c) void ab initio as well as punishable
(d) voidable

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69. A minor is a person who has not completed

(a) 20 years of age (b) 21 years of age
(c) 18 years of age (d) 19 years of age

70. In which of the following cases, there is no communication of acceptance?

(a) Fall of hammer in auction sale (b) Keeping agreement in a drawer
(c) Cashing of a cheque (d) All of the above.

71. Where a certain amount is deposited as securing for performance of a contract, it is called

(a) Earnest money (b) Cash money
(c) Hard money (d) All of these

72. Quantum meirut means

(a) as much as is merited (b) as much as is credited
(c) as much as is performed (d) None of these

73. When the acceptance is by a letter, a contract is deemed to be made at the place

(a) Where the letter of acceptance is transmitted
(b) Where the letter of acceptance is received
(c) Where the proposer resides
(d) Where the acceptor resides

74. A gratuitous or bare promise, devoid of consideration, is called-

(a) Res extincta (b) Nudum Pactum
(c) Uberrima fides (d) Contractu

75. A contract made by mistake of foreign law, is

(a) Void (b) Valid
(c) Voidable (d) Illegal

76. A partnership at will is one

(a) Duration not fixed
(b) Duration fixed
(c) Dissolved at any time
(d) Can be dissolved only at the happening of an event.

77. The unpaid seller has the right against the goods

(a) Rights of lien (b) Right of stoppage in transit
(c) Right of resale (d) all of these

78. Contract in which only one party has to perform his promise is known as

(a) Executed contract (b) Executory contract
(c) Unilateral contract (d) Bilateral contract

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79. When the performance of a contract becomes subsequently impossible or unlawful, the contract becomes

(a) Illegal (b) Void
(c) Invalid (d) Voidable

80. Contract for the sale of future goods is _____.

(a) Sale (b) Agreement to sell
(c) Void (d) Auction sale

81. The Sale of Goods Act, 1930 deals with the _____.

(a) Movable goods only
(b) Immovable goods only
(c) Both immovable and movable goods
(d) Tangible goods only

82. A party agrees to pay five lakhs to another party if first party brings to earth a star from sky. This is known as _____.

(a) Contingent contract (b) Quasi Contract
(c) Implied contract (d) Wagering contract

83. _____ does not affect the free consent of the parties.

(a) Fraud (b) Coercion
(c) incompetence (d) Undue influence

84. Consideration may be _____.

(a) Past (b) Present
(c) Future (d) All of these

85. When the consent of a party is obtained by fraud, the contract is_____.

(a) Valid (b) Voidable
(c) Illegal (d) Void

86. Registration of the partnership firm is done with _____.

(a) Registrar of firms
(b) Registrar of co-operative society
(c) Registrar of companies
(d) All of these

87. An agreement to share earnings of a smuggling business is _____.

(a) Valid (b) Void
(c) Voidable (d) Contingent

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88. There can be a stranger to a _____.

(a) Contract (b) Consideration
(c) Agreement (d) Promise

89. The authority of a partner to bind the firm is known as _____.

(a) Implied authority (b) Express authority
(c) Contractual authority (d) None of the above

90. An actionable claim can always be _____.

(a) Assigned (b) Adjusted
(c) Noted (d) All of these

91. Reciprocal promise means _____.

(a) A promise in return for a promise
(b) A promise in return for a agreement
(c) A promise in return for a contract
(d) Accepted promise

92. When one of the parties to the contract has performed his part of the promise, it is known as _____.

(a) Consideration (b) Past consideration
(c) Future consideration (d) Executory consideration

93. An agreement made without consideration is _____.

(a) Valid (b) Void
(c) Voidable (d) Illegal

94. Acceptance in ignorance of the offer is _____.

(a) Valid (b) Invalid
(c) Void (d) Voidable

95. An agreement to commit a crime is _____.

(a) Valid (b) Void
(c) Voidable (d) Unenforceable

96. Communication of proposal is complete when it comes to the knowledge of _____.

(a) The proposer (b) The person to whom it is made
(c) The Court (d) (a) or (b)

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97. An offer made to a specific person is known as_____.

(a) Special offer (b) Separate offer
(c) Specific offer (d) Standing offer

98. Advertising agent invites a tender. It is known as _____.

(a) An offer (b) A counter offer
(c) An agreement (d) An invitation to offer

99. A buys an article thinking it is worth Rs. 10,000 while it is actually worth Rs. 5,000 only. Decide what will be the remedy to A?

(a) The agreement can be avoided on the ground of mistake
(b) The agreement cannot be avoid on the ground of mistake
(c) A can sue for return taking back Rs. 5,000
(d) A can sue for recovery of Rs. 2,000 only

100. A agrees to buy from 'B' a certain horse. It turns out that the horse was dead at the time of the bargain, though neither party was aware of the fact. Decide.

(a) The agreement is void
(b) The agreement is valid
(c) A can sue for purchasing new horse in place of dead horse
(d) None of these

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. Monetary Policy refers to:

(a) Public Revenue and Public Expenditure Policy
(b) Policy to control money supply
(c) M1 and M2
(d) Policy linked to banking

102. HYVP was restricted to the following crops:

(a) Wheat, Rice, Bajra, Jawar and Maize
(b) Wheat, Sugar, Bajra, Jawar and Maize
(c) Wheat, Milk, Bajra, Jawar and Maize
(d) Wheat, Banana, Bajra, Jawar and Maize

103. The Full form of ICICI is :

(a) Investment Credit and Industrial Corporation of India
(b) Indian Credit and Investment Corporation of India
(c) Industrial Credit and Investment Corporation of India
(d) International Credit and Investment Corporation of India

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104. In the theory of demographic transition in the first stage :

(a) Both birth rate and death rate are high
(b) Both birth rate and death rate are low
(c) Birth rate is high and death rate is low
(d) Birth rate is low and death rate is high

105. Narrow money refers (as per latest RBI Working Group):

(a) Currency + Demand Deposits + Other Deposits with RBI
(b) Currency + Demand Deposits + Post office saving deposits
(c) Currency + Demand Deposits + Money at call
(d) None of the above

106. In the case of a straight line demand curve meeting the two axes, the price elasticity of demand at y-axis of the line would be equal to

(a) 1 (b) infinity
(c) 3 (d) 1.25

107. A firm under perfect competition will be making minimum losses (in the short run) at a point where:

(a) MC > MR (b) MR > MC
(c) MC = MR (d) AC = AR

108. In order to control Inflation in India RBI may:

(a) Increase CRR
(b) Decrease CRR
(c) Increase buying of Government Securities
(d) None of the above

109. When the consumer is in equilibrium his price line is _____ to indifference curve

(a) Parallel (b) At right angle
(c) Diagonally opposite (d) Tangent

110. Which of the following is not the feature of Perfect Competition?

(a) Large number of buyers and sellers
(b) Small number of buyers and sellers
(c) Free Entry and Exit
(d) Goods is Homogeneous

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111. In the long run under which competition a firm may earn super normal profits?

(a) Monopolistic competition (b) Perfect competition
(c) Oligopoly (d) Monopoly

112. Nationalization means:

(a) Selling of government stake to private sector
(b) Selling of government companies to private sector
(c) Government purchasing 26% shares in private companies
(d) Taking of full control and management from Private Sector by the government

113. In May 2011, Bank rate was ——— percent

(a) 6 (b) 7
(c) 5 (d) 8

114. At present, in May 2011, the SLR was —— percent

(a) 5 (b) 15
(c) 24 (d) 20

115. Economics is a Science which deals with wealth was referred by :

(a) Alfred Marshal (b) J. B. Say
(c) Adam Smith (d) A.C. Pigou

116. Average fixed cost can not be:

(a) Less than one (b) One
(c) Zero (d) Greater than one

117. The number of Member Countries of WTO in 2010 is :

(a) 184 (b) 153
(c) 150 (d) 177

118. If as a result of 10% increase in price, the quantity supplied does not change at all, it implies that the elasticity of Supply is :

(a) Zero
(b) Infinite
(c) Equal to one
(d) Greater than Zero but less than one

119. The Law of variable proportions examines the Production function with:

(a) One factor variable and only one factor fixed
(b) One factor variable keeping quantities of other factors fixed
(c) All factors variable
(d) None of the above

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120. In Law of negative returns (Third stage of Law of variable proportions):

(a) Total Product declines, MP is positive
(b) Total Product declines, MP is Zero
(c) Total Product declines, MP is negative
(d) Total Product in constant, MP is constant

121. If GDP is 20% higher than last year and the rate of inflation is 9%, then production in the economy has grown by ———.

(a) 8% (b) 11%
(c) 20% (d) 9%

122. Indifference Curve analysis is based on

(a) Ordinal utility (b) Cardinal utility
(c) Marginal utility (d) None of the above

123. The demand curve is also known as:

(a) Marginal Revenue curve (b) Marginal utility curve
(c) Average Revenue (d) Average utility curve

124. Supply of a good and its price have

(a) Negative relationship (b) Inverse relationship
(c) No relationship (d) Positive relationship

125. MC curve cuts AVC Curve

(a) At its falling point (b) At its minimum point
(c) At its rising point (d) At different points

126. NTPC stands for

(a) National Tidal Power Corporation
(b) National Theological Power Corporation
(c) National Thermal Power Corporation
(d) National Talent and Potential Corporation

127. PNB, SBI, Canara Bank are examples of:

(a) Semi Private banks (b) Public Sector banks
(c) Private Sector banks (d) Semi Public Sector banks

128. Margin requirement for commercial bank refers to

(a) Profit margins
(b) CRR and SLR
(c) CRR
(d) Difference between amount of Security to be given by the borrowers to the bank and the amount of Loan.

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129. Accounting profit is equal to:

(a) Total Revenue – Total variable cost
(b) Total Revenue – Total direct cost
(c) Total Revenue – Total cost
(d) Total Revenue – Total Explicit cost and Total Implicit Cost.

130. RBI has ——— .

(a) Very few branches (b) One branch in each state of India
(c) No branches (d) None of the above

131. If firm's average cost curve is falling then marginal curve must be :

(a) Falling (b) Rising
(c) below average cost curve (d) None of the above

132. Fiscal Policy in India is given by:

(a) RBI (b) Ministry of Finance
(c) Prime Minister (d) None of the above

133. Which is not the aim of National Policy on Education?

(a) Universal access and enrolment
(b) Universal retention of children upto 14 years of age
(c) A Substantial improvement in the quality of education
(d) None of the above

134. The goal of National Policy on Education is to make an expenditure of ——— of GDP.

(a) 5% (b) 7%
(c) 6% (d) 8%

135. Gross Enrolment Ratio shows the proportion of children in elementary school in the age group of:

(a) 6-10 (b) 6-14
(c) 6-8 (d) 4-10

136. VSAT stands far

(a) Very Small Aperture Terminals
(b) Various Small Aperture Terminals
(c) Very Small Application Terminals
(d) Valuable Small Aperture Terminals

137. On an average, one post office serves:

(a) 18 Sq. Km area (b) 21.21 Sq. Km area
(c) 31 Sq. Km area (d) 51 Sq. Km area

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138. Airport Authority of India manages ——— airports

(a) 82 (b) 93
(c) 115 (d) 103

139. Death rate has declined _____ in 2007

(a) 1.2% (b) 7.3%
(c) 5.2% (d) 3.6%

140. What is the approximate life expectancy of the people living in India?

(a) 58 (b) 60
(c) 65 (d) 50

141. Which of the following states has the highest percentage of literacy?

(a) Delhi (b) Kerela
(c) Karnataka (d) Tamil Nadu

142. FDI Prohibited in all of the following except:

(a) Atomic energy (b) Lottery business
(c) Banking operations (d) Gambling and betting

143. Every ——— poor person in the world is an Indian

(a) Sixth (b) Third
(c) Fifth (d) Seventh

144. Density of Population refer to

(a) Number of person per square kilometer
(b) Number of person per square kilometer of land excluding forest and river
(c) Number of person per square kilometer of land excluding rivers and seas in the country
(d) Number of persons per km of land

145. India's present density of Population is

(a) 344 persons per square kilometer
(b) 324 persons per square kilometer
(c) 390 persons per square kilometer
(d) 440 persons per square kilometer

146. Gini Coefficient is often used to measure poverty in:

(a) Absolute Terms (b) Relative Terms
(c) Both (a) and (b) (d) None of the above

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147. Presently how many villages are not electrified?

(a) 25% (b) 5%
(c) 10% (d) 19%

148. The ———— is defined as the number of persons in the labor force per 1000 persons

(a) WPR (b) LFPR
(c) CWS (d) CDS

149. An expansion in the supply of a good is caused by a:

(a) Rise in the price of good
(b) Fall in the prices of other goods.
(c) Fall in the prices of factors of production
(d) All of the above

150. Which of the following has the lowest price elasticity of supply?

(a) Luxury (b) Necessities
(c) Salt (d) Perishable goods

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. The value of $\left(\frac{1}{64}\right)^{0} + (64)^{\frac{1}{2}} + (-32)^{\frac{4}{5}}$

(a) $17\frac{1}{8}$ (b) $17\frac{3}{8}$
(c) $11\frac{7}{8}$ (d) None of these

152. If $a^2 + b^2 = 45$ & $ab = 18$, then $\frac{1}{a} + \frac{1}{b}$ is

(a) $\frac{1}{3}$ (b) $\frac{2}{3}$
(c) $\frac{1}{2}$ (d) None of these

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153. **The value of** $\frac{a^{\frac{1}{2}}+a^{\frac{-1}{2}}}{1-a}+\frac{1-a^{\frac{-1}{2}}}{1+\sqrt{a}}$

(a) $\frac{a}{a-1}$ (b) $\frac{a-1}{2}$

(c) $\frac{2}{a-1}$ (d) $\frac{2}{1-a}$

154. **If** $\log_e^2 . \log_x^{625} = \log_{10}^{16} . \log_e^{10}$, **then x**

(a) 7 (b) 5

(c) 8 (d) None of these

155. **The highest score in an innings was** $\frac{2}{9}$ **of the total score and the next highest was** $\frac{2}{9}$ **of the remainder. These score differed by 8 runs. What was the total score in the innings?**

(a) 162 (b) 152

(c) 142 (d) 1132

156. **The third proportional to 15 and 20 is**

(a) $\frac{80}{3}$ (b) 80

(c) $\frac{80}{7}$ (d) None of these

157. **The mean proportional between 9 and 25 is –**

(a) 16 (b) 10

(c) 15 (d) None of these

158. **The ratio of the number of boys and girls in a school is 2:5. If there are 280 students in the school, find the number of girls in the school.**

(a) 200 (b) 250

(c) 150 (d) None of these

159. **A bag contains an equal number of one rupee, 50 paise and 25 paise coins respectively. If the total value is Rs. 35, how many coins of each type are there.**

(a) 30 (b) 20

(c) 25 (d) None of these

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160. One-third of a number is greater than one-fourth of its successor by 1. Find the number.

(a) 51 (b) 21
(c) 15 (d) None of these

161. The value of $\log_3\left(\frac{1}{81}\right)$ is

(a) 4 (b) –4
(c) 2 (d) –2

162. The value of $\log_{2\sqrt{2}}\left(\frac{1}{256}\right)$ is

(a) $\frac{16}{3}$ (b) –4
(c) 3 (d) $\frac{-16}{3}$

163. If $\log_x \sqrt[3]{2} = \frac{1}{15}$; then value of x is

(a) 8 (b) 32
(c) 16 (d) 64

164. If $\log_4 [\log_3(\log_2 x)] = 0$; then value of x is

(a) 16 (b) 32
(c) 4 (d) None of these

165. The value of $\log_x(0.00001) = -5$, then x is

(a) 10 (b) 10^2
(c) 10^0 (d) None of these

166. 1230 baskets of mangoes were loaded in three trucks. When unloaded, it was found that 5, 10 and 15 baskets were rotten in the trucks respectively, but the remaining baskets were in the ratio of 3:4:5. How many baskets were loaded initially in each truck?

(a) 575 (b) 515
(c) 565 (d) None of these

167. Find the ratio x : y : z from $2x + 3y - 5z = 0$ and $-3x + 2y + 7z = 0$

(a) 10:12:13 (b) 30:2:12
(c) 31:1:13 (d) None of these

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168. The value of $\log_a \sqrt[n]{A}$

(a) $\frac{1}{n} \log_a A$ (b) $a \log_{1/n} A$

(c) $A \log_a\left(\frac{1}{n}\right)$ (d) None of these

169. The value of $\frac{\log_{10} 4}{\log_{10} 8}$

(a) $\frac{1}{3}$ (b) $\frac{4}{3}$

(c) $\frac{2}{3}$ (d) None of these

170. If $\log_{10}$ 12.45 = 1.0952 and $\log_{10}$ 3.79 = 0.5786, Find the value of $\log_{10}$ 124.5 + $\log_{10}$379

(a) 5.6738 (b) 4.6738
(c) 6.6738 (d) None of these

171. Find the number of even numbers greater than 100 that can be formed with the digits 0, 1, 2, 3?

(a) 10 (b) 15
(c) 20 (d) None of these

172. How many numbers between 100 and 1000 can be formed with the digits. 2, 3, 4, 0, 8, 9?

(a) 100 (b) 105
(c) 200 (d) None of these

173. In how many ways can the letters of the word "ALGEBRA" be arranged without changing the relative order of the vowels?

(a) 82 (b) 70
(c) 72 (d) None of these

174. How many words can be formed with the letters of the word "UNIVERSITY", the vowels always remaining together?

(a) 60480 (b) 60482
(c) 60000 (d) None of these

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175. In how many ways can the letters of the word "DIRECTOR" be arranged so that the three vowels are never together?

(a) 180 (b) 18,000
(c) 18,002 (d) None of these

176. If f(x) = 1; if $x \leq 3$, f(x) = ax + b; if $3 < x < 3$, f(x) = 7; if $5 \leq x$. Determine the values of a & b so that f(x) is continuous.

(a) a=3 & b =– 8 (b) a = 3 & b=8
(c) a–3 & b = 8 (d) None of these

177. Evaluate $\lim_{x\to 3}\left[\frac{x}{x-3}-\frac{9}{x^2-3x}\right]$

(a) 1 (b) 0
(c) 2 (d) None of these

178. If $f(x) = 4 - x^2$; then $\lim_{x\to 2}\frac{f(2)-f(x)}{x-2}$ **is**

(a) $\frac{2}{\sqrt{5}}$ (b) $-\frac{2}{\sqrt{5}}$
(c) $2\sqrt{5}$ (d) 4

179. Evaluate $\frac{dy}{dx}$ **; if** $y = \sqrt{\frac{1-x}{1+x}}$

(a) $\frac{1}{(1+x)\sqrt{1-x^2}}$ (b) $\frac{-1}{(1+x)\sqrt{1-x^2}}$
(c) $\frac{1}{(1+x^2)\sqrt{1-x^2}}$ (d) None of these

180. If $y = \frac{10^x + \log x}{\sqrt{x}}$ **; then find** $\frac{dy}{dx}$ **.**

(a) $\frac{10^x(2\times\log 10-1)+2-\log x}{2x\sqrt{x}}$ (b) $\frac{10^x(2\times\log 10+1)+2-\log x}{2x\sqrt{x}}$
(c) $\frac{10^x(2-1)+2-\log x}{2x\sqrt{x}}$ (d) None of these

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181. Evaluate $\int 2^x x^2 dx$

(a) $\frac{2^x x^2}{2} - \frac{x2^{x+1}}{(\log 2)^2} + \frac{2^{x+1}}{(\log 2)^3} + c$

(b) $\frac{2^x x^3}{3} - \frac{x^2 2^{x+1}}{(\log 2)^2} + \frac{2^{x+1}}{(\log 3)^2} + c$

(c) $\frac{2^x . x^2}{3} - \frac{x^3 . 2^x}{3} - \frac{2^{x+1}}{(\log 2)^3} + c$

(d) None of these

182. Evaluate $\int \frac{\log\sqrt{x}}{3x} dx$

(a) $\frac{1}{3}\log\sqrt{x} + c$

(b) $\frac{1}{3x}\log\left(\sqrt{x}\right)^2 + c$

(c) $\frac{1}{3}\left[\log\left(\sqrt{x}\right)\right]^2 + c$

(d) None of these

183. Evaluate: $\int \frac{\log x}{x^2} dx$

(a) $\frac{1}{x}(1+\log x) + c$

(b) $\frac{-1}{x}\log ex + c$

(c) $\frac{1}{x}\log\left(\frac{x}{e}\right) + c$

(d) None of these

184. Evaluate: $\int \frac{e^x(x^2+1)}{(x+1)^2} dx$

(a) $e^x\left(\frac{x-1}{x+1}\right) + c$

(b) $e^x\left(\frac{x+1}{x-1}\right) + c$

(c) $-e^x\left(\frac{x-1}{x+1}\right) + c$

(d) None of these

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185. **Evaluate** $\int \frac{xe^x}{(1+x)^2} dx$

(a) $\frac{e^x}{1+x} + c$ (b) $\frac{xe^x}{1+x} + c$

(c) $\frac{e^x}{(1+x)^2} + c$ (d) None of these

186. **If** $y = \sqrt{x} + \frac{1}{\sqrt{x}}$; **then** $2x\frac{dy}{dx}$ **is**

(a) $\sqrt{x} - \frac{1}{\sqrt{x}}$ (b) $\sqrt{x} + \frac{1}{\sqrt{x}}$

(c) $x - \frac{1}{x}$ (d) None of these

187. **if** $y = \frac{\sqrt{x^2+1} + \sqrt{x^2-1}}{\sqrt{x^2+1} - \sqrt{x^2-1}}$, **then** $\frac{dy}{dx}$ **is**

(a) $2x - \frac{2x^3}{\sqrt{x^4-1}}$ (b) $2x + \frac{2x^3}{\sqrt{x^4-1}}$

(c) $x - \frac{x^3}{\sqrt{x^4-1}}$ (d) None of these

188. **If** $y = \log\left[e^x\left(\frac{x-2}{x+2}\right)^{\frac{3}{4}}\right]$ **then** $\frac{dy}{dx}$ **is**

(a) $\frac{x^2-1}{x^2-4}$ (b) $\frac{x^2+1}{x^2-4}$

(c) $\frac{x^2-1}{x^2+4}$ (d) None of these

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189. **If $y = x^x$, then $\frac{dy}{dx}$ is**

(a) $x^x (2 + \log x)$ (b) $x^x \log (ex)$

(c) $x^x \log\left(\frac{e}{x}\right)$ (d) None of these

190. **If $y = x^{e^{-x^2}}$ then $\frac{dy}{dx}$ is**

(a) $x^{e^{-x^2}} e^{-x^2}\left[\frac{1-2x^2 \log x}{x}\right]$ (b) $x^{e^{-x^2}} e^{-x^2}\left[\frac{1-3x^3 \log x^2}{x^2}\right]$

(c) $e^{-x^2}\left[\frac{1-3x^2 \log x}{x}\right]$ (d) None of these

191. **If the sum of first n terms of an A.P.'s Zero, then the sum of next m terms, where a is the first term of the A.P. is**

(a) $\frac{-am}{(m+n)(n-1)}$ (b) $\frac{-am(m+n)}{n-1}$

(c) $\frac{am(m+n)}{n-1}$ (d) None of these

192. **First, Second and last terms of a finite A.P. are m, n and 2m respectively, then sum of the series is**

(a) $\frac{3mn}{2(n-m)}$ (b) $\frac{3mn}{n-m}$

(c) $\frac{3mn}{2(n+m)}$ (d) None of these

193. **The first and fifth term of an A.P. of 40 terms are –29 & –15 respectively. Find the sum of all positive terms of this A.P.**

(a) 1605 (b) 1705

(c) 1805 (d) None of these

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194. **If mth term of an A.P. is $\frac{1}{n}$ and nth term is $\frac{1}{m}$, then sum of mn terms is –**

(a) mn+1 (b) $\frac{1}{2}(mn-1)$

(c) $\frac{1}{2}(mn+1)$ (d) None of these

195. **The sum of n terms of two A.P.s are in the ratio (7n+1) : (3n+2); find the sum of their 13th terms**

(a) 6:7 (b) 16:7
(c) 7:16 (d) None of these

196. **If one Arithmetic Mean A and G.M.s G_1 and G_2 be inserted between any two numbers then $G_1^3 + G_2^3$ is equal to –**

(a) $2G_1 G_2$ (b) $2A G_1 G_2$
(c) $2AG_1$ (d) None of these

197. **If $\frac{a^{m+1}+b^{m+1}}{a^m+b^m}$ is the G.M. between the numbers a and b, then the value of m is**

(a) $-\frac{1}{2}$ (b) $\frac{1}{2}$
(c) 1 (d) 0

198. **If the p^{th}, q^{th}, r^{th} and s^{th} terms of an A.P. are in G.P.; then p–q, q–r and r–s are in**

(a) A.P. (b) G.P.
(c) Cannot determine (d) None of these

199. **The value of $1.\overline{4}$ is**

(a) $\frac{13}{9}$ (b) $\frac{10}{9}$

(c) $\frac{4}{9}$ (d) None of these

200. **The value of $0.3\overline{56}$ is**

(a) $\frac{356}{999}$ (b) $\frac{353}{999}$

(c) $\frac{353}{990}$ (d) None of these

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BOARD OF STUDIES

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COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT – 2

Time : 4 hours ***Maximum Marks : 200***

The test is divided into four sections.

Questions 1 to 200 have only one correct answer and carry + 1 mark for each correct answer and – 0.25 mark for each wrong answer.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

1. Present liability of uncertain amount, which can be measured reliably by using a substantial degree of estimation is termed as

(a) Contingent liability (b) Liability
(c) Provision (d) Reserve

2. Which one of the following statement is FALSE :

(a) There are many views about accounting principles
(b) Accounting is based on accounting equation
(c) Accounting is commonly treated as language of business
(d) None of the above

3. For charging depreciation, on which of the following assets, the depletion method is adopted?

(a) Wasting Assets (Mines) (b) Land
(c) Goodwill (d) All of the above

4. Closing stock appearing in the trial balance is shown in

(a) The Profit and Loss Account (b) The Balance Sheet only
(c) The Trading Account only (d) Both (b) and (c)

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5. When the incoming partner brings his share of goodwill in cash, the amount of brought-in share of goodwill is credited to

(a) Cash Account (b) Capital Account
(c) Premium for Goodwill (d) Old Partner's Capital Account

6. For shares issued to promoters for their services, account debited is

(a) Goodwill Account (b) Promotion Expenses Account
(c) Promoters Account (d) Directors Account

7. According to Section 78 of the Companies Act, the amount in the securities premium A/c can be used for the purpose of

(a) Issue of fully paid bonus shares (b) Writing off preliminary expenses
(c) Both (a) & (b) (d) None of the above

8. Closing stock is valued at

(a) Cost price
(b) Cost price or Net realisable value whichever is lower
(c) Cost price or Net realisable value whichever is higher
(d) Net realisable value

9. When the goods are returned to a supplier

(a) A Debit note is sent to him
(b) An Account sale is sent to him
(c) A receipt is sent to him
(d) Either (b) or (c)

10. Bills receivable endorsed are debited to

(a) Bills Payable A/c (b) Debtor's A/c
(c) Endorsee A/c (d) Bills Receivable A/c

11. Capital Accounts of the co-venturers are of the nature of

(a) Nominal A/c (b) Personal A/c
(c) Real A/c (d) None of the above.

12. Del-credere Commission is allowed to cover

(a) All types losses (b) Abnormal loss
(c) Normal loss (d) None of the above

13. Entrance fee of Rs. 50,000 received by Shyam Cricket club is a

(a) Capital Expenditure (b) Revenue Receipts
(c) Capital Receipt (d) Revenue Expenditures

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14. Interest on Capital is ..... for the business.

(a) Revenue (b) Expense
(c) Gain (d) None of the above

15. An amount of Rs. 5,000 received from Pankaj credited to Pooja would affect

(a) Pooja's A/c (b) Pankaj's A/c
(c) Pankaj's A/c and Pooja's A/c (d) Cash A/c and Pooja's A/c

16. Accounts payable has..... balance

(a) Credit (b) Unfavourable
(c) Debit (d) Favourable

17. The concept that "an accountant shouldn't anticipate profit, but must provide for all losses" is known as

(a) The conservatism concept (b) The consistency concept
(c) The materiality concept (d) The reduction concept

18. Patents Accounts are

(a) Secured Loan Account (b) Nominal Account
(c) Real Account (d) Debtors Account

19. If a bill is drawn on 24 November for 60 days, it will mature on

(a) 26 January (b) 25 January
(c) 24 January (d) 21 January

20. Sales Tax payable is a

(a) Current Assets (b) Personal A/c
(c) Nominal A/c (d) Real A/c

21. Jai Co. purchased goods for Rs. 30,00,000 and sold 70% of such goods during the accounting year ended 31st March, 2010. The market value of the remaining goods was Rs. 7,00,000. Company valued closing stock at Rs. 7,00,000 and not at Rs. 900000 due to

(a) Periodicity concept (b) Cost concept
(c) Conservatism concept (d) None of the above

22. Tata Communication invited applications for 50,000 equity shares of Rs. 10 each and received 65,000 applications along with application money of Rs. 5 per share. Which of the following is correct

(a) Refund the excess application
(b) Make pro-rate allotment to all applicants, and refund the excess application money
(c) Make pro-rate allotment to all applicants and adjust the excess money received towards call money
(d) All of the above

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23. Goods costing Rs. 2,00,000 sent out to consignee at cost + 25%. Invoice price of the goods will be

(a) 2,40,000 (b) 2,30,000
(c) 2,10,000 (d) 2,50,000

24. A company wishes to earn a 25% profit margin on selling price. Which of the following in the profit mark up on cost, which will achieve the required profit margin

(a) 33.33% (b) 20%
(c) 30% (d) None of these

25. Ram of Raipur sends out goods costing Rs. 1,00,000 to Amar of Alwar. 3/5th of the goods were sold by consignee for Rs. 70,000. Commission 2% on sale plus 20% of gross sale less all commission exceeds cost price. The amount of commission will be

(a) Rs.2,900 (b) Rs.3,333
(c) Rs.2,833 (d) Rs.2,800

26. On 1.7.06, Ravi draws a bill on Raju for Rs. 10,000. At maturity Raju requests Ravi to renew the bill for 2 months at 15% p.a. interest. Amount of interest will be

(a) Rs. 200 (b) Rs. 250
(c) Rs. 300 (d) Rs. 325

27. Credit purchase of cotton by cotton dealer worth Rs. 10,000 will be entered in

(a) Sales Book (b) Bill Receivable Book
(c) Purchase Book (d) None of the above

28. Goods worth Rs. 5,000 given as charity should be credited to

(a) Purchases A/c (b) Sales A/c
(c) Capital A/c (d) None of the above

29. Anurag and Basu entered into a joint venture and agreed to share equal profits. Anurag purchased goods costing 2,00,000, Basu sold 4/5th of the goods for Rs. 2,50,000. Balance goods were taken over by Basu at cost less 20%. If same set of books is maintained, find out profit on venture

(a) Rs.90,000 (b) Rs.85,000
(c) Rs.83,000 (d) Rs.82,000

30. Brij Ltd. purchased a machine on 1.1.2010 for Rs. 2,40,000. Installation expenses were Rs. 20,000. Residual value is estimated to be Rs. 5,000. On 1.1.2010, expenses for repair were increased to the extent of Rs. 5,000 depreciation is provided under straight line method. Depreciation rate is 10%. Annual depreciation will be

(a) Rs.20,000 (b) Rs.26,500
(c) Rs.26,000 (d) Rs.23,000

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31. J, K and L are partners sharing profits and losses in the ratio of 3 : 2 : 1. They look a joint life policy of Rs. 60000. On the death of L, what amount will be payable to each partner.

(a) J = Rs.15,000, K = Rs.30,000, L = Rs.15,000
(b) J = Rs.10,000, K = Rs.20,000, L = Rs.30,000
(c) J = Rs.30,000, K = Rs. 20,000, L = Rs.10,000
(d) J = Rs.30,000, K = Rs.30,000

32. Sale of office furniture should be credited to

(a) Furniture A/c (b) Sales A/c
(c) Cash A/c (d) Purchase A/c

33. Pankaj Ltd. issued 500 equity shares of Rs. 100 each as fully paid up in consideration of purchase of plant and machinery Rs. 40000. What will be the amount of discount an issue of shares

(a) Rs. 15,000 (b) Rs. 10,000
(c) Rs. 5,000 (d) Rs. 1,000

34. Omega Ltd. issued 5000 shares of Rs. 20 each. The called up value per share was Rs. 16. The company forfeited 400 shares of Mr. Ajay for non-payment of 1st Call money of Rs. 4 per share. He paid Rs. 12 for application and allotment money. On forfeiture, the share capital A/c will be

(a) Debited by Rs. 6,400 (b) Credited by Rs. 1,600
(c) Debited by Rs. 1,600 (d) None of the above

35. Sundry debtors on 31st March, 2010 are Rs. 1,05,000. Further bad debts are Rs. 5,000, sales return recorded in the books Rs. 10,000. Old provision for bad debts is Rs. 4,000. Provision for doubtful debts is to be made on debtors @ 10% and also provision of discount is to be made on debtors @ 3%. What will be the amount of bad debts charged in Profit and Loss A/c after considering provisions for bad debts?

(a) Rs.2,700 (b) Rs. 10,500
(c) Rs.12,700 (d) Rs. 6,000

36. In the bank reconciliation statement, when balance as per cash book is taken as the starting point, the direct deposits from customer of Rs. 10,000 in the bank will be

(a) Subtracted (b) Added
(c) Ignored (d) None of the above

37. The profit of the M/s JPH, a partnership firm before charging managerial commission is Rs. 84,000. The managerial commission is charged @ 5% on profit after charging such commission. The amount of managerial commission will be

(a) Rs. 4,200 (b) Rs 8,400
(c) Rs. 4,000 (d) Rs. 8,000

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38. Naveen of Nagpur sends out 1,000 boxes costing 1,00,000 to Deepak of Delhi at cost +20% consignor's expenses were:
Freight Rs. 6,000
Insurance Rs. 2,000
Consignee's expenses were :
Loading and Unloading charges Rs. 10,000
Salesman salary Rs. 6,000 and
Commission 2% on Gross sales.
What will be the amount of profit if 3/4th goods sold by consignee at Rs. 1,00,000

(a) Rs. 5,500 (b) Rs. 6,500
(c) Rs. 7,500 (d) Rs. 3,500

39. Manish sold goods to Kamal for Rs. 25,000. Manish will grant 2% discount to Kamal. Kamal requested Manish to draw a bill. The amount of bill will be

(a) Rs.25,000 (b) Rs.24,750
(c) Rs.24,500 (d) Rs.24,250

40. Edward Motors Ltd. a dealer in cars has the following five vehicles of different models and makes in their stock at the end of the financial year 2005-06

	Car	*Cost (Rs.)*	*Market Price (Rs.)*
(i)	**Zen**	**2,00,000**	**2,10,000**
(ii)	**Fiat**	**3,50,000**	**3,70,000**
(iii)	**Esteem**	**3,25,000**	**3,20,000**
(iv)	**Honda City**	**6,00,000**	**6,30,000**
(v)	**Optra**	**7,25,000**	**7,00,000**

The value of stock included in balance sheet of the company as on 31 March, 2006 was

(a) 21,70,000 (b) 22,00,000
(c) 22,30,000 (d) 22,60,000

41. Mr. Anuj sent 2000 units costing Rs. 1800 each to Mr. Mahipal. The goods were to be sold as to yield a gross profit of 20% on sales. Mr. Mahipal sold 1200 units @ 2050 per unit on credit and 650 units @ Rs. 2300 per units on cash. Mr. Mahipal is entitled to a commission Rs. 300 per unit. The amount of commission will be

(a) Rs. 5,55,000 (b) Rs. 5,70,000
(c) Rs. 5,90,000 (d) Rs. 6,10,000

42. Vimal and Vishal are partners sharing profits and losses in the ratio of 2 : 1. On 1st Jan 2009, Vasu is admitted with 1/4th share in profits with guaranteed amount of Rs. 25,000. The profits for the year ended 31 Dec, 2009 amounting to Rs. 76,000. The share of Vishal in the profits should be

(a) Rs. 19,000 (b) Rs. 17,000
(c) Rs. 15,000 (d) Rs. 13,000

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43. Rohit and Raja enter into a joint venture to sell cotton, sharing profit, and losses equally. Rohit provides cotton from stock Rs. 1,00,000. He pays expenses amounting Rs. 10,000. Raja incurs further expenses on carriage Rs. 10,000. He received cash on sale of cotton Rs. 1,50,000. He also takes over goods to the value of Rs. 20,000. Profit on venture will be

(a) Rs. 30,000 (b) Rs. 40,000
(c) Rs. 45,000 (d) Rs. 50,000

44. The profits of last three years are Rs. 58,000, Rs. 55,000 and Rs. 61,000. Capital employed is Rs. 500000 and normal rate of return is 10%. The amount of goodwill calculated on the basis of super profit method for three years of purchase will be

(a) Rs. 8,000 (b) Rs. 16,000
(c) Rs. 24,000 (d) Rs. 32,000

45. "Inventories should be out of godown in the sequence in which they arrive" is based on

(a) FIFO (b) Weighted average
(c) LIFO (d) None of the above

46. The following information pertains to Sethi Ltd.

(i) Equity share capital called up Rs. 10,00,000

(ii) Call in advance Rs. 90,000

(iii) Call in arrear Rs. 1,10,000

(iv) Proposed Dividend 12%

Amount of dividend for the year will be

(a) Rs. 1,17,600 (b) Rs. 96,000
(c) Rs. 1,06,800 (d) Rs. 1,20,000

47. Reserve Capital means

(a) Part of subscribed uncalled capital
(b) Accumulated profit
(c) Part of Capital Reserve
(d) Part of Capital Redemption Reserve

48. The weekly or monthly total of the purchase book is

(a) Posted to the debit of the purchase A/c
(b) Posted to the credit of the purchase A/c
(c) Posted to the credit of the bill payable A/c
(d) None of the above

49. Revenue from sale of product ordinarily is reported as part of earning in the period

(a) The planning takes place (b) The sale is made
(c) The product is manufactured (d) The cash is collected

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50. Mr. Yogesh was the holder of 700 shares of Rs. 100 each in KFC Ltd. upon which 50 per share had been called up but he had paid only Rs. 25 per share thereon. The company forfeited his shares and afterwards sold them to Kamlesh, credited as Rs. 50 per share paid for Rs. 25,000. The amount to be transfer to capital reserve is

(a) Rs. 7,500 (b) Rs. 25,000
(c) Rs. 35,000 (d) Rs. 70,000

51. DBM Ltd. issued 7,000, 5% debentures of Rs. 100 each at a discount of 6%, redeemable at a premium of 5% after 5 years payable as Rs. 50 on application and Rs. 44 on allotment. Total amount of discount/loss on issue of debenture will be

(a) Rs. 42,000 (b) Rs. 35,000
(c) Rs. 77,000 (d) Rs. 1,22,000

52. From the following figures ascertain the gross profit/loss

Opening stock = Rs. 60,000
Cost of good sold = Rs. 2,20,000
Freight on purchase = Rs. 1,20,000
Sale = Rs. 3,00,000

(a) Rs. 80,000 (b) Rs. 8,000
(c) Rs. 20,000 (d) Rs. 68,000

53. Abhi draws a bill on Ravi for Rs. 1,00,000 for 3 months. At maturity, the bill returned dishonoured, noting charges Rs. 1,000. Ravi was declared insolvent and only 30 paise in a rupee was recovered from his estate. The amount of deficiency to be recorded on insolvency in the books of Ravi will be

(a) Rs. 30,300 (b) Rs. 29,400
(c) Rs. 35,500 (d) Rs. 70,700

54. M, N and O are partners sharing profit and losses in the ratio of 3 : 2 : 1. P joins the firm and gets 2/10th of share in the ratio of 1 : 1 from M and N calculate new ratio

(a) 24 : 14 : 5 : 6 (b) 12 : 7 : 5 : 6
(c) 12 : 7 : 10 : 12 (d) 24 : 10 : 14 : 12

55. Original cost = Rs. 2,52,000 Salvage value = 12000.
Depreciation for 3rd year @ 5% p.a. under W.D.V method

(a) Rs. 12,600 (b) Rs. 11,382
(c) Rs. 11,372 (d) Rs. 11,970

56. Tarun Ltd. purchased building from Varun Ltd. for a book value of Rs. 400000. The consideration was paid by issue of 12% debentures of Rs. 100 each at a discount of 20%. The debenture account will be credited

(a) Rs. 5,00,000 (b) Rs. 4,00,000
(c) Rs. 1,00,000 (d) None of the above

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57. Goods sold for cash Rs. 50000, plus 10% sales Tax. Sales will be credited by

(a) Rs. 45,000 (b) Rs. 50,000
(c) Rs. 55,000 (d) Rs. 60,000

58. Ram and Shyam enter into a joint venture sharing profits and losses in the ratio 3:2. Ram purchased goods costing Rs. 200000. Other expenses of Ram Rs. 10000. Shyam sold goods for Rs. 180000. Remaining goods were taken over by Shyam at Rs. 20000. The amount of final remittance to be paid by Shyam to Ram will be

(a) Rs. 2,15,000 (b) Rs. 2,06,000
(c) Rs. 2,10,000 (d) None of the above

59. Net realisable value means :

(a) Sales less cost incurred necessarily to make the sale
(b) Sales less sales return
(c) Sales less cost of purchase
(d) Sales less gross profit margin

60. In the absence of a partnership deed, the allowable rate of interest on partners loan account will be

(a) 4% (b) 7%
(c) 6% (d) 12%

SECTION – B : MERCANTILE LAWS (40 MARKS)

61. A general offer may be accepted by

(a) Any person (b) Promisee only
(c) Legal representative only (d) Any of these

62. Moral pressure is involved in the case of

(a) Coercion (b) Undue - influence
(c) Misrepresentation (d) Fraud

63. An unpaid seller is bound to resell the goods

(a) False
(b) True
(c) Unpaid seller can sue for compensation
(d) Unpaid seller can force to pay the price

64. Communication of acceptance, as against the proposer, is complete.

(a) When the letter of acceptance is put into a course of transmission
(b) When the letter of acceptance reaches the proposer
(c) When the proposer has actually learnt the contents of the letter of acceptance
(d) None of the above

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65. In a unilateral contract

(a) Only one of the parties makes a promise
(b) One of the parties has already performed his part of the promise
(c) Both the parties have to perform their respective promises
(d) Not a contract at all

66. Standing offer means

(a) Offer allowed to remain open for acceptance over a period of time
(b) After made to the public is general
(c) When the offeree offers to qualified acceptance of the offer
(d) Offer made to a definite person

67. A contract stands discharged by

(a) Performance of the contract (b) Frustration of the contract
(c) both (a) & (b) (d) Neither (a) nor (b)

68. Offer of promise to perform must be made

(a) at the proper time (b) at the proper place
(c) at the proper form (d) All of the above

69. A promisor can perform the promise

(a) Through his representatives irrespective of the competency of that representative
(b) Through his representative component to perform
(c) Himself
(d) None of the above

70. Assignment of contract may be by

(a) Operation of law (b) The act of parties
(c) (a) or (b) (d) None of the above

71. Reasonable time for a performance of a contract is a

(a) Question of fact (b) Question of prudence
(c) Question of law (d) Mixed question of fact and law

72. Whether time is essence of the contract depends on the

(a) Provisions of law
(b) Intention of the parties
(c) Facts and circumstances of each separate case
(d) All of the above

73. Contract can be discharged by agreement between parties by the way

(a) Remission (b) Waiver
(c) (a) or (b) (d) (a) and (b)

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74. The damage awarded by way of punishment is

(a) Vindictive damages (b) Special damages
(c) Nominal damages (d) Ordinary damages

75. Anticipatory breach of contract may be

(a) Express (b) Implied
(c) (a) or (b) (d) (a) and (b) both

76. Specific performance may be ordered by the Court in the following cases

(a) When the damages are an adequate remedy
(b) When defaulting party is not ready to pay damages
(c) When damages are not an adequate remedy
(d) When the contract is voidable

77. A finder of lost goods can be treated as

(a) Thief (b) Bailor
(c) Bailee (d) True owner

78. The quasi-contracts includes-

(a) Payment by an interested person (b) Liability to pay for non-gratuitous act
(c) Both (a) & (b) (d) Neither (a) nor (b)

79. Price consideration in a contract of sale can be

(a) Only by way of money
(b) Only by way of goods in return
(c) Party by way of money or partly by way of goods return
(d) No consideration is required at all

80. An agreement to sell is _____ contract.

(a) Executed (b) Executory
(c) Implied (d) Unilateral

81. Consideration in _____ passes from both parties to each other.

(a) Sale (b) Gift
(c) Transfer (d) None of these

82. In agreement to sell buyer _____ goods on insolvency of seller.

(a) Cannot claim (b) Can claim
(c) Can conditionally claim (d) None of the above

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83. Where there is an unconditional contract for sale of _____ , the property passes to the buyer at the time when contract is made.

(a) Unascertained goods
(b) Specific goods in a deliverable state
(c) Specific goods to be put in a deliverable state
(d) Specific goods in a non-deliverable state

84. Partnership is created by _____ among the partners.

(a) Mutual status (b) Agreement
(c) Understanding (d) Birth

85. Every partner has the right to _____.

(a) Take part in the business of the firm
(b) To share exclusive profits
(c) To use the property of the firm for personal purposes
(d) Pay taxes

86. Nature of the partnership is:

(a) Involuntary and Contractual (b) Statutory and Contractual
(c) Voluntary and Contractual (d) Economical & Ethical

87. The partner who does not take part in the conduct of the business is known as _____.

(a) Sub partner (b) Nominal partner
(c) Sleeping partner (d) All of the above

88. Each partner of a firm is _____.

(a) Principals as well as agents (b) Only agents of the firm
(c) Only representative of the firm (d) Only Co-partners of the firm

89. A partnership firm is _____.

(a) Judicial person
(b) Not a distinct legal entity from its partners
(c) A distinct legal entity from its partners
(d) Either (a) or (c)

90. The members of a club or associations have _____ of the club or association.

(a) Interest in the property (b) Mutual agency
(c) Membership (d) Both (a) and (b)

91. In all the joint Hindu family firms, their _____ are personally liable to third parties.

(a) Kartas and major members (b) Kartas only
(c) All major members (d) All the members

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92. Where seller resells the goods after giving notice to the buyer, the _____ shall not be entitled to any profit which may occur on resale.

(a) Buyer (b) Seller
(c) Bailee (d) Buyer and seller

93. Goods which are in the existence at the time of the contract of sale is known as _____.

(a) Present goods (b) Specific goods
(c) Ascertained goods (d) Existing goods

94. A _____ is a stipulation collateral to the main purpose of the contract. The breach of which gives rise to a claim for damages but not a right to reject the goods and treat the contract repudiate.

(a) Warranty (b) Condition
(c) Implied condition (d) None of the above

95. In a contract of sale of goods, breach of condition may be treated as breach of _____.

(a) Guarantee (b) Term
(c) Warranty (d) Promise

96. _____ signifies that the parties are not further bound under the contract.

(a) Discharge of a contract (b) Breach of a contract
(c) Waiver of a contract (d) Recission of a contract

97. When a contract expressly provides for the order of performance of reciprocal promises, the promises shall be performed in _____.

(a) Any reasonable order
(b) Any appropriate order
(c) Any order
(d) The order mentioned and not otherwise

98. A third party to a contract _____ the parties to the contract:

(a) Can sue conditionally (b) Cannot sue
(c) Can sue unconditionally (d) None of the above

99. 'A' is a minor, who broke his right leg in a cricket match. He engaged, a doctor, to set it. Does the doctor have a valid claim for his services? Decide.

(a) Minor will be personally liable.
(b) Minor's parents will be liable.
(c) Minor's properties, if any, can be held liable for necessary services rendered to a minor .
(d) Nobody will be liable.

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100. 'A' lends a horse to 'B' for his own riding only 'B' and 'C', his wife, to ride the horse, 'C', rides with care, but the horse accidentally falls and is injured. Decide the liability.

(a) A will not be liable. (b) A's wife will be liable.
(c) A is liable to make compensation. (d) Nobody will be liable.

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. In Economics, the central economic problem means:

(a) Output is restricted to the limited availability of resources
(b) Consumers do not have as much money as they would wish
(c) There will always be certain level of unemployment
(d) Resources are not always allocated in an optimum way

102. The other names of ———— method are abstract, analytical and priori method.

(a) Inductive method (b) Economic method
(c) Deductive method (d) None of the above

103. All points on PPC show that goods and services are produced at:

(a) Least cost and some resources are wasted
(b) High cost and no resources are wasted
(c) Least cost and no resources are wasted
(d) Moderate cost and no resources are wasted

104. Which of the following is a cause of an economic problem?

(a) Scarcity of Resources (b) Unlimited wants
(c) Alternative uses (d) All of the above

105. Calculate income elasticity for the household when the income of a household rises by 10 %, the demand for Rice rises by 5%.

(a) - .5 (b) + .5
(c) - 2 (d) + 2

106. When two goods are perfect substitutes of each other then

(a) MRS is falling (b) MRS is rising
(c) MRS is constant (d) None of the above

107. The Law of Scarcity

(a) Does not apply to rich, developed countries
(b) Does not apply to poor, under developed countries
(c) Implies only to socialist economies.
(d) Implies that all consumer wants will never be completely satisfied.

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108. Scarcity definition of economics is given by

(a) Alfred Marshall (b) J. B. Say
(c) Allen and Hicks (d) Robbins

109. In case of a Giffin good, the demand curve will be:

(a) Horizontal (b) Downward- sloping to the right
(c) Vertical (d) Upward – sloping

110. Which of the following statements is incorrect?

(a) The services of doctors, lawyers, teachers etc are termed as production
(b) Man cannot create matter
(c) Accumulation of capital does not depend solely on income
(d) None of the above

111. Which is the other name given to Average revenue curve?

(a) Profit curve (b) Demand curve
(c) Indifference curve (d) Income curve

112. Which of the following is not the function of RBI?

(a) Issue of currency (b) Bankers' bank
(c) Controller of credit (d) Banker to general public

113. The IMF was set up in:

(a) 1945 (b) 1946
(c) 1947 (d) 1950

114. M1 is defined by RBI (as per latest definition) as

(a) Currency + Deposits + other deposits with RBI
(b) Currency + Demand Deposits + other deposits with RBI
(c) Currency + Fixed Deposits + other deposits with RBI
(d) Currency + Time Deposits + other deposits with RBI

115. Nationalised Banks include:

(a) SBI (b) Citibank
(c) American Express Bank (d) All of the above

116. Two Nationalized banks were merged in the year:

(a) 1991 (b) 1975
(c) 1980 (d) 1993

117. Out of 5.6 lakh villages in India, only _____villages are being served by commercial banks:

(a) 56,000 (b) 10,000
(c) 5,000 (d) 50,000

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118. 100 percent privatization has taken place in:

(a) VSNL (b) Hindustan Zinc
(c) IBP Company (d) Centaur Hotel

119. The disinvestment programme was started in:

(a) 1990-91 (b) 1991-92
(c) 1995-96 (d) 1997-98

120. TRIPs stand for:

(a) Trade Related Intellectual Property Rights
(b) Transaction Related Intellectual Property Rights
(c) Trade Related Intelligence Property Rights
(d) Trade Related International Property Rights

121. 100% FDI is Permitted is:

(a) Oil Refineries (b) Banking
(c) Insurance (d) Defense

122. Duty Free Export Credit Scheme has been revamped and re-cast into:

(a) Made in India model (b) Served from India Scheme
(c) India's Shining Scheme (d) EPCG Scheme

123. Export Promotion Capital Goods scheme was abolished in:

(a) 1991 (b) 2002
(c) 2005 (d) False, it is still continuing

124. Financial sector reforms mainly relate to:

(a) Banking sector reforms (b) Capital reforms
(c) Insurance sector reforms (d) All of the above

125. FDI has been allowed in defense upto:

(a) 74% (b) 49%
(c) 26% (d) 100%

126. Administered prices means

(a) Prices fixed by private sector under the guidance of government
(b) Prices fixed by consumer forum
(c) Prices fixed by the Government and private sector
(d) Price level fixed by the Government

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127. Price support policy means:

(a) Prices at which government would be buying agricultural products from farmers
(b) Prices at which farmers will be selling goods to the private sector
(c) Subsidy received by farmers from government
(d) None of the above

128. Stagflation:

(a) means prices are falling and purchasing power is increasing
(b) is in the form of a low rate of growth combined with the general price level increase
(c) means high rate of growth combined with rise in the general price level
(d) means that due to increase in the cost of products, prices of final products are increasing

129. NPE stands far

(a) National Policy on Education (b) Nuclear Policy on Electronics
(c) National Policy on Electronics (d) National Policy on Elections

130. Sarva Shiksha Abhiyan was launched in the year

(a) 2000-01 (b) 2001-02
(c) 2002-03 (d) 2004-05

131. Secondary education prepares students in the age group of:

(a) 14-16 years (b) 14-18 years
(c) 12-18 years (d) None of the above

132. National Literacy mission was launched for:

(a) Primary education (b) Secondary education
(c) Adult education (d) All of the above

133. Postal system was started in India in the year:

(a) 1837 (b) 1847
(c) 1857 (d) 1867

134. Which is not the problem faced by Indian ports?

(a) Inadequate dredging and container handling facilities
(b) Inefficient and non optimal deployment of port equipment
(c) Proper coordination in the entire chain
(d) Operational constraints such as frequent break down of cargo handling equipment due to obsolescence

135. GRT stands for

(a) Gross Registered Tonnage (b) Gross Regular Tonnage
(c) Gross Regulated Tonne (d) Gross Registered Tollage

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136. Pawan Hans Helicopters Ltd provides helicopter support services to:

(a) Petroleum sector
(b) State and Union Territory government
(c) Public sector undertaking
(d) All of the above

137. India has a long coastline of:

(a) 7517 Km, 12 major ports and 200 minor ports
(b) 7518 Km, 12 major ports and 87 minor ports
(c) 7517 Km, 11 major ports and 187 minor ports
(d) 7577 Km, 12 major ports and 187 minor ports

138. For the prices- taking firm:

(a) Marginal revenue is less than price
(b) Marginal revenue is equal to price
(c) Marginal revenue is greater than price
(d) The relationship between marginal revenue and price is indeterminate

139. A monopolist is able to maximize his profits when:

(a) His output is maximum
(b) He charges high price
(c) His average cost is minimum
(d) His marginal cost is equal to marginal revenue

140. In Imperfect competition:

(a) Excess capacity always exists
(b) Excess capacity never exists
(c) Excess capacity may or may not exist
(d) None of the above

141. In long run, in perfectly competitive market there will be:

(a) Normal profit (b) Super normal profits
(c) Losses (d) None of the above

142. In perfect competition utilization of resources is

(a) Partial (b) Moderate
(c) Full (d) Over

143. Which of the following statements is false?

(a) For equilibrium the main condition is MC=MR
(b) AR curve and Demand curve are same
(c) MC and AC curves are U-shaped in every market
(d) None of the above

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144. Product differentiation is the most important feature of:

(a) Monopolistic Competition (b) Monopoly
(c) Oligopoly (d) Perfect Completition

145. MC=MR and MC cuts MR from below is a true equilibrium condition in:

(a) Short run (b) Long run
(c) Both in short run and long run (d) None of the above

146. Price discrimination occurs when:

(a) Producer sells a specific commodity or service to different buyers for the same price
(b) Producer sells specific commodity or service to different buyers at two or more different prices due to differences in cost
(c) Producer sells a specific commodity or service to different buyers at two or more different prices for reasons not associated with difference in cost
(d) Producer under perfect competition sells different goods to consumers at different prices

147. MR curve under Monopoly lies between AR and Y-axis because, the rate of decline of the MR is

(a) Just half of the rate of decline of AR
(b) Just equal to the rate of decline of AR
(c) Just triple the rate of decline of the average revenue
(d) Just double the rate of decline of the average revenue

148. Relationship between AR, MR and Price elasticity of demand is

(a) MR = AR + [e -1/e] (b) MR = AR x [e -1/e]
(c) AR = MR x [e -1/e] (d) MR = AR x [e/e -1]

149. In a perfectly competitive firm, MC curve above AVC is the_____Curve of the firm

(a) Average cost (b) Marginal revenue
(c) Demand (d) Supply

150. In the long run, normal profits are included in the _____ curve.

(a) LAC (b) LMC
(c) AFC (d) SAC

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. If (P+1)th term of A.P. is twice the (q+1)th term; then the ratio of (P+q+1)th term and (3P+1)th term is:

(a) 1:2 (b) 2:1
(c) 1:3 (d) None of these

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152. If the common difference of an A.P. equals to the first term, then the ratio of its mth term and nth term is:

(a) n:m (b) m:n
(c) $m^2:m^2$ (d) None of these

153. If the mth term of A.P. is $\frac{1}{n}$ and the nth term is $\frac{1}{m}$, then its mnth term is:

(a) 1 (b) –1
(c) 0 (d) None of these

154. Sum the series upto n terms $\frac{1}{2.5}+\frac{1}{5.8}+\frac{1}{8.11}+$.....

(a) $\frac{n}{2(3n+2)}$ (b) $\frac{-n}{2(3n+2)}$

(c) $\frac{n}{2(3n-2)}$ (d) None of these

155. Which term of the series 0.004 + 0.02 + 0.1 + …… is 12.5

(a) 5 (b) 10
(c) 6 (d) None of these

157. Find the compound interest on Rs. 2,000 at 5% per annum, compounded yearly for 2½ years.

(a) Rs. 250 (b) Rs. 250.50
(c) Rs. 260.12 (d) None of these

158. At what rate percent s upto n terms $\frac{1}{2.5}+\frac{1}{5.8}+\frac{1}{8.11}+$.....

(a) $\frac{n}{2(3n+2)}$ (b) $\frac{-n}{2(3n+2)}$

(c) $\frac{n}{2(3n-2)}$ (d) None of these

159. If the compound interest on a certain sum for 2 years at 3% be Rs. 101.50, what would be the S.I.?

(a) Rs. 100 (b) Rs. 200
(c) Rs. 300 (d) None of these

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160. The difference between the compound interest and the Simple Interest on a certain sum of money at 5% per annum for 2 years is Rs. 1.50. Find the sum.

(a) Rs. 500 (b) Rs. 700
(c) Rs. 600 (d) None of these

161. A batsman in his 17th innings makes a score of 85 and thereby increases his average by 3. What is his average after 17th innings?

(a) 37 (b) 35
(c) 36 (d) None of these

162. A person travels from A to B at the rate of 20 km/h and from B to A at the rate of 30 km/hr. What is the average rate for whole journey?

(a) 20 km./hr. (b) 24 km./hr.
(c) 30 km./hr. (d) None of these

163. A person divides his journey into three equal parts and decides to travel on three parts at the speeds of 40, 30 and 15 km/hr respectively. Find his average speed during the whole journey.

(a) 30 km./hr. (b) 24 km./hr.
(c) 35 km./hr. (d) None of these

164. A person covers 12 km at 3 km/hr, 18 km at 9 km/hr and 24 km at 4 km/hr. Find the average speed in covering the whole distance.

(a) 4.5 km./hr. (b) 5 km./hr.
(c) 10 km./hr. (d) None of these

165. A person runs the first $\frac{1}{5}^{th}$ of the distance at 2 km/hr, the next one half at 3 km/hr and the remaining distance at 1 km/hr. Find his average speed.

(a) $\frac{15}{17}$ km./hr. (b) $\frac{30}{17}$ km./hr.

(c) $\frac{17}{30}$ km./hr. (d) None of these

166. The mean of 100 observations is 50. If one of the observations which was 50 is replaced by 40, the resulting mean will be

(a) 40 (b) 49.90
(c) 50 (d) None of these

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167. The combined mean of three groups is 12 and the combined mean of first two groups is 3. If the first, second and third groups have 2, 3 and 5 items respectively, then the mean of third group is

(a) 10 (b) 21
(c) 12 (d) 13

168. Mode is

(a) Least frequent value (b) Middle most value
(c) Most frequent value (d) None of these

169. If the arithmetic mean of two numbers is 10 and their geometric mean is 8, the numbers are

(a) 20,5 (b) 16,4
(c) 15,5 (d) 12,8

170. A frequency distribution can be presented graphically by a

(a) Pie diagram (b) Histogram
(c) Pictogram (d) Line diagram.

171. In co - variance method the sum of difference of rank is

(a) 1 (b) –1
(c) 0 (d) Cannot say

172. The relation between the production of Pig iron and Soot content in a factory is

(a) Positive (b) Negative
(c) 0 (d) None of these

173. If the relation between two random variables x and y is $2x + 3y = 4$, then the correlation coefficient between them is

(a) –2/3 (b) 1
(c) –1 (d) None of these

174. For a two way frequency table having (m×n) classification the total number of cells is

(a) m (b) n
(c) m + n (d) mn

175. For a m×n two way or bivariate frequency table, the maximum number of marginal distributions is

(a) 1 (b) 2
(c) m+n (d) m.n

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176. The correlation coefficient r is the …….. of the two regression coefficients.

(a) G.M. (b) H.M.
(c) Arithmetic Mean (d) None of these

177. Each and every index number is independent of Unit of measurement.

(a) True (b) False
(c) Both (a) & (b) (d) None of these

178. For factor reversal test: $P_{01} \times Q_{01} = \frac{\sum P_1 Q_1}{\sum P_0 Q_0}$ = True Value Ratio (T.V.R.) This is

(a) False (b) True
(c) Both (a) & (b) (d) None of these

179. Factor Reversal test is satisfied by

(a) Fisher's Ideal Index Number (b) Laspeyre's Index Number
(c) Paasche's Index Number (d) All of the above

180. During a certain period, the cost of living index number goes up from 110 to 200 and the salary of the worker is also raised from Rs. 3,250 to Rs. 5,000. Does the worker really gain?

(a) No (b) Yes
(c) Cannot determine (d) None of these

181. Ticket numbered 1 to 20 are mixed up and then a ticket is drawn at random. What is the probability that the ticket drawn bears a number which is multiple of 3 or 7?

(a) $\frac{1}{5}$ (b) $\frac{2}{5}$

(c) $\frac{3}{5}$ (d) None of these

182. A card is drawn from a pack of playing cards at random. What is the probability that the card drawn is neither a king nor a heart?

(a) $\frac{4}{13}$ (b) $\frac{9}{13}$

(c) $\frac{2}{13}$ (d) None of these

183. A bag contains 3 red, 5 yellow and 4 green balls. 3 balls are drawn at random. Find the chance that balls drawn contain exactly two green balls.

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(a) $\frac{12}{55}$ (b) $\frac{10}{55}$

(c) $\frac{13}{55}$ (d) None of these

184. A husband and a wife appear in an interview for two vacancies in the same post. The probability of husband's selection is 3/5 and that of wife's selection is 1/5. Then the probability that only one of them is selected is

(a) $\frac{16}{25}$ (b) $\frac{17}{25}$

(c) $\frac{14}{25}$ (d) None of these

185. A bag contain 4 white balls and 2 black balls. Another contains 3 white and 5 black balls. If one ball is drawn from each bag. Then the probability that one is white and one is black is

(a) $\frac{11}{24}$ (b) $\frac{13}{24}$

(c) $\frac{15}{25}$ (d) None of these

186. Poison distribution is a biparametric distribution. This is

(a) True (b) False
(c) Either (a) or (b) (d) None of these

187. Binomial distribution is a biparametric distribution. This is

(a) True (b) False
(c) Either (a) or (b) (d) None of these

188. If x and y are two independent variance follow poison distribution in the parameters m_1 & m_2 respectively. If z = x + y and also follows the poison distribution then the parameter of Z is

(a) $m_1 - m_2$ (b) $m_1 . m_2$
(c) $m_1 + m_2$ (d) None of these

189. If x and y are two independent variables such that x ~ B (n_1, P) and y ~ B (n_2, p) then the parameter of Z = x + y is

(a) (n_1+n_2), P (b) (n_1-n_2), P
(c) (n_1+n_2), 2P (d) None of these

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190. The Binomial or poison distribution could be uni–modal or bi–modal. This is

(a) False (b) True
(c) Either (a) or (b) (d) None of these

191. If x be a normal variate with mean 3 and variances 16, find the value of t such that: P (3 $\leq$ x $\leq$t) = 0.4772 (Given: P(Z $\leq$ 2) = 0.9772, where Z is N (0, 1) variate.)

(a) 10 (b) 11
(c) 12 (d) None of these

192. A bag contains 5 red and 4 blackballs. A ball is drawn at random from the bag and put into another bag contains 3 red and 7 black balls. A ball is drawn randomly from the second bag. What is probability that it is red?

(a) $\frac{32}{99}$ (b) $\frac{1}{3}$
(c) $\frac{74}{99}$ (d) None of these

193. A committee of 4 persons is to be appointed from 3 officers of the production department, 4 officers of the purchase department, two officers of the sales department and 1 Chartered Accountant. Find the chance there must be one from each category.

(a) $\frac{4}{35}$ (b) $\frac{3}{35}$
(c) $\frac{1}{7}$ (d) None of these

194. A committee of 4 persons is to be appointed from 3 officers of the production department, 4 officers of the purchase department, two officers of the sales department and 1 Chartered Accountant. Find the chance that it should have at least one from the purchase department.

(a) $\frac{4}{35}$ (b) $\frac{39}{42}$
(c) $\frac{42}{105}$ (d) None of these

195. A committee of 4 persons is to be appointed from 3 officers of the production department, 4 officers of the purchase department, two officers of the sales department and 1 Chartered Accountant. Find the chance that the Chartered Accountant must be in the committee.

(a) $\frac{4}{35}$ (b) $\frac{39}{42}$

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(c) $\frac{42}{105}$ (d) None of these

196. Six boys and five girls are to be seated in a row such that no two girls and no two boys sit together. Find the number of ways in which this can be done.

(a) 86,400 (b) 85,000
(c) 85,400 (d) None of these

197. A six faced die is so biased that it is twice as likely to show an even number as an odd number when it is thrown. What is the probability that the sum of the two numbers is even.

(a) $\frac{4}{9}$ (b) $\frac{5}{9}$

(c) $\frac{3}{8}$ (d) None of these

198. A and B select a digit at random from 0, 1, 2, 3, …….. 9 independently. Find the chance that the product of the two digits chosen is Zero.

(a) $\frac{1}{5}$ (b) $\frac{2}{5}$

(c) $\frac{4}{5}$ (d) None of these

199. In the sequence (x_n) where $x_n = \frac{195}{4n!} - \frac{n + {}^3P_3}{(n+1)!}$ & n belongs to N, the set of natural numbers. The number of positive terms is

(a) 1 (b) 2
(c) 4 (d) 5

200. If $\frac{1}{x+y}, \frac{1}{2y}, \frac{1}{y+2}$ are in A.P., then x, y, z are in

(a) A.P. (b) G.P.
(c) Cannot determined (d) None of these

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COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT – 3

Time : 4 hours ***Maximum Marks : 200***

The test is divided into four sections.

Questions 1 to 200 have only one correct answer and carry + 1mark for each correct answer and – 0.25 mark for each wrong answer.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

1. ..... is recorded in purchase book.

(a) Credit purchases of goods dealt in by firm
(b) Cash purchases of goods dealt in by firm
(c) All purchases of goods dealt in by firm.
(d) None of the above.

2. When will the bill mature if the date of maturity of a bill is a holiday.

(a) Holiday itself (b) Other agreed day
(c) Preceding working day (d) Next working day

3. Under Bank reconciliation statement while adjusting the cash book

(a) All the errors and omissions in the passbook are taken into consideration
(b) Delays in recording in the passbook due to difference in timing are taken into consideration
(c) All the errors and omission in the cashbook are taken into consideration
(d) All of the above

4. Memorandum joint venture account is a

(a) Personal A/c (b) Real A/c
(c) Nominal A/c (d) None of the above

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5. ..... is not required in Promissory Note

(a) Acceptance (b) Noting
(c) Discounting (d) None of the above

6. Loss leads to a reduction in

(a) Capital (b) Income
(c) Liabilities (d) None of the above

7. Transaction between business and owner are recorded following _____ concept

(a) Periodicity (b) Business Entity
(c) Prudence (d) Going Concern

8. One of the Fundamental accounting assumption is

(a) Materiality (b) Going Concern
(c) Business entity (d) Dual aspect

9. Bhagat Ltd. depreciate machinery by written down value method year after year due to

(a) Consistency (b) Comparability
(c) Convenience (d) All of the above

10. Contra-entries are passed only when

(a) Double column cash book is prepared
(b) Three-column cash book is prepared
(c) Simple cash book is prepared
(d) None of the above

11. Petty cash balance is

(a) Liability (b) Income
(c) Expense (d) An asset

12. Dividends are usually paid as a percentage of

(a) Net profit (b) Authorised share capital
(c) Called-up capital (d) Paid-up capital

13. A proforma invoice is sent by

(a) Consignee to consignor (b) Consignee to Debtors
(c) Debtors to consignee (d) Consignor to consignee

14. A ..... is sent to a customer when he return the goods

(a) Cheque (b) Proforma invoice
(c) Credit note (d) Debit note

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15. Commission to promote credit sale by consignee is known as

(a) Del-credere commission (b) Over riding commission
(c) Ordinary commission (d) Special commission

16. Generally, when the size of the venture is..... the co-venture keep separate sets of account for joint venture transactions

(a) Big (b) Medium
(c) Small (d) None of the above

17. The Petty cashier generally works on..... system

(a) Imprest (b) Balancing
(c) Accrual (d) None of the above

18. The amount due to the retiring partner on account of goodwill is debited to the continuing partners in their.....

(a) Gaining ratio (b) Capital ratio
(c) Sacrificing ratio (d) None of the above

19. When money is withdrawn from the bank, the bank..... the account of the customer

(a) Debit (b) Credit
(c) Either (a) or (b) (d) None of the above

20. The Cash discount allowed to a debtor should be credited to

(a) Sales account (b) Discount account
(c) Customer's/Debtors account (d) None of the above

21. Closing capitals of Amit, Sumit and Vineet were Rs. 50,000, Rs. 45,000 and Rs. 30,000 respectively. Their drawings during the year were Rs. 10,000, Rs. 5,000 and Rs. 12,000 respectively. Amount of net profit earned during the year was Rs. 18,000 which was distributed in the ratio of 3:2:1. Opening capital of Vineet will be

(a) Rs.45,000 (b) Rs.39,000
(c) Rs.56,000 (d) Rs.44,000

22. Ryan Ltd. issued 20,000, 8% debentures of Rs. 10 each at par, which are redeemable after 5 years at premium of 20%. The amount of loss on redemption of debenture to be written off every year will be

(a) Rs.8,000 (b) Rs.40,000
(c) Rs.20,000 (d) Rs.10,000

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23. Ram and Shyam are partners sharing profits and losses in the ratio 5:3. On admission Mohan brings Rs. 70,000 cash as capital and Rs. 48,000 against goodwill. New profit sharing ratio between Ram, Shyam and Mohan are 7:5:4. The sacrificing ratio between Ram and Shyam will be

(a) 2:1 (b) 5:4
(c) 3:1 (d) 4:2

24. Nikhil of Delhi sent out goods costing Rs. 45,000 to Shyam of Kolkata at cost +33 1/3%. 1/10th of goods were lost in transit and 2/3rd of the remaining goods are sold at 20% above IP. The amount of sales value will be

(a) Rs.36,000 (b) Rs.60,000
(c) Rs.54,000 (d) Rs.43,200

25. Debit balance as per cash book of Shyam enterprises as on 31.3.2010 is Rs. 1,500. Cheques deposited but not cleared amount Rs. 100 and cheque issued but not presented of Rs. 150. The bank allowed interest amounting Rs. 50 and collected dividend Rs. 50 on behalf of ABC enterprises. Balance as per pass book should be

(a) Rs.1,650 (b) Rs.1,600
(c) Rs.1,850 (d) Rs.1,450

26. A business purchased goods for Rs. 10,00,000 and sold 60% of such goods during the financial year ended 31st March 2010. The market value of the remaining goods was Rs. 3,00,000. They valued the closing stock at cost. He violated the concept of

(a) Periodicity (b) Cost
(c) Conservatism (d) Money Measurement

27. A Company forfeited 2,000 shares of Rs. 10 each (which were issued at par) held by Mr. John for non-payment of allotment money of Rs. 4 per share. The called-up value per share was Rs. 9. On forfeiture the amount debited to share capital Account will be

(a) Rs.18,000 (b) Rs.8,000
(c) Rs.10,000 (d) Rs.2,000

28. Ram and Rahim are partners in a firm sharing profits and losses in the ratio 5:3. The firm's profit or loss of last four years amounting Rs. 18,000, Rs. 8,500 (loss), Rs. 30,000 and Rs. 16,500 respectively. The value of goodwill on the basis of one and a half year's purchase of average profits of last four years will be

(a) Rs.14,000 (b) Rs.6,000
(c) Rs.17,000 (d) Rs.21,000

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29. A cheque of Rs. 1,000 received from Ratnesh was dishonoured and had been posted to the debit of sales return account. The rectifying journal entry will be.

			Rs.	Rs.
(a)	Sales return A/c	Dr	1,000	
	To Ratnesh			1,000
(b)	Ratnesh A/c	Dr	1,000	
	To Sales return A/c			1,000
(c)	Ratnesh	Dr	1,000	
	Sales return	Dr	1,000	
	To Suspense A/c			2,000
(d)	None of the above			

30. If sales revenue are Rs. 3,00,000; cost of goods sold is 2,00,000 and operating expenses are Rs. 50,000 the gross profit is

(a) Rs.50,000 (b) Rs.1,00,000
(c) Rs.1,50,000 (d) Rs.2,50,000

31. Rs. 5,000 spent on the overhauling of machines purchased second hand is

(a) Deferred revenue expenditure (b) Capital expenditure
(c) Revenue expenditure (d) None of the above

32. Our acceptance to Mr. Ram for Rs. 8,000 renewed for 3 months on the condition that Rs. 2000 is paid in cash immediately and the remaining balance to carry out interest at 18%. p.a. The amount of the renewed bill of exchange will be

(a) Rs.6,270 (b) Rs.8,000
(c) Rs.6,370 (d) Rs.6,000

33. Shyam bought a Guitar of Rs. 1,870 by cheque. It has been wrongly posted in the cashbook as Rs. 1,780. This has the effect of

(a) Decreasing the bank balance by Rs. 180 in the cash book
(b) Increasing the bank balance by Rs. 180 in the cash book
(c) Increasing the bank balance by Rs. 90 in the cash book
(d) Decreasing the bank balance by Rs. 90 in the cash book

34. Mohan, Sohan and Rohan share profits and loss in the ratio of 4:4:2. They have a Joint Life Insurance Policy of Rs. 1,00,000 whose premium is paid by the firm. Surrender value of the policy at the beginning of the year 2010 is 80,000. On the death of Mohan on 2nd Jan 2010 the amount to be credited in Rohan's account will be

(a) Rs.40,000 (b) Rs.16,000
(c) Rs.30,000 (d) Rs.20,000

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35. Books of Ram shows on 1st January 2010 furniture Rs. 20,000. During the year a part of the furniture whose book value on 1st January 2010 is Rs. 1,200 has been exchanged with another furniture by paying additional Rs. 500. Ram charge depreciation @ 10% p.a. The net amount of the furniture to be shown in the balance sheet will be

(a) Rs. 18,478 (b) Rs. 18,600
(c) Rs. 18,504 (d) Rs. 18,784

36. X, Y and Z takes a joint life policy; their profit sharing ratio is 2:2:1. On death of Y, X and Z decides to share profits equally. They had taken a Joint life policy of Rs. 2,50,000 with the surrender value Rs. 50,000. What will be the treatment in the partner's capital account on receiving the JLP amount if joint life policy is maintained at surrender value along with the reserve?

(a) Rs. 2,50,000 created to all the partners in old ratio
(b) Rs. 2,00,000 credited to all the partner in old ratio
(c) Distribute JLP reserve account in old profit sharing ratio
(d) Both 'b' and 'c'

37. Mohit Ltd. had 9,000, 10% redeemable preference shares of Rs. 10 each, fully paid up. The company decided to redeem these preference shares at par by the issue of sufficient number of equity shares of Rs. 10 each fully paid up at a discount of 10%. The number of equity share issued should be

(a) 11,000 (b) 9,000
(c) 7,000 (d) 10,000

38. Goods costing Rs. 2,00,000 is sent on consignment basis. These goods are invoiced to give a gross margin of 20% on invoice price. The amount of loading is :

(a) Rs.50,000 (b) Rs.40,000
(c) Rs.60,000 (d) Rs.55,000

39. A lease is purchased on 1st January 2010 for 4 years at a cost of Rs. 1,00,000. Lease is to be depreciated by the annuity method charging 5% interest. Annuity of Re. 1 over 4 years charging 5% interest is Re. 0.282012. The amount of annual depreciation will be

(a) Rs.26,405 (b) Rs.27,612
(c) Rs.28,201 (d) Rs.28,000

40. Ashok Ltd. purchased land and building from Vivek Ltd. for a book value of Rs. 2,00,000. The consideration was paid by issue of 12% debentures of Rs. 100 each at a discount of 20%. The debenture account is credited with

(a) Rs.2,50,000 (b) Rs.2,40,000
(c) Rs.2,70,000 (d) Rs.1,90,000

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41. Debit balance as per cash book of ABC enterprises as on 31.3.2010 is Rs. 15,000. Cheque deposited but not cleared amount to Rs. 1,000 and cheque issued but not presented of Rs. 2,000. Balance as per pass book should be

(a) Rs.15,000 (b) Rs.16,000
(c) Rs.14,000 (d) Rs.17,000

42. Goods purchased Rs. 2,00,000. Sales Rs. 1,10,000. Margin 25% on sales. Closing stock is

(a) Rs.90,000 (b) Rs.75,000
(c) Rs.1,17,500 (d) Rs.1,50,000

43. Sohan runs a departmental store. He renovates his shop to increase its space. The amount of Rs. 75,000 was incurred on renovation. The amount to be charged to Profit and Loss A/c is

(a) Rs. 75,000 (b) Rs. 10,000
(c) NIL (d) None of the above

44. X of Kolkata sends out goods costing Rs. 3,00,000 to Y of Delhi. Commission agreed is 2% on sales + 3% on sales as del-credre commission. The entire goods is sold by consignee for Rs. 4,00,000. However consignee is able to recover Rs. 3,95,000 from the debtors. The amount of profit to be transferred to P/L as net commission by consignee will be

(a) Rs.16,000 (b) Rs.15,500
(c) Rs.15,000 (d) Rs.17,000

45. Alok and Rohit were partners in a joint venture sharing profits and losses in the proportion of 3/5th and 2/5th respectively. Alok supplies goods to the value of Rs. 60,000 and incurs expenses amount Rs. 6,000. Rohit supplies goods to the value of Rs. 16,000 and his expenses amount to Rs. 3,000. Rohit sells goods on behalf of the joint venture and realises Rs. 1,20,000. Rohit is entitled to a commission of 5% on sales. Rohit settles his account by bank draft. How much amount Rohit will pay to Alok as final settlement.

(a) Rs.93,600 (b) Rs.82,000
(c) Rs.83,400 (d) Rs.40,000

46. Ram, Mohan and Sohan are partners in a firm sharing profits and losses in the ratio of 5:3:2. The firm took separate life policy of Rs. 50,000, Rs. 1,00,000 and Rs. 1,50,000 for Ram, Mohan and Sohan respectively. The share of Mohan in the policy will be

(a) Rs.45,000 (b) Rs.90,000
(c) Rs.80,000 (d) Rs.70,000

47. Rs. 7,000 paid as rent to Sohan, was debited to Sohan's personal account. The error will

(a) Not affect the trial balance
(b) Affect the suspense account
(c) Affect the trial balance
(d) None of the above

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48. Which one of these is not a cause of difference in balance as per pass book and as per cash book

(a) Errors in cash book
(b) Errors in pass book
(c) Cheques deposited and cleared
(d) Cheques issued but not presented for payment.

49. If average stock = Rs. 20,000. Closing stock is Rs. 4,000 were than opening stock then the value of closing stock will be

(a) Rs.16,000 (b) Rs.18,000
(c) Rs.20,000 (d) Rs.22,000

50. If sales is Rs. 10,000 and the rate of gross profit on cost of goods sold is 25%, then the cost of goods sold will be

(a) Rs. 2,000 (b) Rs. 8,000
(c) Rs. 2,500 (d) Rs. 10,000

51. Rajesh of Ramnagar sends out goods costing Rs. 2,00,000 to Gopal of Gujarat. 3/5th of the goods were sold by consignee for Rs. 1,50,000. Commission 2% on sales plus 10% of gross sales less all commission exceeds cost price. The amount of commission will be

(a) Rs. 4,545.45 (b) Rs. 5,454.54
(c) Rs. 6,363.63 (d) Rs. 7,272.72

52. Ankit, Anu and Anurag are partners sharing profits in the ratio 4:3:2. On retirement of Anu, goodwill was valued Rs. 90,000. The contribution of Ankit and Anurag to compensate Anu will be

(a) Rs. 20,000 and Rs. 10,000
(b) Rs. 10,000 and Rs. 20,000
(c) Rs. 8,700 and Rs. 97,000
(d) Rs. 10,800 and Rs. 18,200

53. Jai Ltd. purchased machinery from Om Ltd. for Rs. 8,00,000. The consideration was paid by issue of 15% debentures by Rs. 100 each at a discount of 20%. Number of debentures issued by Jai Ltd. will be

(a) 8,000 (b) 10,000
(c) 12,000 (d) 15,000

54. Ankur purchased a computer costing Rs. 24,000. Repairing expenses Rs.1,500 & other charges (loading & unloading) Rs. 1,500 were incurred by him. He sold the computer at 25% margin on selling price. The profit on sale will be

(a) Rs. 8,500 (b) Rs. 9,000
(c) Rs. 10,000 (d) Rs. 11,500

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55. Mr. Rakesh Roshan is a partner in a firm. He withdraws Rs. 500 at the beginning of each month. If the rate of interest is @ 5%, then interest on drawings is

(a) Rs. 55.50 (b) Rs. 157.50
(c) Rs. 160.50 (d) Rs. 162.50

56. Mr. Bajaj who was the holder of 200 Equity shares of Rs. 100 each of Canny Ltd., on which only Rs. 75 per share has been called up, couldn't pay his dues on allotment and first call each at Rs. 25 per share. The director forfeited the above shares and reissued 150 of such shares to Mr. Birla at Rs. 65 per share paid up as Rs. 75 per share. The amount to be transferred to capital reserve account will be

(a) Rs. 1,500 (b) Rs. 2,250
(c) Rs. 2,750 (d) Rs. 3,250

57. On 1.4.2010 Mr. Rahul draws a bill for one month on Mr. Sachin for Rs. 1,00,000. At maturity Mr. Sachin request to accept Rs. 20,000 in cash and noting charges Rs. 1,000 and for the balance Mr. Rahul draws a bill on Sachin for 2 months at 12% p.a. Interest will be

(a) Rs. 1,200 (b) Rs. 1,300
(c) Rs. 1,400 (d) Rs. 1,600

58. Opening stock of material is Rs. 12,000, purchases Rs. 30,000 carriage Rs. 5,000, Sales value Rs. 40,000, closing stock 14,000 & other indirect expenses Rs. 2,300. Amount of Gross Profit will be

(a) Rs. 7,000 (b) Rs. 4,700
(c) Rs. 6,300 (d) Rs. 5,000

59. A promissory note does not require

(a) Discounting (b) Acceptance
(c) Noting (d) All of the above

60. Errors are ..... mistakes

(a) Intentional (b) Undetected
(c) Unintentional (d) None of the above

SECTION – B : MERCANTILE LAWS (40 MARKS)

61. A Minor admitted to the benefits of the firm, towards third party

(a) He is personally liable (b) He is not personally liable
(c) He is liable only upto his share in the firm (d) He has no liability at all.

62. The reconstitution of the firm takes place in case of

(a) Admission of a partner (b) Retirement of a partner
(c) Expulsion or death of a partner (d) All of the above.

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63. Which of the following is not an essential feature of partnership?

(a) Result of an agreement
(b) Organised to carry on business
(c) Carried on by all any of them acting for all
(d) Separate legal entity

64. Which of the following is not the right of unpaid seller?

(a) To resell
(b) To stop the goods in transit
(c) Of lien
(d) To demand back the goods.

65. Breach of contract may be

(a) Actual breach of contract
(b) Anticipatory breach of contract
(c) (a) or (b)
(d) (a) not (b)

66. An anticipatory breach does not give any right to claim

(a) Damages (b) Compensation
(c) Either (a) or (b) (d) Both (a) and (b)

67. A contract can be discharged by operation of law in which of the following ways

(a) Death of Promisor (b) Insolvency of Promisor
(c) Merger of Rights (d) All of the above

68. Acceptance is complete for the offer

(a) When it is posted
(b) When the offer thinks to accept the offer
(c) When it is re-posted
(d) None of these

69. In a bilateral contract, obligations are outstanding

(a) An offeror (b) An offeree
(c) On Both (d) On none

70. Vindictive or exemplary damages may not be awarded-

(a) For breach of promise to divorce
(b) For breach of promise to marry
(c) Wrongful dishonor by a bankers of his customer's cheque
(d) None of the above

71. When a partner declared insolvent he ceases to be a partner from the date of its

(a) Insolvency (b) Birth
(c) Appointment (d) None of the above

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72. It is the duty of the finder of goods to trace the true owner of the goods, and if does not do so, he shall be guilty of

(a) Theft
(b) Extortion
(c) Criminal misappropriation of property
(d) None of the above

73. A person who supplies "necessaries" to a minor is entitled to be reimbursed from the property of the minor on the basis of a

(a) Valid contract (b) Voidable contract
(c) Quasi contract (d) Contingent contract

74. Which of the following constitute responsibility of finder of lost goods?

(a) He shall take reasonable steps to trace the owner
(b) He shall take care of the goods
(c) If the goods are in a deteriorated or wrong condition, sell them off and remit the proceeds to the owner
(d) All of the above

75. Where price of goods sold is to be fixed by a third party and the third party refuses to fix the price, the contract becomes

(a) Void (b) Voidable
(c) Illegal (d) Void and illegal

76. Where seller delivers to the buyer a quantity of goods less than the contracted to sell, the buyer

(a) May reject them
(b) Should not reject them as more quantity might be supplied
(c) May resell them
(d) Give less price for them

77. In a quasi contract, obligation to perform the contract is imposed by :

(a) The promisor
(b) The Law
(c) The Promisee
(d) None of the above

78. Delivery of goods to the carrier would not pass the property in the goods to the buyer where the seller

(a) Reserves the right to disposal
(b) Does not reserve the right to disposal
(c) (a) or (b)
(d) None of the above

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79. A contract to do or to abstain from doing a certain thing on the happening of an event

(a) Cannot be enforced
(b) Can be enforced when the event has happened
(c) Can be enforced at any time
(d) Can not be lawful

80. A person having possession of goods under voidable contract can sell the goods before _____ of the contract by the agreed party.

(a) Confirmation (b) Execution
(c) Rescission (d) Ratification

81. When the seller gives physical delivery of the goods to the buyer it is called _____ delivery.

(a) Systematic (b) Actual
(c) Construction (d) Symbolic

82. In the case of _____, in addition to the implied conditions as to merchantability, there is another implied condition that the goods shall be wholesome.

(a) Eatables (b) Shares
(c) Gold (d) Machineries

83. An 'auction sale' is a mode of selling property by inviting bids.

(a) Privately (b) Publicly
(c) Cordially (d) All of the above

84. If the changes taking place in a registered firm are not registered with the registrar of firms, it is _____.

(a) No more a registered firm
(b) Needs to be re-registered
(c) Cannot file suit against other party
(d) Can not claim its statutory rights

85. The public notice is not required if partner _____.

(a) Retires (b) Expelled
(c) Dies (d) Either (a) or (b)

86. Extension or restriction of implied authority can be made by

(a) Any one of partner (b) Majority of the partners
(c) All the partners unanimously (d) At least 75% of total partners' strength

87. _____ means a claim to any debt or any beneficial interest in movable property not in possession and which can be enforced through the court of law.

(a) Actionable claim (b) Auctionable claim
(c) Default claim (d) None of the above

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88. Where a buyer neglects to accept delivery of the goods, the seller may sue for _____.

(a) Payment of price
(b) Damages for non acceptance
(c) Damages for non acceptance and charges for care and custody of the goods
(d) All of the above

89. Where in an auction sale, the seller appoints more than one bidder, the sale is_____.

(a) Void (b) Illegal
(c) Conditional (d) Voidable

90. A _____ is a right to retain the possession of goods until the payment of the price of such goods.

(a) Capture (b) Lien
(c) Surrender (d) Sue

91. Knock-out agreements are generally _____ in auction sale.

(a) Unlawful (b) Not unlawful
(c) Void (d) Required

92. A buyer can sue for specific performance of the contract if the goods are _____.

(a) Specific (b) Future
(c) Contingent (d) Perishable

93. The expression 'Proprerty of the firm' denotes all property, rights and interest to which _____ may be entitled:

(a) All partners severally (b) All partners & third parties
(c) All partners collectively (d) All of the above

94. A partner may be expelled by a _____ decision.

(a) Unanimous (b) Managing partner's
(c) Majority (d) Senior partner's

95. If a partner was not expelled in good faith and in the interest of the firm, it will be:

(a) Null (b) Void
(c) Both (a) & (b) (d) Voidable

96. Partnership property vest in the _____.

(a) Firm (b) Partner of the firm
(c) Continuing partners of the firm (d) Retiring partners of the firm

97. Which one of the following is not an implied warranty?

(a) Agreement to sell (b) Sale
(c) Hire purchase (d) Installment to sell

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98. Whether a given contract is one of sale or same other kind of contract in respect of goods, is a matter of _____.

(a) Terminology (b) Law
(c) Agreement (d) All of the above

99. Promotion of litigation in which one had no interest is

(a) Champerty
(b) Maintenance
(c) Stifling litigation
(d) None of the above

100. 'B' agrees to buy the entire crop of wheat that would yield in 'A's farm, at the rate of Rs. 1,000 per quintal. Decide the subject matter of goods.

(a) This is an agreement of sale of future goods
(b) This is an agreement of sale of present goods
(c) This is a contract of sale
(d) None of the these

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. The definition "Science which deals with wealth" was given by:

(a) Alfred Marshall (b) A.C. Pigou
(c) Adam Smith (d) J. B. Say

102. Questions like what should be the level of national income, what should be the wage rate fall within the scope of:

(a) Positive Science (b) Normative Science
(c) Both (a) and (b) (d) None of the above

103. The shape of PPC is concave due to:

(a) Falling opportunity cost between two goods
(b) Rising opportunity cost between two goods
(c) Constant opportunity cost between two goods
(d) None of the above

104. Which of the following is not one of the features of capitalist economy?

(a) Right of private property
(b) Freedom of choice by the consumers
(c) No profit, No Loss motive
(d) Competition

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105. Calculate Income-elasticity for the household when the income of a household rises by 10% the demand for T.V. rises by 20%

(a) + .5 (b) - .5
(c) + 2 (d) - 2

106. In case of necessaries the marginal utilities of the earlier units are large. In such cases the consumer surplus will be:

(a) Infinite (b) Zero
(c) Marginally positive (d) Marginally Negative

107. Which is not the assumption of Indifference curve Analysis?

(a) The consumer is rational and possesses full information about all the aspects of economic environment
(b) The consumer is not capable of ranking all combinations
(c) If consumer prefers combination A to B, and B to C, then he must prefer combination A to C
(d) If combination A has more commodities than combination B, then A must be preferred to B.

108. The horizontal demand curve parallel to x-axis implies that the elasticity of demand is

(a) Zero
(b) Infinite
(c) Equal to one
(d) Greater than zero but less than infinity

109. Which of the following is not the characteristic of Labour?

(a) Labour is highly 'Perishable' in the sense that a day's labour lost cannot be completely recovered
(b) Labour is inseparable from the labourer himself
(c) Labour has a strong bargaining power
(d) The supply of labour and wage rate are directly related in the initial stages

110. Indicate which of the following is a variable cost?

(a) Payment of rent on building
(b) Cost of Machinery
(c) Interest payment on Loan taken from bank
(d) Cost of raw material

111. Marginal costs are closely associated with:

(a) Variable cost (b) Total fixed cost
(c) Average cost (d) Total cost

112. The present cash reserve ratio as in (May 2011) is:

(a) 5% (b) 5.5%
(c) 6.5% (d) 6%

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113. Population per Bank Office at present in 2008 is :

(a) 5,000 (b) 55,000
(c) 15,000 (d) 18,000

114. The Highest Deposit Mobilisation is in:

(a) Delhi (b) Gujarat
(c) Maharashtra (d) Punjab

115. Total bank lending was just ——— in June, 1969

(a) 9,933 crore (b) 3,399 crore
(c) 1,000 crore (d) 10,000 crore

116. ———— means integrating the domestic economy with the world economy

(a) Disinvestment (b) Liberalisation
(c) Privatisation (d) Globalisation

117. In World Trade Organization, each member country has:

(a) One vote
(b) Depends upon National Income of the nation
(c) Depends upon UNO ranking
(d) Depends upon whether the country is developed, developing or underdeveloped

118. SEZ Act came into effect in _____

(a) 2002 (b) 2003
(c) 2006 (d) 2007

119. India achieved full convertibility on current account in:

(a) 1994 (b) 1991
(c) 2001 (d) 2005

120. Current account convertibility means freedom to buy and sell foreign exchange for the following transactions except:

(a) All payment for purchase and sale of goods and services
(b) Payment due as interest on loans
(c) Moderate remittances for family living expenses
(d) Purchase of immovable property abroad

121. Which one of the following is not a method of disinvestment?

(a) Equity offer (b) Cross holding
(c) Warehousing (d) None of the above

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122. Cash compensatory scheme was abolished in:

(a) 1992 (b) 1999
(c) 1991 (d) False. It is still continuing

123. Export promotion capital goods scheme was liberalized in April 1992 to:

(a) To encourage Export of Capital Goods
(b) To encourage Import of Capital Goods
(c) Both (a) and (b)
(d) None of the above

124. As per RBI recommendations Basel II framework, has been operationalised since:

(a) March, 2007 (b) March, 2009
(c) March, 2008 (d) March, 2010

125. The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, was passed for assisting banks:

(a) In the recovery of their loans
(b) To give more loans on lesser security
(c) To give loans by taking more security
(d) None of the above

126. Which of the following is not the problem of India's Education System?

(a) Unplanned expansion of higher education
(b) Neglect of primary education
(c) Large number of unemployed uneducated people
(d) Large scale migration of educated people to the developed western countries

127. VPT stands for:

(a) Village Public Telephone (b) Value Public Telephone
(c) Various Public Telephone (d) Valmiki Public Telephone Yojna

128. Which of the following is not the factor for poor growth of coastal shipping?

(a) High transportation costs (b) Port delays
(c) Over - aged vessel (d) Fast handling of the cargo at ports

129. Price discrimination is not possible:

(a) Under Monopoly (b) Under Monopolistic competition
(c) Under perfect competition (d) Under any market firm

130. Most of the unemployment in India is:

(a) Voluntary (b) Structural
(c) Frictional (d) Technical

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131. Which of the following has not been a part of the land reforms programme in India?

(a) Ceiling an holding
(b) Consolidation of holding
(c) Abolition of zamindari system
(d) Agricultural holding tax

132. Disguised unemployment in India is maximum in:

(a) Agricultural Sector
(b) Secondary Sector
(c) Tertiary Sector
(d) Both (a) and (c)

133. Which of the following is an economic activity?

(a) Seeing T.V.
(b) Teaching one's own son at home
(c) Medical Facilities rendered by a charitable hospital
(d) A housewife preparing food for the household

134. The cost incurred on the factor of production is known as:

(a) Accounting cost
(b) Economic cost
(c) Marginal cost
(d) Implicit cost

135. Which of the following is considerered as economic cost?

(a) The normal return on money capital invested
(b) Salary of entrepreneur
(c) The interest on capital invested
(d) All of the above

136. Economic cost means

(a) Accounting cost + Implicit cost
(b) Accounting cost + Marginal cost
(c) Cash cost + Opportunity cost
(d) Implicit cost

137. When is average product at its maximum point

(a) When AP intersects MP
(b) When AP intersects TP
(c) When MP is highest
(d) At the point of inflexion

138. When is TP maximum?

(a) When AP becomes Zero
(b) When MP becomes Zero
(c) At the intersecting point of AP and MP
(d) When MP is highest

139. Variable cost includes the cost of

(a) Buying land and building
(b) Hire charges of machinery
(c) Insurance premium
(d) Material bought

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140. Which of the following is correct?

(a) Marginal cost is always less than the average cost.
(b) Marginal cost is always more than the average cost.
(c) Marginal cost is always equal to the average cost at its minimum point.
(d) Marginal cost is always equal to the average cost

141. When average cost curve is rising then, marginal cost

(a) Must be decreasing
(b) Must be above the average cost curve
(c) Must be constant
(d) Must be equal to average cost

142. Which among the following is NOT a cause of sickness of industrial units in India?

(a) Outdated Technology
(b) Labour Problems
(c) Faulty Location
(d) Lack of capital account convertibility

143. Which of the following is not a factor payment?

(a) Free uniform to defense personal
(b) Salaries to the member of Parliament
(c) Imputed rent of an owner occupied premises
(d) Scholarship given to the backward class students

Use following table to answer the below mentioned questions and (144 – 145)

Hours of Labour	Total Output	Marginal Output
0	-	
1	350	350
2	-	230
3	670	-

144. What is the marginal output when 3rd hour of labour is employed?

(a) 90
(b) 670
(c) 350
(d) 230

145. What is the total output when 2 hours of labour are employed?

(a) 500
(b) 580
(c) 680
(d) 780

146. Which of the following is not the name of LAC curve?

(a) Planning curve
(b) Enveloping curve
(c) Round curve
(d) None of the above

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147. A firms average fixed cost is Rs.20 at 6 units of output. What will it be at 4 units of output:

(a) Rs. 60 (b) Rs. 30
(c) Rs. 40 (d) Rs. 20

148. A firm has producing 7 units of output has an average total cost of Rs. 150 and has to pay Rs. 350 to its fixed factors of production whether it produces or not. How much of the average total cost is made up of variable cost?

(a) 200 (b) 50
(c) 300 (d) 100

149. A firm has variable cost of Rs.1,000 at 5 units of output. If fixed cost are Rs.400, what will be the average total cost at 5 units of output?

(a) 380 (b) 280
(c) 60 (d) 400

150. The vertical difference between TVC and TC is equal to:

(a) MC (b) AVC
(c) TFC (d) None of the above

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. The ratio of the sum and the difference of two numbers is 7:1. Find the ratio of those two numbers.

(a) 5:3 (b) 4:3
(c) 4:5 (d) None of these

152. The difference between a two digit number and the number obtained by inter–changing the digit is 54. What is the difference of the two digits of the number?

(a) 4 (b) 3
(c) 6 (d) None of these

153. The numerator of a fraction is 4 less than its denominator. If the numerator is decreased by 2 and the denominator is increased by 1, then the denominator is eight times the numerator. Then the fraction is

(a) 3/7 (b) 4/7
(c) 9/7 (d) None of these

154. Father is six times as old as his son. Four years hence he will be four times as old as his son. Then the present ages are

(a) 42, 8 (b) 36, 6
(c) 40, 10 (d) None of these

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155. Find the value of 1 + 2 + 3 + …….+ 105

(a) 5000 (b) 5560
(c) 5565 (d) None of these

156. If log3 = 0.48 and log 7 = 0.84, then the value of log $\frac{0.03}{0.7}$ is

(a) – 2.26 (b) – 3.26
(c) – 1.36 (d) None of these

157. Evaluate $\sqrt[4]{0.5173}$

(a) 0.8480 (b) 0.8210
(c) 0.6480 (d) None of these

158. Evaluate $\sqrt[3]{\frac{0.7214\times 20.37}{69.8}}$

(a) 1.5948 (b) 0.5948
(c) 0.2348 (d) None of these

159. A sum of Rs. 4,000 is invested in an account that pays 6% interest compounded annually. If yields Rs. 5,353 after a number of years. Determine the number of years for which the sum was inverted.

(a) 8 (b) 5
(c) 10 (d) None of these

160. If $\log_2 x + \log_8 x + \log_{32} x = \frac{23}{15}$ then the value of x is

(a) 8 (b) 5
(c) 2 (d) None of these

161. The number of ways in which n different books can be arranged in an almirah so that two particular books are always together is –

(a) n!×2! (b) (n–1)! × 2!
(c) (n–2)! (d) None of these

162. There are 3 copies each of two books and two copies each of five books. In how many ways can a book seller arrange the 16 books in a shelf so that the copies of the same book are never separated?

(a) 5040 (b) 5000
(c) 5030 (d) None of these

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163. How many words can be formed with the letters of the world "PARALLEL" so that all L's do not come together?

(a) 2000 (b) 3000
(c) 4000 (d) None of these

164. Find the sum of four digit numbers made by the given digits 1, 3, 3, 0?

(a) 22554 (b) 22550
(c) 22,000 (d) None of these

165. There are stalls for 10 animals in a ship. In how many ways can the shipload be made, if there cows, calves and horses to be transported, animals of each kind being not less than 10?

(a) 59040 (b) 59049
(c) 59149 (d) None of these

166. Evaluate $\int x^3\sqrt{3+5x^4}\,dx$

(a) $\frac{1}{9}\left(6x^3+11\right)^{3/2}+c$ (b) $-\frac{1}{9}\left(3+5x^4\right)^{2/3}+c$

(c) $\frac{1}{30}\left(3+5x^4\right)^{3/2}+c$ (d) None of these

167. Evaluate: $\int\frac{2x+1}{x(x+1)}dx$

(a) $\log(x^2-x)+c$ (b) $\log(x^2+x)+c$
(c) $\log(x^2+1)+c$ (d) None of these

168. Evaluate: $\int\frac{dx}{x+\sqrt{x}}$

(a) $2\log(x+1)+c$ (b) $-2\log(\sqrt{x}+1)+c$
(c) $2\log(\sqrt{x}+1)+c$ (d) None of these

169. Evaluate $\int\frac{\log\sqrt{x}}{3x}dx$

(a) $\frac{1}{3}\left(\log\sqrt{x}\right)^2+c$ (b) $\frac{1}{3x}\left(\log\sqrt{x}\right)+c$

(c) $\frac{1}{3x}\left[\log\left(3x+\sqrt{x}\right)\right]+c$ (d) None of these

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170. **Evaluate** $\int e^{2x} \times x^2 dx$

(a) $\frac{x^3}{3}e^{3x} - \frac{x^2e^{2x}}{2} + \frac{e^{2x}}{4} + c$ (b) $\frac{x^2e^{2x}}{2} - \frac{xe^{2x}}{2} + \frac{e^{2x}}{4} + c$

(c) $\frac{x^3e^{2x}}{3} - \frac{x^2e^{x}}{2} + c$ (d) None of these

171. **Evaluate:** $\int_0^5 \frac{x^2}{x^2 + (5-x)^2} dx$

(a) 0 (b) 1
(c) –1 (d) None of these

172. **Evaluate:** $\lim_{x \to 0} \frac{2^x - 1}{\sqrt{1+x} - 1}$

(a) 2 log 2 (b) log 2
(c) 0 (d) None of these

173. **Evaluate:** $\lim_{x \to 0} \frac{|x-1|}{x-1}$

(a) –1 (b) 1
(c) Does not exist (d) None of these

174. **If** $f(x) = \frac{x - |x|}{x}, x \neq 0$ **and** $f(x) = 2$ **for** $x = 0$ **is** $f(x)$ **continuous at** $x = 0$**?**

(a) Yes (b) No
(c) Cannot say (d) None of these

175. **If** $y = \log_3 \log_3 x$**, find** $\frac{dy}{dx}$

(a) $\frac{1}{x \log 3 . \log x}$ (b) $\frac{-1}{x \log 3 . \log x}$

(c) $\frac{1}{\log 3 . \log x}$ (d) None of these

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176. A sum of money is put at compound interest for 2 years at 20% p.a. It would earn Rs. 482 more, if the interest were payable half-yearly than it were payable yearly; then the sum is

(a) Rs. 20,000 (b) Rs. 25,000
(c) Rs. 26,000 (d) None of these

177. What is the amount of an annuity if the size of the each payment is Rs. 3,000 payable at the end of each year for 3 years at an interest rate of 9% compounded annually?

(a) Rs. 9,000 (b) Rs. 9,800.50
(c) Rs. 9,833.33 (d) None of these

178. Find the present value of an annuity of Rs. 1,000 payable at the end of each year for 10 years, if the money is worth 5% effective.

(a) Rs. 7,724 (b) Rs. 7000
(c) Rs. 8000 (d) None of these

179. A company sets aside a sum of Rs. 45,000 annually for 9 years to pay off a debenture issue of Rs. 5,00,000. If the fund accumulates at 6% p.a., find the surplus after full redemption of the debenture issue.

(a) Rs. 15,500 (b) Rs. 16,500
(c) Rs. 17,500 (d) None of these

180. A company may obtain a machine either by leasing it for 5 years, (useful life) at an annual rent of Rs. 2,000 or by purchasing it for Rs, 8,100. If the company can borrow money at 10% p.a., which alternative is preferable?

(a) Leasing is preferable (b) Leasing is not preferable
(c) Cannot say (d) None of these

181. The sum of deviations of the given values from their …… is always 0.

(a) Arithmetic Mean (b) G.M.
(c) H.M. (d) Median

182. The sum of squares of the deviations of the given values from their …… is minimum.

(a) Arithmetic Mean (b) Median
(c) Mode (d) None of these

183. Which is greatly affected by the extreme values?

(a) Arithmetic Mean (b) Median
(c) Mode (d) None of these

184. Which is not amenable to further algebraic treatment?

(a) Arithmetic Mean (b) Median
(c) Mode (d) Both (b) and (c)

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185. In a frequency distribution, the mid value of a class is 15 and the class interval length is 4. The lower limit of the class is

(a) 10 (b) 12
(c) 13 (d) 14

186. During a certain period, the cost of living index number goes up from 110 to 200 and the salary of the worker is also raised from Rs. 3,250 to Rs. 5,000. Find the value of salary in real terms?

(a) Rs. 5,800 (b) Rs. 5,909
(c) Rs. 5,900 (d) None of these

187. When the prices or quantities of all the goods are charging in the same ratio then the Laspeyre's and Paasche's Index Number will be

(a) Equal (b) Unequal
(c) Either (a) or (b) (d) None of these

188. Between 1990 and 2000, the price of a commodity increased by 60% while the production decreased by 30%. By what percentage did the value index of production of commodity change in 2000 with respect to its value 1990.

(a) 10% (b) 15%
(c) 12% (d) None of these

189. The consumer price index over a certain period increased from 120 to 215 and the wages of worker increased from Rs. 1,680 to Rs. 3000. What is the loss of the worker?

(a) 5.58 (b) 6.58
(c) 7.58 (d) None of these

190. The consumer price index for a group of workers was 250 in 1994 with 1980 as the base. Compute the purchasing power of a rupee in 1994 Compared to 1980.

(a) 0.40 (b) 0.50
(c) 0.60 (d) None of these

191. Three groups of children contain respectively 3 girls and 1 boys; 2 girls and 2 boys; 1 girl and 3 boys. One child is selected at random from each group. Then the chance that the three selected consist of 1 girl and 2 boys is:

(a) $\frac{17}{32}$ (b) $\frac{15}{32}$

(c) $\frac{13}{32}$ (d) None of these

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192. A, B, C are three mutually exclusive and exhaustive events associated with a random experiment. Find P(A), given that P(B) = 3/2 P(A) and P(C) = 1/2 P (B)

(a) $\frac{3}{13}$ (b) $\frac{4}{13}$

(c) $\frac{5}{13}$ (d) None of these

193. A committee of four has to be formed from among 3 economists, 4 engineers, 2 statisticians and 1 doctor. What the probability that the committee consists of the doctor and at least one economist?

(a) 0.3048 (b) 0.6048
(c) 0.9048 (d) None of these

194. The probability that a company executive will travel by plane is 2/3 and that he will travel by train is 1/5. Find the probability of his traveling by plane or train.

(a) $\frac{11}{55}$ (b) $\frac{13}{15}$

(c) $\frac{14}{15}$ (d) None of these

195. The probability that a contractor will get a plumbing contract is 2/3, and the probability that he will not get an electric contract is 5/9. If the probability of getting at least one contract is 4/5. What is the probability that he will get both the contracts?

(a) $\frac{14}{45}$ (b) $\frac{13}{45}$

(c) $\frac{11}{45}$ (d) None of these

196. The mean of normal distribution is 50 and 5% of the values are greater than 60; then the Standard Deviation of the distribution is: (Given the area under Standard Normal Curve between z = 0 & z = 1.64 is 0.45)

(a) 6.7 (b) 7.6
(c) 6.82 (d) None of these

197. The mean monthly expenditure of a batch of students is Rs. 100 with standard deviation Rs. 20. If the expenditure is normally distributed find out the maximum expenditure of those 10% of the students whose expenditure is the lowest.

(a) Rs. 80 (b) Rs. 80.50
(c) Rs. 74.40 (d) None of these

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198. The mean monthly expenditure of a batch of students is Rs. 100 with standard deviation Rs. 20. If the expenditure is normally distributed find the minimum expenditure of those 10% of the students whose expenditure is the highest.

(a) Rs. 150 (b) Rs. 125.60
(c) Rs. 125.80 (d) None of these

199. Find the mean and Standard Deviation of a normal distribution, when 8% of the items are over 64 and 31% are under 45. $\left[\text{Given : } \int_0^{0.496} f(z)dz = 0.19 \;\&\; \int_0^{1.405} f(z)dz = 0.42\right]$

(a) 50,10 (b) 60,10
(c) 60, 20 (d) None of these

200. Marks obtained by a number of students are assumed to be normally distributed with mean 65 and variance 25. If 3 students are taken at random what is the probability that exactly two of them will have marks over 70?

(a) 0.07 (b) 0.08
(c) 0.06 (d) None of these

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BOARD OF STUDIES

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COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT – 4

Time : 4 hours ***Maximum Marks : 200***

The test is divided into four sections.

Questions 1 to 200 have only one correct answer and carry + 1mark for each correct answer and – 0.25 mark for each wrong answer.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

1. Which error cannot be revealed on the preparation of trial balance?

(a) Wrong totaling of account
(b) Compensatory error
(c) Error of commission
(d) Wrong balancing of an account

2. A change in accounting policy is justified

(a) To comply with accounting standard
(b) To ensure more appropriate presentation of the financial statement of the enterprise
(c) To comply with law
(d) All of the above.

3. The determination of expenses for an accounting period is based on the principle of

(a) Periodicity (b) Matching
(c) Materiality (d) Both (a) & (b)

4. In the case of downward revaluation of an asset, which is for the first time revalued, ...account is debited.

(a) Fixed Asset (b) Revaluation Reserve
(c) Profit and Loss A/c (d) General Reserve

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5. Parties to a bill of exchange are

(a) Drawee (b) Payee
(c) Drawer (d) All of the above

6. Inventories should be generally valued at lower of cost or.....

(a) Present value (b) Net Realisable Value
(c) Replacement Value (d) Fair Market Value

7. The value of an asset after deducting depreciation from the historical cost is known as

(a) Fair Value (b) Market Value
(c) Net Realisable Value (d) Book Value

8. Fluctuating capital account is credited with.....

(a) Profit of the year (b) Interest on capital
(c) Salaries of the partner (d) All of the above

9. The amount of calls in arrear is deducted from.....to arrive at.....

(a) Paid up capital, called up capital (b) Called up capital, paid up capital
(c) Issued capital, called up capital (d) Called up capital, Issued capital

10. Debit balance as per pass book means

(a) Bank overdraft as per cash book (b) Debit balance in pass book
(c) Cash balance with bank (d) None of the above

11. If del-credere commission is allowed for bad debt, consignee will debit the bad debt amount to :

(a) Debtors A/c (b) General Trading A/c
(c) Commission Earned A/c (d) Consignee A/c

12. Accommodation bill is drawn

(a) To finance actual purchase or sale of goods
(b) To facilitate trade transmission
(c) To cater the fund requirements of both the parties
(d) None of the above

13. Accounts receivable normally has.....balance

(a) Credit (b) Debit
(c) Unfavourable (d) None of the above

14. The un-expired portion of capital expenditure is shown in the financial statement

(a) As a liability (b) As an asset
(c) As an Income (d) As an expense

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15. Rs. 5,000 spent on maintenance of computer is.....

(a) Deferred capital expenditure (b) Capital expenditure
(c) Revenue expenditure (d) None of the above

16. The assumption underlying the fixed instalment method of depreciation is that of.....of the asset over its useful life

(a) Equal usage (b) Usage
(c) Charge (d) None of the above

17. Abnormal loss on consignment is credited to.....

(a) Consignment account (b) Consignee's account
(c) Profit & loss account (d) None of the above

18. .....will generally show a debit balance

(a) Bank loan (b) Bad debts recovered
(c) Drawings (d) Salary payable

19. Memorandum joint venture account is a

(a) Nominal A/c (b) Real A/c
(c) Personal A/c (d) None of the above

20. The portion of the acquisition cost of the asset yet to be allocated is known as.....

(a) Salvage value (b) Realisable Value
(c) Accumulated value (d) Written down value

21. XYZ Ltd. purchased goods for Rs. 25,00,000 and sold 80% of such goods during the accounting year ended 31st March 2010. The Market Value of the remaining goods was Rs. 4,00,000. The company valued the closing stock at cost. They violated the concept of

(a) Conservatism (b) Money Measurement
(c) Periodicity (d) Cost

22. Rohan, Mohan and Sohan are partners in the firm sharing profits and losses in 5:3:2 ratio. The firm's balance sheet as on 31.3.2010 shows the reserve balance of Rs. 25,000. Profit of the last year Rs. 1,00,000, joint life policy of Rs. 5,00,000, fixed asset of Rs. 50,00,000. On 1st October, Rohan died and on the same date assets were revalued. The executor of the deceased partner will get..... along with the capital of Rohan

(a) Share in joint life policy
(b) Share in reserve account the firm
(c) Proportionate share of profit upto the date of death
(d) All of the above

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23. A building purchased on 1st January 2006 at Rs. 15,00,000 having useful life of 15 years was depreciated on straight line basis. On 1st January 2009 the same building was revalued upward by Rs. 3 lakhs. The revised amount of depreciation for the year 2009 will

(a) Rs. 1,33,000 (b) Rs. 1,26,000
(c) Rs. 1,25,000 (d) Rs. 1,30,000

24. Gopal sent out certain goods to Ramesh of Delhi. 1/10th of the goods were lost in transit. Invoice value of goods lost is Rs. 12,500. Invoice value of goods sent out on consignment will be

(a) Rs. 1,25,000 (b) Rs. 1,20,000
(c) Rs. 1,40,000 (d) Rs. 1,00,000

25. Ram drew a bill on Shyam for Rs. 50,000 for 3 months proceeds of which are to be shared equally. Ram got the bill discounted at 12% p.a. and remits proceeds to Shyam. The amount of such remittance will be

(a) Rs. 16,167 (b) Rs. 32,333
(c) Rs. 24,250 (d) Rs. 25,000

26. If sales are Rs. 2,000 and the rate of gross profit on cost of goods sold is 25% than the cost of goods sold will be

(a) Rs. 1,600 (b) Rs. 1,700
(c) Rs. 1,500 (d) Rs. 1,800

27. The profit of last three years are Rs. 42,000, Rs. 39,000 and Rs. 45,000. Find out the goodwill at two year's purchase.

(a) Rs. 1,26,000 (b) Rs. 42,000
(c) Rs. 36,000 (d) Rs. 84,000

28. If a purchase return of Rs. 1,000 has been wrongly posted to the debit of the sales return account, but has been correctly entered in the suppliers account then the total of the

(a) The credit side of the trial balance will be Rs. 2000 more than the debit side
(b) The debit side of the trial balance will be Rs. 2000 more than the credit side
(c) Trial balance would show the credit side to be Rs. 1000 more than the debit
(d) Trial balance would show the debit side to be Rs. 1000 more than the credit

29. 10,000 equity shares of Rs. 10 each were issued to public at a premium of Rs. 2 per share. Applications were received for 12,000 share. Amount of securities premium account will be

(a) Rs. 40,000 (b) Rs. 20,000
(c) Rs. 16,000 (d) Rs. 24,000

30. Rachna and Payal are partners sharing profits and losses equally. They admitted Ashna for 1/3 share in the firm. The new profit sharing ratio will be

(a) 2:2:1 (b) 3:2:1
(c) 1:2:1 (d) 1:1:1

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31. Rohit purchased a machine on 1.1.2010 for Rs. 1,20,000 installation expenses were Rs. 10,000. Residual value after 5 years Rs. 5,000. On 01.02.2010 expenses for repair were incurred to the extent of Rs. 2,000. Depreciation is provided under straight line method. Annual depreciation is

(a) Rs. 20,000 (b) Rs. 22,000
(c) Rs. 25,000 (d) Rs. 26,000

32. A firm has on average profit of Rs. 60,000; rate of return on capital employed is 12.5% p.a.; total capital employed in the firm was Rs. 4,00,000. Goodwill on the basis of two year's purchase of super profit is

(a) Rs. 15,000 (b) Rs. 10,000
(c) Rs. 20,000 (d) None of the above

33. Ansh and Vansh entered into a joint venture where Ansh purchased goods costing Rs.2,40,000. Vansh sold goods costing Rs. 1,60,000 at Rs. 2,40,000. Balance goods were taken over by Ansh at same gross profit percentage as in case of sale. The sale value of goods taken over will be

(a) Rs. 40,000 (b) Rs. 1,00,000
(c) Rs. 1,20,000 (d) Rs. 80,000

34. 18% investment of Rs. 1,00,000 and interest received on investment Rs. 15,000 have been given in the trial balance for the period ended on 31.3.2010. The amount of interest outstanding in the final accounts will be

(a) Rs. 3,000 (b) Rs. 15,000
(c) Rs. 4,000 (d) Rs. 8,000

35. A draws a bill on B for Rs. 30,000 for mutual accommodation. A discounted that bill for Rs. 28,000 from bank and remitted Rs.14,000 to B. On due date A will send to B

(a) Rs. 15,500 (b) Rs. 15,700
(c) Rs. 17,000 (d) Rs. 15,000

36. If sales revenue is Rs. 4,00,000, cost of goods sold is Rs. 3,10,000 and operating expenses are Rs. 60,000, the gross profit is

(a) Rs. 90,000 (b) Rs. 60,000
(c) Rs. 30,000 (d) Rs. 2,50,000

37. Average stock = Rs. 12,000. Closing stock is Rs. 3,000 more than opening stock. The value of closing stock will be

(a) 24,000 (b) 12,000
(c) 10,500 (d) 13,500

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38. Goods costing Rs. 2,00,000 sent out to consignee at cost + 25%. Invoice value of the goods will be

(a) Rs. 2,40,000 (b) Rs. 2,30,000
(c) Rs. 2,50,000 (d) None of the above

39. The Board of Directors of a company decides to issue minimum number of equity shares of Rs. 10 each at 10% discount to redeem Rs. 5,00,000 preference shares. The maximum amount of divisible profits available for redemption is Rs. 3,00,000. The number of share to be issued by the company will be

(a) 18,182 shares (b) 22,223 shares
(c) 20,000 shares (d) 25,000 shares

40. Ajay bought goods of the value Rs. 20,000 and consigned them to Saroj to be sold by them on a joint venture, profits being divided equally. Ajay draws a bill on Saroj for an amount equivalent to 80% of cost of consignment. The amount of bill will be

(a) Rs. 20,000 (b) Rs. 4,000
(c) Rs. 16,000 (d) None of the above

41. Beta Ltd. was formed as a public limited company with on authorised capital of Rs. 20,00,000 divided into shares of Rs. 10 each. Beta Ltd. issued fully paid up shares of Rs. 10 each in consideration of acquiring asset worth Rs. 3,80,000 from M/s Rahim Bros. The shares are issued at a premium of 25%. To record this transaction share capital need to be credited by

(a) Rs. 3,04,000 (b) Rs. 76,000
(c) Rs. 3,80,000 (d) Rs. 3,00,000

42. Manish purchased a car for Rs. 5,00,000 making a down payment of Rs. 1,00,000 and signing a bill payable of Rs. 4,00,000. As result of this transaction

(a) Asset will increase by 4,00,000
(b) Liabilities will increase by 4,00,000
(c) Both (a) and (b)
(d) Asset will increase by 5,00,000

43. The cash-book showed on overdraft of Rs. 1,500 but the pass book made up to the same date showed that cheque of Rs. 100, Rs. 50 and Rs. 125 respectively had not been presented for payment and the cheque of Rs. 400 paid into account had not been cleared. The balance as per the pass book will be

(a) Rs. 1,625 (b) Rs. 1,375
(c) Rs. 2,175 (d) Rs. 1,100

44. If repair cost is Rs. 25,000, white wash expenses are Rs. 5,000 cost of extension of building is Rs. 2,50,000 and cost of improvement in electrical wiring is Rs. 19,000. The amount to be capitalized will be

(a) Rs. 2,69,000 (b) Rs. 2,99,000
(c) Rs. 2,80,000 (d) Rs. 2,74,000

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45. Ram draws a bill on Rahim for Rs. 30,000. Ram wants to endorse it to Shyam in settlement of Rs. 35,000 at 2% discount and balance in cash. How much cash Ram will pay to Rahim.

(a) Rs. 5,000 (b) Rs. 4,200
(c) Rs. 4,300 (d) Rs. 4,600

46. Gopal Ltd. issued 20,000, 8% debentures of Rs. 10 each at par which are redeemable after 5 years at a premium of 20%. The amount of loss on redemption of debenture to be written off every year will be

(a) Rs. 10,000 (b) Rs. 8,000
(c) Rs. 2,000 (d) Rs. 30,000

47. Gopal sent out certain goods to Kamal of Mumbai. 1/10 of the goods were lost in transit. Invoice value of goods lost Rs. 12,500. Invoice value of goods sent out on consignment will be

(a) Rs. 1,20,000 (b) Rs. 1,40,000
(c) Rs. 1,25,000 (d) Rs. 1,00,000

48. Mohan and Sohan enter into joint venture sharing profits and losses equally. Mohan purchased 100 kg of rice @ 20 kg. Brokerage paid Rs. 200, carriage Rs. 300 Sohan sold 90 kg of rice @ Rs. 22 Kg. Balance rice was taken over by Sohan at cost. The value of rice taken over to be recorded in joint venture will be

(a) Rs. 200 (b) Rs. 250
(c) Rs. 220 (d) Rs. 230

49. If unsold goods costing Rs. 20,000 is taken over by venturers at Rs. 15,000 the joint venture A/c will be credited by

(a) Rs. 5,000 (b) Rs. 15,000
(c) Rs. 20,000 (d) NIL

50. On 1.6.09 X draws a bill on Y for Rs. 25,000. At maturity bill was dishonoured and noting charges incurred Rs. 100. Y requested X to accept Rs. 5,100 in cash and for the balance X draws a bill on Y for 2 months at 12% p.a. Interest amount will be

(a) Rs. 440 (b) Rs.400
(c) Rs.420 (d) Rs.410

51. On 1.8.09 Ram draws a bill on Moti for 30 days after sight. The date of acceptance is 8.8.09 the maturity date of the bill will be

(a) 10.9.09 (b) 8.9.09
(c) 9.9.09 (d) 11.9.09

52. Fees paid in cash to Notary Public is charged by them from

(a) Drawer (b) Drawee
(c) Holder of bill of exchange (d) None of the above

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53. Ryan Ltd. issued 5,000, 12% debentures of Rs. 100 each at a premium of 10% which are redeemed after 10 years at a premium of 20%. The amount of loss on redemption of debenture to be written off every year will be

(a) Rs.8,000 (b) Rs.10,000
(c) Rs.30,000 (d) Rs.40,000

54. As per the Companies Act, "Interest accrued and due on debentures" should be shown

(a) Under Debentures Account
(b) As Current liabilities
(c) As Provision
(d) As a reduction of bank balance

55. Preference shares amounting to Rs. 2,00,000 are redeemed at a premium of 5% by issue of equity shares amounting to Rs. 1,00,000 at a premium of 10% the amount to be transferred to capital redemption reserve account will be

(a) Rs.1,05,000 (b) Rs.1,00,000
(c) Rs.2,00,000 (d) Rs.1,11,000

56. If the rate of dipreciation is same then the amount of depreciation under straight line method vis-a-vis written down value method will be

(a) Equal in all years
(b) Equal in the first year but higher in subsequent years
(c) Equal in the first year but lower in subsequent years
(d) Lower in the first year but equal in subsequent years

57. A of Mumbai sends goods to B of Delhi, the goods are to be sold at 125% of cost which is invoice price or above. B was entitled to the commission of 10% on sales plus 25% on any surplus realised above invoice price. 10% of goods sent out on consignment (invoice value of which is Rs. 12,500) were destroyed. 75% of the total consignment is sold by B at Rs. 1,00,000. The amount of commission payable will be

(a) Rs.10,000 (b) Rs.11,562.50
(c) Rs.9,700 (d) Rs.9,000

58. A and B enter into a joint venture sharing profits and losses in the ratio 2:3. Goods purchased by A for Rs. 45,000. Expense increased by A Rs. 13,500 and by B Rs. 5,200. B sold the goods for Rs. 85,000. Remaining stock taken over by B as Rs. 7,200. The profit of the venture will be

(a) Rs.9,800 (b) Rs.35,700
(c) Rs.21,300 (d) Rs.28,500

59. On 1.4.2009 Mohan invested Rs. 1,00,000 in a business. Interest of capital is to be allowed @ 12% p.a. Accounting year is financial year. Amount of interest to be charged to Profit and Loss account for the year 2009-2010 is

(a) Rs.12,000 (b) Rs.9,000
(c) Rs.10,000 (d) Rs.11,000

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60. 1,000 kgs. of Apple are consigned to a whole saler the cost being Rs. 8 per kg. plus Rs. 925 of freight. It is concluded that a loss of 15% is unavoidable the cost per kg. of apple will be

(a) Rs.9.41 (b) Rs.10.50
(c) Rs.10.00 (d) Rs.9.50

SECTION – B : MERCANTILE LAWS (40 MARKS)

61. Which of the following is not the legal requirements of a valid offer?

(a) It must be communicated to the offeree
(b) It must be made with a view to obtain offeree's assent
(c) It must express offeror's final willingness
(d) It must be made to specific person and not to public at large

62. A promisee is a person

(a) Who makes a promise
(b) A person who monitors the statement intentions of two parties
(c) To whom the promise is made
(d) Who fails to perform the promise

63. Silence cannot amount to offer by conduct. It is

(a) True (b) Partly true
(c) False (d) Partly false

64. Coercion involves

(a) Moral Pressure (b) Moral or Mental Pressure
(c) Mental Pressure (d) Moral and Mental Pressure

65. 'A' Offers to sell his car to 'B'. Only A can accept or reject it. This is a case of

(a) General offer (b) Express offer
(c) Specific offer (d) Standing offer

66. A voidable contract is one which

(a) Can be enforced at the option of aggrieved party
(b) Cannot be enforced in a court of law
(c) Can be enforced at the option of both the parties
(d) Courts prohibit

67. According to the Indian Contract Act, 1872 an agreement must be

(a) In writing
(b) Registered
(c) Out of natural love and affection between two relations
(d) All of the above

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68. Which one of the following is an essential element of a valid contract?

(a) Free consent (b) Consideration
(c) Competent parties (d) All of the above

69. Where no price is fixed by express agreement or by implication, the buyer shall pay the seller

(a) Net realisable value (b) Reasonable price
(c) Resale price (d) Ad hoc price

70. Which of the following statements are correct?

(a) In case of sale the subject matter of contract exists at the time of sale
(b) The term does not include shares
(c) In a contract of sale, the price may be paid partly in cash and partly in goods valued in terms of money
(d) A contract of sale must be in writing

71. According to Sale of Goods Act, 1930 a warranty is

(a) A stipulation essential to the main purpose of the contract
(b) A stipulation collateral to the main purpose of the contract
(c) Either (a) or (b)
(d) Both (a) and (b)

72. A stipulation in a contract of sale with reference to the goods which are the subject matter thereof may be

(a) Condition (b) Warranty
(c) Condition precedent (d) Either (a) or (b)

73. Breach of a condition gives a right to

(a) Repudiate a contract
(b) Claim damages only
(c) Repudiate the contract and claim damages
(d) None of the above

74. Any stipulation other than time of payment is of the essence of the contract depends upon

(a) Stipulation as to time given under Section 11 of the Indian Contract Act, 1872
(b) Operation of law
(c) Terms of the contract
(d) All of the above

75. Lien in Sale of Goods Act 1930, is a right to

(a) Regain possession of goods
(b) Retain possession of goods
(c) Give away possession of goods
(d) All of the above

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76. The right of lien is available to the unpaid seller, only when

(a) Seller is not in possession of the goods
(b) Seller is in possession of goods
(c) Seller delivered the goods to the carrier
(d) Seller has delivered the goods to the buyer

77. The term 'business' under the the Partnership Act 1932, includes

(a) Trade (b) Occupation
(c) Profession (d) All of the above

78. A minor when admitted into partnership

(a) Can opt to continue as a partner or not, on attaining majority
(b) Becomes personally liable
(c) Cannot inspect any books of accounts of the firm
(d) Can interfere in the day to day affairs of the firm

79. For admitting a minor into the benefits of the partnership, which of the following is required?

(a) Consent of guardian
(b) Consent of Registrar of firms
(c) Consent of all the partners of the firms
(d) Consent of majority partners of the firm

80. A partnership firm is compulsorily dissolved where_____.

(a) All partners have become insolvent
(b) Firm's business has become unlawful
(c) The fixed term has expired
(d) In cases (a) and (b) only

81. Unregistered firm cannot file a suit against a _____ to enforce any right arising from a contract.

(a) Incoming partner
(b) Outgoing partner
(c) Third party
(d) Minor admitted to benefits of partnership.

82. A ware house keeper agrees to hold goods of X on behalf of B at X's request . This amounts to:

(a) Symbolic delivery (b) Constructive delivery
(c) Actual delivery (d) Both (a) & (b)

83. Caveat Emptor means-

(a) Responsibility of the seller to inspect the goods
(b) Responsbility of the seller to reveal the defect
(c) Responsibility of the buyer to inspect goods
(d) Seller is responsible to the buyer.

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84. In a contract of sale of goods, implied condition as to description of goods applies where goods are sold by _____.

(a) Sample (b) Description
(c) Sample and description (d) Junk dealer

85. When the goods have not been sold on credit and the buyer fails to pay the _____, the unpaid seller can exercise his right of lien.

(a) Substantial portion of the price
(b) Whole of the price
(c) Part of the price
(d) Minimum portion of the price

86. In the Indian Partnership Act, 1932, partners in a firm are entitled to share profits _____and contribute to losses:

(a) Equally, equally
(b) Equally in capital contribution ratio
(c) Profit sharing ratio, in capital contribution ratio
(d) Capital contribution ratio, equally

87. A travel agency operates buses from Jaipur to Agra. The bus standing at its bus terminals is with a view to taking the passengers. There is _____to take passengers.

(a) Internal offer (b) External offer
(c) Implied offer (d) Express offer

88. The parties to a contract should be _____ to contract.

(a) Able (b) Competent
(c) Reliable (d) Incapacitated

89. In a wagering agreement, the future event is the _____ in determining the agreement.

(a) Collateral aspect (b) Primary factor
(c) Secondary factor (d) (a) and (b)

90. In case of firms carrying on business other than banking, maximum numbers of partners are _____.

(a) 20 (b) 21
(c) 25 (d) 10

91. _____ is an error ..... belief about something.

(a) Fraud (b) Representation
(c) Mistake (d) Misrepresentation

92. There can be a stranger to a _____.

(a) Contract (b) Consideration
(c) Agreement (d) Promise

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93. Every partner has the right to retire by_____.

(a) Majority of partners (b) Consent of all the partners
(c) Will (d) Giving notice

94. When a seller of goodwill of a business agrees not to carry on similar business, the limits and conditions imposed have to be _____ having regard to the nature of the business.

(a) Reasonable (b) Understandable
(c) Considerable (d) Unreasonable

95. _____ awarded with a view to punish the defendant, and not solely with the idea of awarding compensation.

(a) Nominal Damages (b) Special Damages
(c) Vindictive Damages (d) Ordinary Damages

96. A question of foreign law is a question of

(a) Foreign Law (b) Indian Law
(c) Law (d) Fact

97. In a contract of auction sale, the property in the goods passes with _____.

(a) Payment of price (b) Fall of the hammer
(c) Consent of the owner goods (d) Happening of all the above

98. Partnership is merely an _____ relation between the partners.

(a) Legal (b) Implied
(c) Express (d) Birth

99. 'A' contracts to sing for 'B' at concert for Rs. 5000 which is paid in advance. 'A' is too ill to sing. Decide.

(a) A will not refund the advance of Rs. 5000 to B.
(b) A must refund the advance of Rs. 5000 to 'B'
(c) A should make a new contract for sing
(d) B will compel A to sing

100. 'A' and 'B' are partners in a stationary business. 'A' buys on credit certain quantity of pencils for a whole seller in the firm's name. He uses these pencils for the family. Decide.

(a) 'A' will be personally liable
(b) It will bind the firm
(c) A as well as firm both will be liable
(d) All of these

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SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. The definition "Economics is the science which studies human behavior as a relationship between ends and scarce means which have alternative uses" was given by:

(a) J. B. Say (b) Alfred Marshal
(c) Robbins (d) Paul. A. Samuelson

102. Economics is _____.

(a) Not a normative science.
(b) Not a positive science.
(c) Partly science and partly art
(d) Neither a normative nor a positive science.

103. Which of the following statements is incorrect in case of capitalist economy?

(a) There is equality of income among people in the economy
(b) Profit-motive gets precedence over social motive
(c) Freedom of enterprise about what to produce
(d) Right to own property

104. Which of the following is likely to cause an inward shift in a country's PPC?

(a) Scientist discovering new techniques of production
(b) Workers getting job in making fly-over
(c) War destroying resources of the country
(d) The country finds new techniques of agricultural production

105. Calculate Income-elasticity for the household when the income of a household rises by 5% and the demand for bajra falls by 2%.

(a) + 2.5 (b) – 2.5
(c) - .4 (d) + .4

106. The consumer surplus concept is derived from:

(a) Law of demand
(b) Indifference curve analysis
(c) Law of diminishing marginal utility
(d) All of above

107. The consumer is in equilibrium when:

(a) When marginal utility is constant
(b) When marginal utility is greater than price of the good
(c) When marginal utility is less than price of the good
(d) When marginal utility is equal to price of the good

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108. Which is not the property of Indifference curve analysis?

(a) Indifference curves slope downward to the left
(b) Indifference curves are always convex to the origin
(c) Indifference curves can never intersect each other
(d) A higher indifference curve represents a higher level satisfaction than the lower indifference curve

109. Capital is a:

(a) Stock concept (b) Flow Concept
(c) Both (a) and (b) (d) None of the above

110. Which is not the function of an entrepreneur?

(a) Initiating a business enterprise and resource co-ordination
(b) Risk bearing or uncertainty bearing
(c) Innovation
(d) Mobilisation of savings

111. Types of balance of trade are

(a) Favorable balance of trade (b) Unfavorable balance of trade
(c) Balanced balance of trade (d) All of the above

112. A full fledged Department of Family Planning was created in India in

(a) 1950 (b) 1951
(c) 1966 (d) 1955

113. In 2008-09, _____ continued to be major source of India's import

(a) EU (b) North America
(c) Asia and ASEAN (d) South Amercia

114. Highest density of population is in:

(a) Punjab (b) Maharashtra
(c) U. P. (d) Delhi

115. Wealth Tax was abolished in:

(a) 1985 (b) 1998
(c) 2005 (d) False it is still continuing

116. In order to improve production of power, Electricity Act was passed in

(a) 2003 (b) 2005
(c) 2002 (d) 2004

117. India's debt service ratio is _____ per cent (2009-10)

(a) 11.5 (b) 5.5
(c) 30.5 (d) 10

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118. About ———— percent of sick units are other than small units

(a) 96% (b) 4%
(c) 5% (d) 30%

119. The industrial sector depends on the agricultural sector because:

(a) The agricultural sector provides food and other products for the consumption purpose of industrial sector
(b) The agricultural sector provider market for the industrial products
(c) The agricultural sector provides raw – materials to industry
(d) All of the above

120. The service sector in India now accounts for:

(a) 50-60% of GDP (b) 60-70% of GDP
(c) 40-50% of GDP (d) 30-40% of GDP

121. On which of the following, income tax is not imposed in India?

(a) Income from salary. (b) Income from house property.
(c) Interest on fixed deposits. (d) None of the above

122. PPF stands for:

(a) Private Provident Fund (b) Personal Provident Fund
(c) Public Provident Fund (d) Public Presidency Fund

123. Income Tax was introduced first time in India in 1860 and then discontinued in 1873. It was re-introduced in the year:

(a) 1885 (b) 1886
(c) 1887 (d) 1890

124. Which of the following is not the example of direct tax?

(a) VAT (b) Wealth Tax
(c) Corporate Tax (d) Income Tax

125. Excise duty is imposed on

(a) Goods imported in India (b) Goods sold in India
(c) Goods manufactured in India (d) Goods exported from India

126. Which of the following is correct?

(a) Expenditure on financial assets which are produced and owned within the country is included in national expenditure
(b) Expenditure on financial assets of foreign countries is included in national expenditure
(c) Goods produced in preceding years are also included in national income.
(d) None of the above

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127. Which of the following is included in national income ?

(a) Scholarship (b) Old age pensions
(c) Unemployment Allowance (d) None of the above

Use table to answer question 128-129

House of Labour	Total Output	Marginal Product
0		
1	200	200
2	-	180
3	480	__

128. What is the total output when 2 hours of labour are employed?

(a) 180 (b) 200
(c) 480 (d) 380

129. What is the marginal product of the third hour labour?

(a) 120 (b) 100
(c) 180 (d) 480

130. The cost that firm incurs in hiring or purchasing any factor of production is referred as:

(a) Explicit cost (b) Implicit cost
(c) Variable cost (d) Fixed cost

131. Per capita national income means:

(a) NNP/ Population (b) Total capital / Population
(c) Population / NNP (d) None of the above

132. According to the Human Development Report – 2010, the GINI index for India in 2000-10 (survey year) was:

(a) 0.368 (b) 0.29
(c) 0.53 (d) 0.18

133. TRAI is regulatory, authority for —— in India

(a) Tourism (b) Telecom
(c) Transport (d) Technical Education

134. Optimum population is that level of population at which

(a) Output per capita is the highest
(b) Output per capita is the lowest
(c) Output per capita is the same
(d) None of the above

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135. Indian Government aims at reducing the maternal mortality rate to — per thousand birth by the end of Eleventh Plan

(a) 5 (b) 1
(c) 2 (d) 3

136. The main objective of fiscal policy in developing countries is to:

(a) Promote economic growth
(b) Mobilise resources for economic growth
(c) Ensure economic growth and equitable distribution
(d) All the above

137. Suppose income of the consumers increases by 50 % and the demand for commodity x increases by 20 % what will be the income elasticity of demand for commodity x ?

(a) . 04 (b) . 4
(c) 4 (d) – 4

138. ———— depicts complete picture of consumer tastes and preferences.

(a) Budget line (b) Average cost curve
(c) Indifference map (d) Marginal revenue curve

139. The share of Indirect taxes in the gross tax revenue (centre and state combined) was

(a) 40 % (b) 65 %
(c) 59 % (d) 70 %

140. Population explosion occurs in ——— stage of the theory of demographic transition

(a) First (b) Second
(c) Third (d) Fourth

141. A higher indifference curve shows:

(a) A higher level of satisfaction (b) A higher level of production
(c) A higher level of income (d) None of the above

142. In fiscal deficit we add borrowing and other liabilities to the ———

(a) Primary Deficit (b) Capital Deficit
(c) Budget Deficit (d) Money Deficit

143. In the case of a Giffen good, the demand curve will be

(a) Downward sloping to the right (b) Upward sloping to the right
(c) Vertical (d) None of the above

144. In case of an inferior good the income elasticity of demand is:

(a) Zero (b) Positive
(c) Negative (d) None of the above

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145. When quantity demanded changes by larger percentage than does price, elasticity is termed as:

(a) Inelastic (b) Elastic
(c) Perfectly Elastic (d) Perfectly Inelastic

146. The share of concessional debt in total external debt of India has:

(a) Remained the same (b) Doubled
(c) Reduced (d) Increased

147. The incidence of taxes refers to:

(a) The level and rate of taxation
(b) Who ultimately bears the money burden of the tax
(c) The growth of taxation
(d) The way in which a tax is collected

148. Marginal cost is defined as:

(a) The change in total cost due to a one unit change in output
(b) Total cost divided by output
(c) The change in output due to a one unit change in an input
(d) Total product divided by the quantity of input

149. Which is the other name that is given to the Long run average cost curve?

(a) Envelope curve (b) Profit curve
(c) Demand curve (d) Supply Curve

150. Diminishing marginal returns imply:

(a) Decreasing average variable cost (b) Decreasing marginal cost
(c) Increasing marginal cost (d) Decreasing average fixed cost

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. A person opened a savings bank account 4 months ago, which has now a balance of Rs. 21,315. If the bank pays 4.5% simple interest, how much money was deposited by him, initially?

(a) Rs. 21,000 (b) Rs. 20,000
(c) Rs. 15,000 (d) None of these

152. Mohan deposits Rs. 500 into an account paying 8% simple interest. He makes two more deposits of Rs. 1,000 each; first after 3 months and second after 6 months. How much will be in his account at the end of the year, if he makes no other deposits and withdrawals during the time?

(a) Rs. 2,600 (b) Rs. 2,650
(c) Rs. 2,640 (d) None of these

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153. How long will it take Rs. 1,200 to amount Rs. 2,000 at 5% converted quarterly at Compound Interest?

(a) 10 years 3 months (b) 10 years 5 months
(c) 10 years (d) None of these

154. A man borrowed Rs. 20,000 from a money lender but he could not repay the amount for a period of 4 years. According the money lender's demand showed Rs. 26,500 due from him. At what rate percent annum compound interest did the money lender lend his money?

(a) 7% (b) 8%
(c) 7.5% (d) None of these

155. The compound interest earned by a money lender on Rs. 7,000 for 3 years if the rate of interest for 3 years are 7%, 8% and 8.5% respectively is

(a) Rs. 1750 (b) Rs. 1800
(c) Rs. 1776 (d) None of these

156. What annual payment will discharge a debt of Rs. 770 due in years, the rate of interest being 5% per annum?

(a) Rs. 150 (b) Rs. 140
(c) Rs. 130 (d) None of these

157. The rate of interest for the first 2 years is 3% per annum, for the next 3 years is 8% per annum and for the period beyond 5 years, 10% per annum. If a man gets Rs. 1520 as a simple interest for 6 years; how much money did he deposit?

(a) Rs. 3800 (b) Rs. 3000
(c) Rs. 4000 (d) None of these

158. Rs. 7500 is borrowed at compound interest at the rate of 4% per annum. What will be the amount to be paid after 6 months, if interest is compounded quarterly?

(a) Rs. 7650.75 (b) Rs. 7600.50
(c) Rs. 7000 (d) None of these

159. The compound interest on any sum at the rate of 5% for two years is Rs. 512.50. Find the sum.

(a) Rs. 4000 (b) Rs. 5,000
(c) Rs. 3,000 (d) None of these

160. In what rate per cent per annum will Rs. 1,000 amount to Rs. 1331 in 3 years? The interest is compounded yearly is:

(a) 10% (b) 12%
(c) 11% (d) None of these

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161. The range of 10 observations is 20. If each item is increased by 15, then the range of new series is

(a) 20 (b) 35
(c) 5 (d) None of these

162. The range of 10 observations is 20. If each item is divided by –2, then the range of new series is

(a) –10 (b) 10
(c) 20 (d) None of these

163. The relation between two variables is 2x – 3x + 12 = 0. If mean deviation of y is 6 then mean deviation of x is

(a) 9 (b) 6
(c) 3 (d) None of these

164. In grouped frequency distribution, if the Class interval Gap is unequal; then which dispersion is more appropriate?

(a) Q.D. (b) Range
(c) Mean deviation (d) Standard Deviation.

165. If the Standard Deviation of 10 observations is 4 and if each item is divided by – 2 then Standard Deviation of new series is

(a) 2 (b) –2
(c) 4 (d) None of these

166. Find the average of first 25 multiples of 5.

(a) 65 (b) 60
(c) 75 (d) None of these

167. If a, b, c, d, e are five consecutive odd integers, then their average is

(a) a + 5 (b) $\frac{abcde}{5}$
(c) 5(a + b + c + d + e) (d) a + 4

168. A cricketer scored 180 runs in the first test and 258 runs in the second. How many runs should be score in the third test so that his average score in three tests would be 230 runs.

(a) 219 (b) 242
(c) 334 (d) None of these

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169. In a coconut grove, (x+2) trees yield 60 nuts per year, x trees yield 120 nuts per year and (x–2) trees yield 180 nuts per year. If the average yield per year per tree be 100, then the value of x is –

(a) 4 (b) 6
(c) 8 (d) 2

170. The average age of 24 students and the class teacher is 16 years. If the class teachers age is excluded, the average reduces by 1 year. What is the age of the class teacher?

(a) 50 years (b) 40 years
(c) 60 years (d) None of these

171. If r = 0, then

(a) There is a perfect correlation between x & y.
(b) x and y are not correlated.
(c) There is a positive correlation between x & y.
(d) Do not exist.

172. If Covariance (x, y) < 0; then the relation between two variable is

(a) Positive (b) Negative
(c) (a) or (b) (d) None of these

173. Consider the two regression lines 3x+2y = 26 & 6x + y = 31. Find the mean values of x and y.

(a) $\bar{x} = 4$ & $\bar{y} = 7$ (b) $\bar{x} = 7$ & $\bar{y} = 4$
(c) $\bar{x} = 5$ & $\bar{y} = 6$ (d) None of these

174. Consider the two regression lines 3x+2y = 26 & 6x + y = 31. Find the correlation coefficient between x & y.

(a) 0.5 (b) –0.5
(c) 0.6 (d) None of these

175. Two regression lines are

(a) Reversible (b) not reversible
(c) cannot say (d) None of these

176. A problem of Mathematics is given to three students X, Y and Z whose chances of solving it are $\frac{1}{3}$, $\frac{1}{4}$ and $\frac{1}{5}$ respectively. Find the chance that the problem will be solved?

(a) $\frac{4}{5}$ (b) $\frac{2}{5}$
(c) $\frac{3}{5}$ (d) None of these

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177. If $P(A) = \frac{1}{2}$; $P(B) = \frac{1}{3}$ and $P(A \cap B) = \frac{1}{4}$ then the value of P(A / B) is

(a) $\frac{3}{4}$ (b) $\frac{1}{4}$

(c) $\frac{2}{5}$ (d) None of these

178. If $P(A) = \frac{1}{2}$; $P(B) = \frac{1}{3}$ and $P(A \cap B) = \frac{1}{4}$ then the value of $P(\bar{A} \cap B)$ is

(a) $\frac{1}{3}$ (b) $\frac{11}{12}$

(c) 1 / 12 (d) None of these

179. If $P(A) = \frac{1}{2}$; $P(B) = \frac{1}{3}$ and $P(A \cap B) = \frac{1}{4}$ then the value of $P(\bar{A} \cap \bar{B})$ is

(a) $\frac{5}{12}$ (b) $\frac{7}{12}$

(c) $\frac{1}{2}$ (d) None of these

180. If $P(A) = \frac{1}{2}$; $P(B) = \frac{1}{3}$ and $P(A \cap B) = \frac{1}{4}$ then the value of $P(\bar{A} \cap \bar{B})$ is

(a) $\frac{1}{4}$ (b) $\frac{3}{4}$

(c) $\frac{2}{5}$ (d) None of these

181. From the following probability distribution table, find E(x).

x:	1	2	3
f(x):	$\frac{1}{2}$	$\frac{1}{3}$	$\frac{1}{6}$

(a) 1 (b) 1.50

(c) 1.67 (d) None of these

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182. From the following probability distribution table, Find V(X)

x:	1	2	3
f(x):	$\frac{1}{2}$	$\frac{1}{3}$	$\frac{1}{6}$

(a) 0.5556 (b) 0.556
(c) 0.506 (d) None of these

183. In a box carrying one dozen of oranges, one third has become bad. If 3 oranges are taken out from the box at random, what is the probability that at least one orange out of the three oranges picked up is good?

(a) $\frac{54}{55}$ (b) $\frac{1}{55}$
(c) $\frac{45}{50}$ (d) None of these

184. A and B are two candidates seeking admission in I.I.T. The probability that A is selected is 0.5 and the probability both A and B are selected is at most 0.3. Then the probability of B getting selected is

(a) ≤ 0.8 (b) ≤ 0.9
(c) ≤ 0.7 (d) None of these

185. One of the two events must happen. Given that the chance of one is two – third that of the other. Then the odds in favour of the other

(a) 3:5 (b) 3:2
(c) 5:3 (d) None of these

186. If x be a poison variates with parameter 1; then find P(3<x<5) (Given: $e^{-1} = 0.36783$)

(a) 0.015326 (b) 0.15326
(c) 0.012326 (d) None of these

187. Find the probability that at least 5 defective bolts will be found in a box of 200 bolts. If it is known that 2% of such bolts are expected to be defective (Given: $e^{-4} = 0.0183$)

(a) 0.4717 (b) 0.3717
(c) 0.3017 (d) None of these

188. A man is dealt 4 spade cards from an ordinary pack of 52 cards. If he is given three more cards, find the probability p that at least one of the additional cards is also a spade.

(a) 0.5718 (b) 0.3718
(c) 0.4718 (d) None of these

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189. The mean and variance of the poison distribution are equal.

(a) True (b) False
(c) Either (a) or (b) (d) None of these

190. If a variable x follows a poison law such that P(x = 1) = P(x = 2); then the variance of the distribution is

(a) –2 (b) 2
(c) $\sqrt{2}$ (d) None of these

191. A random sample of the heights of 500 oranges was taken from a large consignement. 65 were found to be defective. Find Standard Error of the proportion of defectives.

(a) 0.015 (b) 0.15
(c) 0.017 (d) None of these

192. A random sample of the heights of 100 students from a large population of students in a College having Standard Deviation of 0.75 ft. has an average height of 5.6 ft., Find 95% confidence limits for the average height of all the students of the College. (For 95%, Z = 1.96)

(a) 5.453, 5.747 (b) 16.453, 7.747
(c) 6.485, 7.647 (d) None of these

193. A sample of size 64 was drawn from a population consisting of 128 units. The sample mean of the measurements on a certain characteristic was found to be 28. If the population Standard Deviation is 4 then find the 96% confidence limit for the population mean? (For 96%, Z = 2.05)

(a) 30.72, 27.32 (b) 27.272, 28.728
(c) 30.272, 32.728 (d) None of these

194. In a large consignment of oranges a random sample of 500 oranges revealed that 65 oranges were bad. Find the 99.73% Confidence limit of bad ones? (For 99.73%, Z = 3)

(a) 8.5%, 17.5% (b) 0.85%, 0.175%
(c) 8%, 12% (d) None of these

195. Find the sample size such that the probability of the sample means differing from the population mean by not more than $\frac{1}{10}$ th of the Standard Deviation is 0.95.

(a) 300 (b) 384
(c) 395 (d) None of these

196. The variance of 10 observations is 4, then their Standard Deviation is +2 or –2. This is

(a) True (b) False
(c) Either (a) or (b) (d) None of these

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197. Find the variance of binomial distribution with n = 10, p = 0.3

(a) 2.1 (b) 3
(c) 7 (d) None of these

198. When the cost of living increases, the standard of living improves. This is

(a) True (b) False
(c) Either (a) or (b) (d) None of these

199. The 95% confidence limit for the sample mean $(\bar{x})$ is $\mu \pm 1.96\left(\frac{\sigma}{\sqrt{n}}\right)$. This is

(a) True (b) False
(c) Either (a) or (b) (d) None of these

200. The mean and variance of Binomial distribution is 12. This is

(a) True (b) False
(c) Either (a) or (b) (d) None of these

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