



BOARD OF STUDIES

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT-7/2006

Time : 4 hours

Maximum Marks : 200

The test is divided into four sections.

Please follow the instructions given in each section carefully and answer the questions.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

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| (1) | Questions 1 to 10 have only one correct answer and carry + 1mark each for correct answer and – 0.25 mark for each wrong answer. |
| (ii) | Questions 11 to 20 are the fill in the blank based questions having four alternate answers and carry + 1mark each for correct answer and – 0.25 mark for each wrong answer. |
| (iii) | Questions 21 and 22 contain small paragraph / table followed by a question having only one correct answer and carry + 1 mark each for correct answer and – 0.25 mark for each wrong answer. |
| (iv) | Questions 23 to 60 are numerical based questions, which have answers as numerical values and carry + 1mark each for correct answer and – 0.25 mark for each wrong answer. |

PART I

1. “Assets should be valued at the price paid to acquire them” is based on
 - (a) Accrual concept.
 - (b) Cost concept.
 - (c) Money measurement concept.
 - (d) Realisation concept.
2. Cash book is a form of
 - (a) Trial Balance.

- (b) Journal.
 - (c) Ledger.
 - (d) All of the above.
3. If bank balance as per cashbook differs from that appearing in the current account statement, then the balance considered for finalizing the accounts is of
- (a) Adjusted cash book.
 - (b) Cash book before any adjustments.
 - (c) Pass book.
 - (d) Not taken to final accounts in case of difference in the balance.
4. Material costing Rs.700 in the erection of the machinery and the wages paid for it amounting to Rs. 400 should be debited to
- (a) Material account.
 - (b) Wages account.
 - (c) Purchases account.
 - (d) Machinery account.
5. Difference of totals of both debit and credit side of the trial balance is transferred to
- (a) Difference account.
 - (b) Trading account.
 - (c) Miscellaneous account.
 - (d) Suspense account.
6. "Inventories should be out of godown in the sequence in which they arrive" is based on
- (a) FIFO.
 - (b) LIFO.
 - (c) FIFO.
 - (b) Weighted average.
7. The value of an asset after deducting depreciation from the historical cost is known as
- (a) Fair value.
 - (b) Book value.
 - (c) Market value.
 - (d) Net realisable value.
8. Expenses incurred to retain the title of a building is a
- (a) Revenue expenditure.

- (b) Capital expenditure.
 - (c) Deferred revenue expenditure.
 - (d) None of the above.
9. Carriage inwards is debited to
- (a) Trading account.
 - (b) Profit and loss account
 - (c) Profit and loss appropriation account
 - (d) Balance sheet
10. A bill has been drawn on 26.2.2006 payable after 90 days. The due date of the bill will be
- (a) 30.5.2006.
 - (b) 29.5.2006.
 - (c) 28.5.2006.
 - (d) 27.5.2006.

PART II

11. If total of all debits of a ledger account is more than the total of all credits of the same account, then the balancing figure is placed at the _____
- (a) Debit side of that ledger account.
 - (b) Credit side of that ledger account.
 - (c) End of that ledger account as a footnote.
 - (d) None of the above.
12. The cost of a small calculator is accounted as an expense and not shown as an asset in a financial statement of a business entity due to _____
- (a) Materiality concept.
 - (b) Matching concept.
 - (c) Periodicity concept.
 - (d) Conservatism concept.
13. A minimum quantity of stock always held as precaution against out of stock situation is called _____
- (a) Zero stock.
 - (b) Risk stock.
 - (c) Base stock.

- (d) None of the above.
14. M/s Bhaskaran & Co. drew a three months' bill of Rs. 6,000 on M/s Patel & Co. on 1.1.2006 payable to M/s Surendran & Co. or bearer. Here the payee will be
- (a) M/s Bhaskaran & Co.
(b) M/s Patel & Co.
(c) M/s Surendran & Co. or bearer.
(d) All of the above.
15. Fluctuating capital account is credited with _____
- (a) Interest on capital.
(b) Profits of the year.
(c) Salaries or remuneration of the partners.
(d) All of the above.
16. If the incoming partner brings any additional amount in cash other than his capital contributions then it is termed as _____
- (a) Capital.
(b) Reserves.
(c) Profits.
(d) Premium for goodwill.
17. Memorandum joint venture account is prepared _____
- (a) When separate set of joint venture books is prepared.
(b) When each co-venturer keeps records of all the joint venture transactions himself.
(c) When each co-venturer keeps records of their own joint venturer transactions.
(d) None of the above.
18. In case of del-credere commission provided by consignor to consignee, bad debts is a loss of _____
- (a) Consignee.
(b) Consignor.
(c) Both consignor and consignee.
(d) Neither of the two.
19. The party who sends the goods for sale on fixed commission basis is _____
- (a) Consignee.

- (b) Consignor.
 - (c) Drawee.
 - (d) Drawer.
20. Discounting of bill by the drawer is done with _____
- (a) Creditor.
 - (b) Drawee.
 - (c) Bank.
 - (d) Notary public.

PART III

21. Under this method, the annual charge for depreciation decreases from year to year, so that the burden and benefits of later years are shared by the earlier years. Also, under this method, the value of asset can never be completely extinguished. The other advantage of this method is that the total charge to revenue is uniform when the depreciation is high, repairs are negligible; and as the repairs increase, the burden of depreciation gets lesser and lesser. This method of depreciation is
- (a) Straight Line Method.
 - (b) Written Down Value Method.
 - (c) Annuity Method.
 - (d) Sinking Fund Method.
22. M/s Mittal & Sen & Co. sends goods costing Rs. 50,000 to M/s Suneja & Jadeja & Co. for sale at invoice price. The invoice price of the goods was Rs. 60,000. Former spends Rs. 2,000 on freight for sending the delivery and later spends Rs.1,500 for receiving the delivery. M/s Suneja & Jadeja & Co sold 90% of goods at invoice price and earned a commission of Rs.5,400. In the due course he made some credit sales also out of which some amount were proved to be bad and was borne by him only. Remaining goods were taken back by M/s Mittal & Sen & Co. The balance due was paid by M/s Suneja & Jadeja & Co. through a demand draft. The above transaction is in the nature of
- (a) Consignment.
 - (b) Joint venture.
 - (c) Sale of goods on sale or return basis
 - (d) Credit sales.

PART IV

23. It is decided to form a partnership with a total capital of Rs. 6,00,000. Three partners Ajay, Vijay and Sanjay who will share profits and losses in the ratio of 5:3:2, agreed to contribute proportionate capital. Their capital contribution will be
- (a) Rs.3,00,000: Rs.1,80,000: Rs.1,20,000.
 - (b) Rs.2,00,000: Rs.2,00,000: Rs.2,00,000.
 - (c) Rs.3,00,000: Rs.2,00,000: Rs.1,00,000.
 - (d) Rs.1,00,000: Rs.2,00,000: Rs.3,00,000.
24. Aditya Ltd. issued equity shares of 50,000 shares of Rs. 10 each for subscription. 40,000 shares were subscribed by the public by paying Rs. 3 as application money. Number of shares allotted to public by Aditya Ltd. will be
- (a) 50,000 shares.
 - (b) 40,000 shares.
 - (c) 30,000 shares.
 - (d) 10,000 shares.
25. A company issued 1,00,000 equity shares of Rs.10 each at a premium of Rs.2 and 5,000 10% Debentures of Rs.100 each at 10% discount. All the shares and debentures were subscribed and allotted by crediting 10% Debentures account with
- (a) Rs. 10,00,000.
 - (b) Rs. 12,00,000.
 - (c) Rs. 5,00,000.
 - (d) Rs. 4,50,000.
26. Preference shares amounting to Rs.1,00,000 are redeemed at a premium of 5% by issue of shares amounting to Rs.50,000 at a premium of 10%. The amount to be transferred to capital redemption reserve account will be
- (a) Rs.55,000.
 - (b) Rs.50,000.
 - (c) Rs.45,000.
 - (d) Rs.57,500.
27. On 1st June 2005, Harsh Ltd. issued 4,000 9% convertible debentures of Rs.100 each at a premium of 10%. Interest is payable on September 30 and March 31, every year. Assuming that the interest runs from the date of issue, the amount of interest expenditure debited to profit and loss account for the year ended 31st March 2006 will be
- (a) Rs.12,000.

- (b) Rs.18,000.
(c) Rs.36,000.
(d) Rs.30,000.
28. Followings are the information related to Great Ltd.:
- (i) Equity share capital called up Rs. 3,00,000, (ii) Call-in advance Rs. 10,000, (iii) Call in arrears Rs. 15,000 and (iv) Proposed dividend 20%. The amount of dividend payable by Great Ltd. will be
- (a) Rs.57,000
(b) Rs.59,000.
(c) Rs.60,000.
(d) Rs.58,000.
29. 3,000 shares of Rs. 10 each of Krishna were forfeited by crediting Rs. 5,000 to share forfeiture account. Out of these, 1,800 shares were re-issued to Radhe for Rs. 9 per share. The amount to be transferred to capital reserve account will be
- (a) Rs. 3,200.
(b) Rs.2,000.
(c) Rs.1,800.
(d) Rs.1,200.
30. Bittu Ltd. issued 10,000 shares of Rs.10 each to public. Applications were received for 12,000 shares by paying Rs.2 per share. Shares were allotted on pro-rata basis to the public and excess money was kept to be used in allotment and further calls. Kittu failed to pay the money of Rs.3 per share and her 1,000 shares were forfeited after due notice. No further calls were made to her. Her call in arrears was
- (a) Rs.3,000.
(b) Rs.2,800.
(c) Rs.2,600.
(d) Rs.2,400.
31. He, She and Me are partners in a firm sharing profits and losses in the ratio of 5:3:2. They took Joint Life Policy of Rs. 50,000, Rs.1,00,000 and Rs.1,50,000 for He, She and Me respectively. The share of C in the policy will be
- (a) Rs.1,50,000.
(b) Rs.90,000.
(c) Rs.60,000.
(d) Rs.3,00,000.

32. Vijay, Vineet and Vivek are partners in a firm sharing profits or losses in 3:2:1. Vijay retires and Rs. 18,000 was debited to goodwill account of the firm. If new profit sharing ratio is 2:1, then the amount of goodwill debited respectively to Vineet and Vivek's capital account will be
- (a) Rs.6,000: Rs.3,000.
 - (b) Rs.9,000: Rs.9,000.
 - (c) Rs.4,500: Rs.4,500.
 - (d) Nothing is to be debited to their account.
33. Amit, Rohit and Sumit are partners sharing profits and losses in the ratio of 5:4:3. Sumit retires and if Amit and Rohit shares profits of Sumit in 4:3, then new profit sharing ratio will be
- (a) 4:3.
 - (b) 47:37.
 - (c) 5:4.
 - (d) 5:3.
34. Rachna and Sapna are partners sharing profits equally. They admitted Ashana for 1/3 share in the firm. The new profit sharing ratio will be
- (a) 3:2:1.
 - (b) 2:2:1.
 - (c) 1:1:1.
 - (d) Cannot be calculated.
35. Find the goodwill of the firm using capitalization method from the following information:
- | | |
|------------------------------------|---------------|
| Total capital employed in the firm | Rs. 80,00,000 |
| Reasonable rate of return | 15% |
| Profits for the year | Rs. 12,00,000 |
- (a) Rs. 68,00,000.
 - (b) Rs. 12,00,000.
 - (c) Rs. 11,88,000.
 - (d) Nil.
36. A trader has credited certain items of sales on approval aggregating Rs.60,000 to Sales Account. Of these, goods of the value of Rs.16,000 have been returned and taken into stock at cost Rs.8,000 though the record of return was omitted in the accounts. In respect of another parcel of Rs.12,000 (cost being Rs.6,000) the period of approval did

- not expire on the closing date. Cost of goods lying with customers should be
- (a) Rs. 12,000.
 - (b) Rs. 54,000.
 - (c) Rs. 6,000.
 - (d) None of the above.
37. On 1st January 2006 Nisha draws a bill for Rs.5,000 on Disha for 3 months for mutual accommodation. On the same day, Disha draws a bill for Rs. 6,000 on Nisha for 4 months. Both the bills were discounted with the bank for Rs. 4,850 and Rs. 5,700 respectively. 50% of the receipt was sent to the other party. First bill was met on its due date. On the maturity date of Nisha's acceptance, Disha will send
- (a) Rs.3,000.
 - (b) Rs.2,850.
 - (c) Rs.2,425.
 - (d) Rs.2,500.
38. Gaurav has to pay Rs. 10,000 to Saurabh on account of Bill accepted by him for credit purchases. Due to financial crisis, Gaurav was unable to pay the bill and was declared insolvent and his estate realized only 30 paisa in a rupee. The amount to be debited to bad debts account of Saurabh will be
- (a) Rs.3,000.
 - (b) Rs.7,000.
 - (c) Rs.10,000.
 - (d) None of the above.
39. Ram in a joint venture with Shyam purchased goods costing Rs. 20,000 and sends to Shyam for sale incurring Rs.1,000 on freight. Shyam took the delivery and paid Rs.500 as carriage. He sold the goods costing Rs.18,000 for Rs. 25,000 and kept the remaining goods at cost price. Sharing equal profits of the venture, amount to be paid by Shyam to Ram will be
- (a) Rs.25,000.
 - (b) Rs.22,250.
 - (c) Rs.23,750.
 - (d) Rs.24,500.
40. Expenses incurred by the consignor on sending the goods to the consignee is Rs.1,000 for insurance, Rs.1,500 on freight and Rs.500 on packing the goods. While expenses incurred by the consignee on behalf of the consignment are Rs.800 on octroi, Rs.600 as godown charges and Rs. 1,200 as selling expenses. The amount to be excluded

while calculating consignment stock will be

- (a) Rs.2,600.
 - (b) Rs.600.
 - (c) Rs.1,200.
 - (d) Rs.1,800
41. Goods costing Rs. 80,000 are consigned by Manjari & Co. to Anjali & Co. for Rs.1,00,000. Expenses of the consignor in this respect was Rs. 5,000. Consignee spends Rs. 6,000 for taking the delivery. Some of the goods were returned by the consignee costing Rs.10,000. The amount to be credited to consignment account for goods returned will be
- (a) Rs.12,500.
 - (b) Rs.11,100.
 - (c) Rs.11,375.
 - (d) Rs.13,875.
42. Opening stock of the year is Rs.20,000, Goods purchased during the year is Rs.1,00,000, Carriage Rs.2,000 and Selling expenses Rs.2,000. Sales during the year is Rs.1,50,000 and closing stock is Rs.25,000. The gross profit will be
- (a) Rs.53,000.
 - (b) Rs.55,000.
 - (c) Rs.80,000.
 - (d) Rs.51,000.
43. Following errors have been rectified at the end of the year:
- (i) The return inward book was undercast by Rs. 150.
 - (ii) The return outward book was overcast by Rs. 1,000.
 - (iii) A payment of Rs.1,500 on account of salaries has been posted twice in the salaries account although entered correctly in the cashbook.
- The above errors if rectified, will give correct trial balance. Before rectification, balance of suspense account was
- (a) Rs. 150 (Dr.)
 - (b) Rs. 1,150 (Dr.).
 - (c) Rs. Rs.350 (Cr.).
 - (d) Rs. 1,500 (Cr.).

44. Given below are the ledger balances of a management consultancy firm:
Capital Rs.4,00,000, Computer Rs. 25,000, Air conditioner and furniture Rs. 1,00,000, Fixed Deposits Rs.2,00,000, Salaries Rs.8,00,000, Fees received Rs. 12,00,000, Travelling expenses Rs.1,50,000, Rent and office expenses Rs.2,40,000, Cash balances Rs. 1,80,000. Bank overdraft Rs. 95,000. The total of trial balance will be
- (a) Rs. 16,00,000.
 - (b) Rs. 16,95,000.
 - (c) Rs. 14,50,000.
 - (d) Rs. 15,00,000.
45. M/s Delhi Stationers purchase goods from the manufacturers, do packaging and labelling and sell to their customers. At the year-end they had 1,000 pieces of toilet soaps in hand, purchase price of which is Rs.3.25 per piece. These are yet not packed and labelled. The packaging cost per unit is Re. 0.35 per piece and selling price is Rs. 4.25 per piece. The historical cost and selling price of the closing stock will be
- (a) Rs. 3,250 and Rs.3,900 respectively.
 - (b) Rs. 3,600 and Rs. 4,250 respectively.
 - (c) Rs. 3,250 and Rs. 4,250 respectively.
 - (d) Rs. 3,600 and Rs.3,900 respectively.
46. Depreciable amount of the machinery is Rs.11,00,000. The machine is expected to produce 30 lakhs units in its 10 year life and expected distribution of production units is as follows:
- | | |
|-----------|---------------------------|
| 1-3 year | 5 lacs units each year |
| 4-6 year | 3 lacs units each year |
| 7-10 year | 1.5 lacs units each year. |
- Annual depreciation for 1-3 year, using production units method will be
- (a) Rs.1,10,000.
 - (b) Rs.55,000.
 - (c) Rs. 65,000.
 - (d) Rs. 1,83,333.
47. The cashbook showed an overdraft of Rs. 2,000 as cash at bank, but the pass book made up to the same date showed that cheques of Rs. 200, Rs. 150 and Rs. 175 respectively had not been presented for payments; and the cheque of Rs. 600 paid into account had not been cleared. The balance as per the cash book will be
- (a) Rs. 2,150.

- (b) Rs. 2,175.
(c) Rs. 1,475.
(d) Rs. 1,925.
48. If cost of physical stock on 31.3.2006 is Rs.2,80,000 and out of which stock of Rs. 1,20,000 is held as consignee. Goods costing Rs. 25,000 were damaged beyond repair and were expected to realize Rs.5,000 only. The value of own stock on 31.3.2006 will be
(a) Rs.2,60,000
(b) Rs.1,60,000
(c) Rs.1,35,000
(d) Rs.1,40,000
49. A lease is purchased on 1st January, 2005 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. 28,201.
(b) Rs. 20,000.
(c) Rs.25,000.
(d) None of the above.
50. 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 31.3.2006. The amount of interest outstanding in the final accounts will be
(a) Rs.18,000
(b) Rs.15,000
(c) Rs.3,000.
(d) Nil
51. Bank overdraft as per trial balance is Rs.1,60,000. Bank has allowed the customer to overdraw 80% of the hypothecated value of the stock. Hypothecation of stock has been done by the bank at 80% of the original closing stock value. The amount of closing stock is
(a) Rs. 2,00,000.
(b) Rs. 2,50,000.
(c) Rs. 1,02,400.
(d) Rs. 1,28,000.
52. Net profit before commission has been Rs. 1,20,000. Manager's commission is 20% of net profit before charging such commission. The amount of manager's commission is

- (a) Rs.22,000.
(b) Rs.25,000.
(c) Rs.24,000.
(d) Rs.20,000.
53. Out of four floors of a building, ground floor is used as a store house for trading goods, first and second floor is used for office purpose and third floor is used for residential purposes. Total depreciation of a building amounts to Rs. 80,000.. The depreciation amount of building to be shown in the business books will be
(a) Rs. 80,000.
(b) Rs. 60,000.
(c) Rs. 40,000.
(d) Rs. 20,000.
54. Closing stock was not taken on 31.3.2006 but only on 7.4.2006. Following transactions had taken place during the period from 1.4.2006 to 7.4.2006. Sales Rs.2,50,000, purchases Rs.1,50,000, stock on 7.4.2006 was Rs.1,80,000 and the rate of gross profit on sales was 20%. Closing stock on 31.3.2006 will be
(a) Rs.3,80,000.
(b) Rs.4,00,000.
(c) Rs.2,30,000.
(d) Rs.1,50,000.
55. Ravi Ltd. issued 1,40,00,000, 9% debentures of Rs.100 each at a discount of 6%, redeemable at a premium of 5% after 3 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.8,40,00,000.
(b) Rs.7,00,00,000.
(c) Rs.15,40,00,000.
(d) Rs.1,40,00,000.
56. Kena Ltd. issued 10,000 12% Debentures of Rs.100 each at a discount of 10%payable in full on application by 31st March, 2006. Applications were received for 12,000 debentures. Debentures were allotted on 9th June, 2006. The amount of excess money refunded on the same date will be
(a) Rs.1,80,000.
(b) Rs.1,00,000.
(c) Rs.1,20,000.
(d) Rs.1,50,000.

57. Ankush Ltd. had issued 10,000, 10% Redeemable Preference Shares of Rs.100 each, fully paid up. The company decided to redeem these preference shares at par, by issue of sufficient number of equity shares of Rs. 10 each at a premium of Rs.2 per share as fully paid up. The amount to be transferred to capital redemption reserve account will be
- (a) Rs. 10,00,000.
 - (b) Rs. 12,00,000.
 - (c) Rs. 8,00,000.
 - (d) Nil.
58. Bill of Rs.10,000 accepted by Rajesh was endorsed by Ritesh to Dinesh on account of final settlement of Rs.10,500. The benefit of Rs.500 earned by Ritesh was:
- (a) Credited to discount allowed account by Rs. 500.
 - (b) Credited to discount received account by Rs.500.
 - (c) Credited to rebate account by Rs.500.
 - (d) Not shown in the books of Ritesh at all.
59. A company on non-receipt of First Call money of Rs.2 per share and Final Call money of Rs.3 per share from Rahul, debited Call-in-Arrears account by Rs. 2,000 and Rs.3,000 respectively. After due notice 1,000 shares of Rs.10 each were forfeited from Rahul. The amount to be credited to First Call Account at the time of entry for forfeiture will be
- (a) Rs.2,000.
 - (b) Rs.3,000.
 - (c) Nil.
 - (d) Rs.10,000.
60. 1,000 shares of Rs.100 each were issued to a promoter of the company for their legal services, rendered in the formation of the company. For this, company credited Share Capital Account and debited
- (a) Goodwill account by Rs. 1,00,000.
 - (b) Legal services account by Rs.1,00,000.
 - (c) Promoter's account by Rs.1,00,000.
 - (d) Formation expenses account by Rs.1,00,000.

SECTION – B : MERCANTILE LAWS (40 MARKS)

- (i) Questions 61 to 79 have only one correct answer and carry + 1 mark each for correct answer and – 0.25 mark for each wrong answer.
- (ii) Questions 80 to 98 are the fill in the blank based questions having four alternate answers and carry + 1 mark each for correct answer and – 0.25 mark for each wrong answer.
- (iii) Questions 99 and 100 contain small paragraph / table followed by a question having only one correct answer and carry + 1 mark each for correct answer and – 0.25 mark for each wrong answer.

PART I

61. Which of the following is correct :
- (a) A minor can be admitted as a partner provided the partnership deed is signed by the guardian of the minor on behalf of and in the best interest of such minor.
 - (b) A minor can enter into a contract of partnership provided it is a 'necessity' and not a 'luxury'.
 - (c) A minor cannot be admitted as a partner unless all the partners agree to it.
 - (d) A minor can be admitted to the benefits of partnership.
62. As per Section 11 of The Indian Contract Act, 1872 every person is competent to contract provided he:
- (a) Is of the age of majority according to the law to which he is subject.
 - (b) Is of sound mind.
 - (c) Is not disqualified from contracting by any law to which he is subject.
 - (d) All of the above.
63. Necessary condition for existing goods is
- (a) They should be in existence at the time of the contract of sale.
 - (b) They should be owned or possessed by the seller.
 - (c) Both of the above.
 - (d) None of the above.
64. The action of goods being physically delivered to the buyer is known as:
- (a) Actual Delivery.
 - (b) Constructive Delivery.
 - (c) Symbolic Delivery.
 - (d) All of the above.

65. A tells his wife that he would commit suicide, if she did not transfer her personal assets to him. She does so under his threat.
- (a) The wife can avoid the contract.
 - (b) The wife cannot avoid the contract.
 - (c) The husband can enforce the contract.
 - (d) Both (b) & (c).
66. In case of a hire – purchase the hirer
- (a) Can pass a goods title to a bonafide purchaser.
 - (b) Cannot pass a goods title to a bonafide purchaser.
 - (c) Can choose whether to pass or not to pass the goods title to a bonafide purchaser.
 - (d) All of the above.
67. Which of the following are the characteristics of a contingent contract:
- (a) The performance of a contingent contract depends upon the happening or non-happening of a certain event in future.
 - (b) The event must be uncertain.
 - (c) The event must be collateral to the main contract.
 - (d) All of the above.
68. Agency by ostensible authority may happen in the following ways:
- (a) By estoppel.
 - (b) By a legal presumption.
 - (c) By holding-out.
 - (d) All of the above.
69. A sold some land to B. At the time of sale both the parties believed to be in good faith that the area of the land sold was 10 hectares. It however, turned out that the area was 7 hectares only. How is the contract of sale affected?
- (a) The agreement is void.
 - (b) The agreement is illegal.
 - (c) The agreement is impossible.
 - (d) All of the above.
70. Which one of the following is a legal requirement regarding consideration:
- (a) Consideration should move at the desire of the promise.
 - (b) Consideration may move from promisee or any other person.
 - (c) Consideration may be past, present or future.

- (d) All of the above.
71. Exceptions to the statement "No consideration no contract" are the following:
- (a) No consideration is required to create an agency as also in the case of completed gifts.
 - (b) A promise made without consideration is valid if it is a promise, made in writing and signed by the person to be charged therewith, or by his agent generally or specially authorized in that behalf, to pay wholly or in part a debt, which is barred by the Law of Limitation.
 - (c) A promise made without any consideration is valid if it is a promise to compensate wholly or in part a person who has already voluntarily done something for the promisor or something which the promisor was legally compellable to do.
 - (d) All of the above.
72. In case of a firm carrying on the business other than banking
- (a) There should be at least seven members and maximum number of members should not exceed fifty.
 - (b) There should be at least two members and maximum number of members should not exceed ten.
 - (c) There should be at least two members and maximum number of members should not exceed twenty.
 - (d) There should be at least two members and maximum number of members should not exceed fifty.
73. Which of the following agreements are void:
- (a) An agreement to share the salary of a public officer.
 - (b) An agreement to sell a religious office.
 - (c) An agreement with the objective of procuring a public post.
 - (d) All of the above.
74. Following conditions are implied in a contract of sale of goods unless the circumstances of the contract show a different intention:
- (a) Condition as to title.
 - (b) Sale by description.
 - (c) Sale by sample.
 - (d) All of the above.
75. The distinction between fraud and misrepresentation are the following:
- (a) Misrepresentation is innocent whereas fraud is deliberate or willful.

- (b) In misrepresentation the person making the suggestion believes it to be true while in case of a fraud he does not believe it to be true.
 - (c) In misrepresentation there can be no suit for damages whereas in fraud there can be a suit for damages.
 - (d) All of the above.
76. The following are the essential elements which need to co-exist in order to make a valid contract:
- (a) Lawful Consideration.
 - (b) Lawful Agreement.
 - (c) Free Consent.
 - (d) All of the above.
77. The test of good faith as required under Section 33(1) includes the following:
- (a) That the expulsion must be in the interest of the partnership.
 - (b) That the partner to be expelled is served with a notice.
 - (c) That the partner to be expelled is given an opportunity of being heard.
 - (d) All of the above.
78. Delivery which is effected without any change in the custody or actual possession of the thing is known as:
- (a) Actual Delivery.
 - (b) Symbolic Delivery.
 - (c) Constructive Delivery.
 - (d) None of the above.
79. The essential elements of a partnership at will are:
- (a) No period has been fixed by the partners for its duration.
 - (b) There is no provision in the partnership agreement for its determination.
 - (c) Both of the above.
 - (d) None of the above.

PART II

80. True test of partnership is _____.
- (a) Sharing of profits
 - (b) Sharing of profits and losses
 - (c) Mutual agency
 - (d) Existence of an agreement to share profits of the business

81. Where a person asserts something which is not true, though he believes it to be true, his assertion amounts to _____.
- (a) Coercion
 - (b) Undue Influence
 - (c) Fraud
 - (d) Misrepresentation
82. _____ does not exist.
- (a) Liability for special damages
 - (b) Liability for exemplary damages
 - (c) Liability for nominal damages
 - (d) Liability for disciplinary damages
83. The communication of an acceptance is complete as against the acceptor, _____.
- (a) When it is put in course of transmission to him so as to be out of reach of the acceptor
 - (b) When it comes to the knowledge of the proposer
 - (c) When both the proposer and the acceptor declare the acceptance
 - (d) When the acceptor accepts his acceptance in a court of law
84. Total substitution of new contract in place of the old contract takes place in case of _____.
- (a) Remission
 - (b) Rescission
 - (c) Novation
 - (d) Alteration
85. Profits of a partnership firm must be distributed among the partners as per the partnership deed while the profits of a company _____.
- (a) Must be distributed to its shareholders
 - (b) May or may not be distributed to its shareholders
 - (c) May or may not be distributed to its board of directors, shareholders and other stakeholders
 - (d) Are not distributable at all
86. The principle evolved in the case of Garner v. Murray (1904) is _____.

- (a) Deficiencies in the capital of the insolvent partner are distributed among the solvent partners in the ratio of their capital
 - (b) Partners have a fiduciary relationship with each other
 - (c) Partners liability is unlimited
 - (d) Partners can make supernatural profits, provided proper disclosures are made in this regard
87. A intending to deceive B falsely represents that 750 tons of sugar is produced per annum at the factory of A and hereby induces B to buy the factory. The contract is avoidable at the option of _____.
- (a) B
 - (b) A
 - (c) Congruence of A & B
 - (d) Either party cannot avoid the contract
88. An agency coupled with interest does not come to an end in case of _____.
- (a) Death of the principal
 - (b) Insanity of the principal
 - (c) Insolvency of the principal
 - (d) Death or Insanity or Insolvency of the principal
89. A contract to do or not to do something if some event, collateral to such contract does or does not happen is _____.
- (a) A contingent contract
 - (b) A wagering contract
 - (c) Illegal
 - (d) Void
90. A contracts to pay B Rs.5,00,000/- if B's house is destroyed by fire. It is _____.
- (a) A wagering contract
 - (b) A contingent contract
 - (c) A wagering contract plus a contingent contract
 - (d) Neither a contingent contract nor a wagering contract
91. The rule stated under Section 26 of The Sale of Goods Act, 1930 is subject to _____ exceptions.
- (a) 1
 - (b) 2

- (c) 3
(d) 4
92. The latin maxim "Nemo dat quod non habet" means _____.
(a) An eye for an eye and a tooth for a tooth
(b) Never dare to quarrel with a good seller
(c) No one can give what he has not got
(d) Let the buyer beware.
93. Rules regarding delivery of goods are dealt in the _____ of The Sale of Goods Act, 1930.
(a) Sections 33-39
(b) Sections 20-24.
(c) Sections 18-24
(d) Sections 33-32
94. Right of lien is to _____.
(a) Retain possession
(b) Regain possession
(c) Remove possession
(d) Recharge possession
95. Non - Registration of a partnership firm _____.
(a) Is a Criminal offence
(b) Renders the partnership illegal
(c) Is compulsory to activate the partnership
(d) Is not compulsory but desirable
96. A person who finds goods belonging to another and takes them into his custody _____.
(a) Becomes the owner of those goods thereafter
(b) Is subject to the same responsibility as a bailee
(c) Is allowed to sell them and retain the money realized from such sale
(d) Has no obligation to return those goods, he may do so only a good gesture
97. Quasi – contracts arise _____.
(a) Where obligations are created without a contract
(b) Where obligations are created under a contract

- (c) Out of natural causes
 - (d) Out of man-made causes
98. Discharge by mutual agreement may involve _____.
- (a) Novation
 - (b) Recission
 - (c) Alteration
 - (d) Novation, Recission and alteration

PART III

99. A & B are partners in a partnership firm. A introduced C, a former partner, as his partner to D. C remained silent at that moment, but later on informed D that he is actually a former partner of the firm. C had also issued public notice in the year of his retirement from the partnership firm. D, a trader supplied 500 refrigerators to the firm on credit. The credit period expired and D did not get the price of his supplies. D filed a suit against A & C for the recovery of price. In light of the above circumstances answer which of the following is correct:
- (a) C is liable for the price to D.
 - (b) C is liable for the price to D, irrespective of the fact, whether C remained silent or not.
 - (c) C is not liable for the price to D.
 - (d) None of the above.
100. H contracted with NIC Corporation for the erection of a number of houses. In calculating his price for the houses, H by mistake deducted a particular sum twice over. The corporation affixed its seal to the contract, which correctly represented its intention.
- (a) The contract is now binding.
 - (b) The contract can be avoided by H.
 - (c) There is no contract at all, since there is no consensus ad idem.
 - (d) The contract is not binding.

SECTION – C : GENERAL ECONOMICS (50 MARKS)

- | | |
|-------|--|
| (i) | Questions 101 to 116 have only one correct answer and carry + 1 mark each for correct answer and – 0.25 mark for each wrong answer. |
| (ii) | Questions 117 to 132 are Fill in the blanks type and carry + 1 mark for each correct answer and -0.25 mark for each wrong answer. |
| (iii) | Questions 133 to 137 contain small paragraph / table followed by a question having only one correct answer and carries + 1 mark each for correct answer and – 0.25 mark for each wrong answer. |
| (iv) | Question 138 to 150 are numerical based which have answers as numerical value and carry + 1 mark each for correct answer and – 0.25 mark for each wrong answer. |

PART I

101. An increase in the demand can result from:
- (a) a decline in market price.
 - (b) an increase in income.
 - (c) a reduction in the price of substitutes.
 - (d) an increase in the price of complements.
102. In the short run if a perfectly competitive firm finds itself operating at a loss, it will:
- (a) reduce the size of its plant to lower fixed costs.
 - (b) raise the price of its product.
 - (c) shut down.
 - (d) continue to operate as long as it covers its variable cost.
103. A competitive firm maximizes profit at the output level where:
- (a) price equals marginal cost.
 - (b) the slope of the firm's profit function is equal to zero.
 - (c) marginal revenue equals marginal cost.
 - (d) all of the above.
104. Which of the following is correct?
- (a) Normative economics is not concerned with value judgment.
 - (b) A market is a process that reconciles consumer decision, production decisions and labour decisions.
 - (c) A mixed economy has a certain level of government intervention in the economy along with private sector ownership of the economy.
 - (d) (b) and (c).

105. A necessity is defined as a good having:
- (a) a positive income elasticity of demand.
 - (b) a negative income elasticity of demand.
 - (c) an income elasticity of demand less than 1.
 - (d) an own price elasticity of demand less than 1.
106. In the long run any firm will eventually leave the industry if:
- (a) price does not at least cover average total cost.
 - (b) price does not equal marginal cost.
 - (c) economies of scale are being reaped.
 - (d) price is greater than long run average cost.
107. If a firm's average variable cost curve is rising, its marginal cost curve must be:
- (a) constant.
 - (b) above the total cost curve.
 - (c) above the average variable cost curve.
 - (d) all of the above.
108. You are given the following data:

Table 1

Output	Total Costs
0	0
1	15
2	30
3	45
4	60
5	75

The above data is an example of:

- (a) constant returns to scale.
 - (b) decreasing returns to scale.
 - (c) increasing returns to scale.
 - (d) globalization.
109. Which of the following is incorrect?
- (a) The central problem in economics is that of allocating scarce resources in such

- a manner that society's unlimited needs are satisfied as well as possible.
- (b) In mixed economy, the government and the private sector interact in solving the basic economic questions.
 - (c) Microeconomics best describes the study of the behaviour of individual agents.
 - (d) An important theme in economics is that market systems are better than command (socialistic) economies.
110. When a market is in equilibrium:
- (a) no shortages exist.
 - (b) quantity demanded equals quantity supplied.
 - (c) a price is established that clears the market.
 - (d) all of the above are correct.
111. Which among the following is incorrect?
- (a) India adopted planning as her way of life because she wanted to quicken industrialization and economic development with optimum utilization of resources and reduction of inequalities.
 - (b) Removal of poverty and the attainment of self reliance were two basic objectives of the fifth plan.
 - (c) India has never been able to achieve its targeted rate of growth.
 - (d) The Second plan was a very ambitious plan as seeds of industrialization were sowed.
112. Reserve Bank of India is the country's:
- (a) central bank.
 - (b) biggest commercial bank.
 - (c) biggest cooperative bank.
 - (d) all of the above.
113. In infrastructure of an economy we include:
- (a) power.
 - (b) transport.
 - (c) banking
 - (d) all of the above.
114. Find the odd one out:
- (a) State Bank of India.
 - (b) Reserve Bank of India.

- (c) Bank of Baroda.
 - (d) Bank of India.
115. Indian economy is mixed economy because:
- (a) agriculture and industry have both simultaneously developed in India.
 - (b) agriculture and industry have both developed in the public sector.
 - (c) private ownership and public ownership over means of production co-exist.
 - (d) any of the above.
116. What is the contribution of agriculture to National income in India?
- (a) 44%.
 - (b) 22%.
 - (c) 34%.
 - (d) 50%.

PART II

117. In a -----budget revenue equals expenditure.
- (a) balanced
 - (b) deficit
 - (c) surplus
 - (d) long term
118. Indian population registered a growth of 1.25% per annum during the decade -----.
- (a) 1941-51
 - (b) 1961-71
 - (c) 1971-81
 - (d) 1981-91
119. India's population recorded the maximum growth rate of 2.22 % per annum during the decade -----.
- (a) 1941-51
 - (b) 1961-71
 - (c) 1971-81
 - (d) 1981-91
120. Suppose India's GNP increased at an annual average rate of 6.6% during the Tenth plan, presuming that the growth rate of population is 2 per cent per annum; per capita income would increase at an annual average rate of-----.
- (a) 3.3%.

- (b) 4.6%.
(c) 6.6%.
(d) 2%.
121. About ----- area is rain fed in India.
(a) one third
(b) one half
(c) two third
(d) three fourth
122. The industrial production has grown at an annual average rate of ----- during the planning period.
(a) 10%
(b) 8%
(c) 3.5%
(d) 6.2%
123. After imposition of ceilings on the landholding in India, the total surplus area distributed has been of the order of -----.
(a) 2.18 million hectares
(b) 2.98 million hectares.
(c) 5.58 million hectares.
(d) 10 million hectares.
124. Small scale sector contributes nearly _____ of the manufacturing exports in India.
(a) 60%
(b) 35%
(c) 45%
(d) 20%
125. India's share in the world total services export in 2004 was -----%.
(a) 5.2
(b) 1.9
(c) 8.2
(d) 3.5
126. Product method of calculating national income is also known as -----.
(a) income method

- (b) value added method
 - (c) expenditure method
 - (d) distribution method
127. NDP is GDP minus _____.
- (a) depreciation.
 - (b) indirect taxes.
 - (c) subsidies
 - (d) NNP
128. At present direct taxes are around ----- % of GNP.
- (a) 10
 - (b) 15
 - (c) 12
 - (d) 5
129. Abolition of intermediaries and tenancy reforms are both parts of -----.
- (a) industrial reforms in India.
 - (b) external sector reforms in India.
 - (c) land reforms in India.
 - (d) banking reforms in India.
130. A sick industrial unit is one -----.
- (a) where most of the employees are sick.
 - (b) which is unable to perform its normal functions and activities of production of goods and services at a reasonable profit on a sustained basis.
 - (c) which is unable to make profits more than 10 percent of its capital employed.
 - (d) which borrows money from bank for its fixed assets.
131. BPO stands for -----.
- (a) Bharat Petro Organisation
 - (b) Business Process Outsourcing
 - (c) Big Portfolio Outsourcing
 - (d) Business Partners Organisation
132. India accommodates ----- percent of the world's population.
- (a) 16.7%
 - (b) 11.4%

- (c) 15.1%
- (d) 25.8%

PART III

Questions 133 to 135 are based on Figure 1 which shows production possibilities curve (PPC) for grape juice and wine.

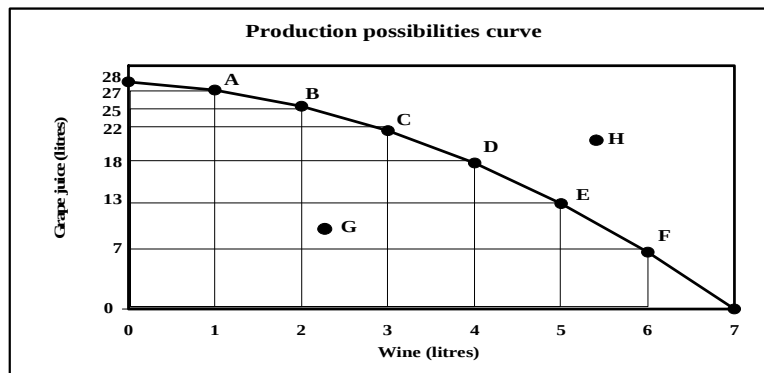


Figure 1

133. The opportunity cost of increasing wine production from D to E is:
 - (a) 0 litres of grape juice.
 - (b) 5 litres of grape juice.
 - (c) 1 litre of wine.
 - (d) 0.2 litres of wine.
134. Assuming that the PPC does not shift, which of the following is true?
 - (a) Point A is desirable but is inefficient.
 - (b) Point D represents a more efficient allocation of resources than points A and F.
 - (c) Point H is desirable but is not attainable.
 - (d) If wine production equals 7 litres, the maximum amount of grape juice that can be produced simultaneously is 28 litres.
135. The PPC in the diagram reflects:
 - (a) increasing opportunity cost of more wine production and constant opportunity cost of more grape juice production.
 - (b) increasing opportunity cost of more wine production and decreasing opportunity cost of more grape juice production.
 - (c) decreasing opportunity cost of more wine production and decreasing cost of more grape juice production.

- (d) increasing opportunity cost of more wine production and increasing cost of more grape juice production.

Read the following paragraph and answer questions 136 and 137.

John is Jacqueline's father. Both of them are unemployed. Jacqueline, a brilliant new Ph.D in Economics, has turned down many job offers because she hopes eventually to teach at one of the top ten universities in her field. John (now age 54) lost his job as a shipbuilder during the recession of 1991. His plant never reopened and he has very specialized skills that are no longer in demand.

136. The type of unemployment Jacqueline is experiencing is

- (a) frictional.
- (b) structural.
- (c) seasonal.
- (d) cyclical.

137. The type of unemployment John is experiencing is

- (a) frictional.
- (b) structural.
- (c) seasonal.
- (d) cyclical.

PART IV

138. In the table below what will be equilibrium market price?

Table 2

Price (Rs.)	Demand (tonnes per annum)	Supply (tonnes per annum)
1	1000	400
2	900	500
3	800	600
4	700	700
5	600	800
6	500	900
7	400	1000
8	300	1100

- (a) Rs.2
- (b) Rs.3

(c) Rs.4

(d) Rs.5

Read Table 3 and answer questions 139-143

Table 3

Labor Input	Output	Average Product	Marginal Product
0	0	---	---
2			25
4	90		
6	120		
8	140		
10		14	
12		10	

139. At a labor input of 2, output is:

(a) 25.

(b) 30.

(c) 50.

(d) 75.

140. At a labor input of 4, output per worker is:

(a) 20.

(b) 22.5.

(c) 45.

(d) 90.

141. At a labor input of 6, the marginal product of labor is:

(a) 120.

(b) 20.

(c) 15.

(d) 10.

142. Output per worker is maximized at a labour input of:

(a) 2

(b) 4

- (c) 6
 (d) 8.
143. The firm's output is at a short run maximum at a labour input of :
- (a) 6
 (b) 10
 (c) 12
 (d) 2

Table 4 provides cost and price information for a firm called Comfy Cushions (CC). The firm produces and sells cushions using a fixed amount of capital equipment but can change the level of inputs such as labour and materials. Read Table 4 and answer questions 144-150

Table 4

Production (Q)	Price per unit (P)	Total cost (TC)	Average total cost (ATC)	Marginal cost (MC)	Total revenue (TR)	Marginal Revenue per unit (MR)
0	250	500				
1	240	730				
2	230	870				
3	220	950				
4	210	1010				
5	200	1090				
6	190	1230				
7	180	1470				
8	170	1850				
9	160	2410				

144. What is the value of fixed cost incurred by CC?
- (a) Rs. 250
 (b) Rs. 730
 (c) Rs.500.
 (d) can not be determined.

145. What is the average total cost when 5 units are produced?
- (a) Rs. 218.
 - (b) Rs.1090.
 - (c) Rs. 730.
 - (d) Rs.210.
146. What is the marginal revenue (per unit) when production increases from 7 units to 8 units?
- (a) 160.
 - (b) 140
 - (c) 120.
 - (d) 100.
147. What is the marginal cost when production increases from 3 to 4 units?
- (a) 140
 - (b) 80
 - (c) 60
 - (d) 240
148. To maximize its profit or minimize its loss, what level of production should CC choose?
- (a) 7 units.
 - (b) 6 units
 - (c) 4 units.
 - (d) 8 units.
149. At the profit maximizing level, what price should be charged?
- (a) Rs. 190
 - (b) Rs. 200
 - (c) Rs. 210
 - (d) Rs. 220
150. Calculate CC's maximum profit or minimum loss.
- (a) Loss of Rs. 100
 - (b) Loss of Rs 60
 - (c) Profit of Rs. 90
 - (d) Loss of Rs. 90

SECTION – D : QUANTITATIVE APTITUDE(50 MARKS)

- (i) Questions 151 to 160 have only one correct answer and carry + 1 mark each for correct answer and – 0.25 mark for each wrong answer.
- (ii) Questions 161 to 170 are the fill in the blank based questions having four alternate answers and carry + 1 mark each for correct answer and – 0.25 mark for each wrong answer.
- (iii) Questions 171 to 200 are numerical based questions, which have answers as numerical value and carry + 1 mark each for correct answer and – 0.25 mark for each wrong answer.

PART I

151. If $q : p$ is the sub duplicate ratio of $q - x^2 : p - x^2$ then x^2 is
- (a) $\frac{p + q}{pq}$
 - (b) $\frac{pq}{p - q}$
 - (c) $\frac{pq}{p + q}$
 - (d) None of these.
152. If $p : q = r : s$, implies $q : p = s : r$, then the process is called
- (a) Componendo.
 - (b) Invertendo.
 - (c) Alternendo.
 - (d) Dividendo.
153. The gender of a baby is an example of
- (a) A variable.
 - (b) A discrete variable.
 - (c) A continuous variable.
 - (d) An attribute.
154. The coefficient of correlation
- (a) Has no limits.
 - (b) Can be less than one.
 - (c) Can be more than one.

- (d) Varies between ± 1 .
155. If two events A and B are dependent, the conditional probability of B given A i.e., $P(B/A)$ is calculated as
- (a) $P(AB)/P(B)$.
 - (b) $P(A)/P(B)$.
 - (c) $P(AB)/P(A)$.
 - (d) $P(A)/P(AB)$.
156. Time reversal test is satisfied when
- (a) $P_{01} \times P_{10} = 0$
 - (b) $P_{01} \times P_{10} = 1$
 - (c) $P_{01} \times P_{10} < 1$
 - (d) $P_{01} \times P_{10} > 1$
157. The mean of binomial distribution is
- (a) $(np)^2$
 - (b) np
 - (c) $\sqrt{np}$
 - (d) None of these.
158. Standard deviation of poisson distribution is
- (a) m
 - (b) m^2
 - (c) $\sqrt{m}$
 - (d) $1/\sqrt{m}$
159. If A has 70 elements, B has 32 elements and $A \cap B$ has 22 elements then $A \cup B$ is
- (a) 60
 - (b) 124
 - (c) 80
 - (d) None of these.
160. Which of the following statements is not false?
- (a) Scatter diagram fails to measure the extent of relationship between the variables.
 - (b) Scatter diagram can measure correlation only when the variables are having a linear relationship.

- (c) Scatter diagram can measure correlation only when the variables are having a non-linear relationship.
- (d) None of these.

PART II

161. The value of the integral will be _____ for $\int \left(x - \frac{1}{x}\right)^2 dx$.
- (a) $\frac{x^3}{3} - 2x \frac{1}{x} + c$
 - (b) $\frac{x^3}{3} + 2x + \frac{1}{x} + c$
 - (c) $\frac{x^3}{3} - 2x - \frac{1}{x} + c$
 - (d) None of these.
162. The derivative of $\log x \cdot e^x$ is _____.
- (a) $\frac{e^x}{x} + e^x (\log x)$
 - (b) $e^x \left(\frac{1}{x} - \log x \right)$
 - (c) $e^x (1 + \log x)$
 - (d) None of these.
163. The null set is given by _____.
- (a) ϕ
 - (b) $\{\phi\}$
 - (c) 0
 - (d) $\{0\}$
164. Quartiles are values dividing a given set of observations into _____ equal parts.
- (a) Two
 - (b) Four
 - (c) Six
 - (d) Ten
165. The data are known to be _____ if the data, as being already collected, are used by a different person or agency.

- (a) Primary
 - (b) Secondary
 - (c) Specialized
 - (d) Subsidiary
166. The amount of non responses is likely to be maximum in _____ method of collecting data.
- (a) Telephone interview method
 - (b) Personal interview method
 - (c) Mailed questionnaire method
 - (d) Observation method
167. If two variables x and y are independent then the correlation coefficient between x and y is _____.
- (a) Positive
 - (b) Negative
 - (c) Zero
 - (d) One
168. The slope of the equation $x - y + 5 = 0$ is _____.
- (a) 1
 - (b) -1
 - (c) 5
 - (d) -5
169. The correlation between height and intelligence is _____.
- (a) Zero
 - (b) Positive
 - (c) Negative
 - (d) None of these
170. The sixth term of a G.P with common ratio as 2 and first term being 5 is _____.
- (a) 160
 - (b) 32
 - (c) 800
 - (d) 64

PART III

171. The gradient of the curve $y=4x^2-2x$ at $x=1$ is
- (a) 4
 - (b) 6
 - (c) 8
 - (d) None of these.
172. Find the $f \circ g$ for the functions $f(x) = x^2$, $g(x) = x+1$
- (a) $x^2(x+1)$
 - (b) x^2
 - (c) $x+1$
 - (d) $(x+1)^2$
173. What is the annual rate of interest compounded annually doubles an investment in 2 years. Given that $\sqrt{2} = 1.4142135$.
- (a) 46.04125 %
 - (b) 14.142135
 - (c) 41.42135 %
 - (d) None of these .
174. $\log 8 + \log 9$ is expressed as
- (a) $\log 72$
 - (b) $\log 27$
 - (c) $\log 8/9$
 - (d) None of these.
175. The value of ${}^8C_4 + {}^5C_4$ is
- (a) 29
 - (b) 24
 - (c) 30
 - (d) 27
176. Determine the value of $\lim_{x \rightarrow 0} \left(\frac{10^x - 2^x}{x} \right)$
- (a) 2
 - (b) 10
 - (c) 5
 - (d) 8

177. Find the sum of progression 8,15,12 10 terms.
- (a) 40
 - (b) 45
 - (c) -45
 - (d) 42
178. In how many difference ways 3 letters can be formed using the letters of the words SPECIAL?
- (a) 5040
 - (b) 6
 - (c) 840
 - (d) 450
179. Determine the value of x for the equation $x^2 - 8x + 16 = 0$
- (a) 4, 4
 - (b) -4, -4
 - (c) 2, 6
 - (d) 6, 2
180. How much money should be invested to earn a monthly interest of Rs. 1800 at 9% per annum simple interest.
- (a) Rs. 120,000
 - (b) Rs. 240,000
 - (c) Rs. 200,000
 - (d) None of these.
181. Division of Rs. 1100 into 3 parts in the ratio of 4:5:6 is
- (a) 293.33, 366.67, 440
 - (b) 200 : 500 : 400
 - (c) 400 : 300 : 400
 - (d) None of these.
182. Evaluate $\int_{-3}^3 (x^3 + x) dx$
- (a) 0
 - (b) 3
 - (c) -3

- (d) 1
183. The denominator of a fraction exceeds the numerator by 7 and if the 2 is added to the denominator then the fraction becomes $\frac{4}{7}$. Find the fraction.
- (a) $\frac{12}{19}$
- (b) $\frac{7}{14}$
- (c) $\frac{9}{16}$
- (d) $\frac{11}{18}$
184. A firm plans purchase hens (x) for its canteen. There cannot be more than 20 hens. This can be shown by
- (a) $x \leq 20$
- (b) $x = 20$
- (c) $x \geq 20$
- (d) None of these.
185. Compute the value of 8!
- (a) 120
- (b) 362880
- (c) 720
- (d) 40320
186. The sum of progression (a+b), a, (a-b).....n term is
- (a) $\frac{n}{2} [2a+(n-1)b]$
- (b) $\frac{n}{2} [2a+(3-n)b]$
- (c) $\frac{n}{2} [2a+(3-n)]$
- (d) $\frac{n}{2} [2a+ (n-1)]$
187. The mean of binomial distribution is 4 and standard deviation $\sqrt{3}$. What is the value of

- p?
- (a) $\frac{1}{3}$
 - (b) $\frac{1}{4}$
 - (c) $\frac{1}{5}$
 - (d) $\frac{3}{4}$
188. If with a rise of 10% in prices the salaries are increased by 20%, the real salary increase is by
- (a) 10%
 - (b) More than 10%
 - (c) 20%
 - (d) Less than 10%
189. If A and B are mutually exclusive events and $P(A) = 0.3$ and $P(B) = 0.4$, find $P(A \cup B)$.
- (a) 0.12
 - (b) 0.7
 - (c) 0.3
 - (d) None of these.
190. Two variables x and y are related by $10x + 9y + 8 = 0$ and $\bar{x} = 5$, then $\bar{y}$ is
- (a) 6.33
 - (b) -6.33
 - (c) 6.44
 - (d) -6.44
191. The mean salary for a group of 20 female workers is Rs. 5000 per month and that for a group of 30 male workers is Rs. 6000 per month. What is combined mean salary?
- (a) Rs. 5400
 - (b) Rs. 5500
 - (c) Rs. 5600
 - (d) Rs. 5700
192. The weight of 8 students expressed in kg. are 40,35,50,45,46,39,41,42. Find median weight.
- (a) 40.5
 - (b) 41
 - (c) 41.5

- (d) 42
193. If the relationship between x and y is given by $4x-6y=13$ and if the median of x is 16. Find median of y .
- (a) 7.50
 (b) 8.00
 (c) 8.50
 (d) None of these.
194. Refer following table:
 Frequency distribution of weights of 16 students
- | Weight in kg.
(Class interval) | No. of students
(Frequency) |
|-----------------------------------|--------------------------------|
| 44 – 48 | 4 |
| 49 – 53 | 5 |
| 54 – 58 | 7 |
| Total | 16 |
- Find width of class interval for the second class interval.
- (a) 4
 (b) 5
 (c) 46
 (d) 44 – 48
195. A bag contains 30 balls numbered from 1 to 30. One ball is drawn at random. The probability that the number of the drawn ball will be multiple of 5 or 7 is
- (a) $\frac{1}{2}$
 (b) $\frac{1}{3}$
 (c) $\frac{1}{4}$
 (d) None of these.
196. A card is drawn from a pack of playing cards and then another card is drawn without the first being replaced. What is the probability of getting two kings?
- (a) $\frac{7}{52}$
 (b) $\frac{1}{221}$
 (c) $\frac{3}{221}$
 (d) None of these.

197. A and B are two events such that $P(A) = 1/2$, $P(B) = 1/4$ and $P(A \cap B) = 1/5$. Find $P(A \cup B)$.
- (a) $4/5$
 - (b) $11/20$
 - (c) $3/5$
 - (d) None of these.
198. If $u = (x^3 + 1)^5$ and $y = (x^3 + 5x + 7)$ then $\frac{du}{dy}$ is
- (a) $\frac{10x(x^2 + 1)^4}{3x^2 + 5}$
 - (b) $\frac{10(x^2 + 1)^4}{3x^2 + 5}$
 - (c) $5x(x^2 + 1)^4$
 - (d) None of these.
199. Find Q_1 for the following observations.
14, 16, 13, 15, 20, 18, 19, 22
- (a) 14
 - (b) 14.25
 - (c) 15
 - (d) 15.25
200. If the coefficient of correlation between two variables is -0.2 , then the coefficient of determination is
- (a) 0.8
 - (b) 0.2
 - (c) 0.4
 - (d) 0.04