PART II

161. If y= f(x) = $\frac{ax+b}{ax-a}$ then f(y) is ______ .

(a) $-x$

(b) $2x$

(c) x

(d) x^2

162. Value of $^3P_2$ is ______ .

(a) 6

(b) 1

(c) 3

(d) 2

163. In binomial distribution 'p' denotes probability of ______ .

(a) Success.

(b) Failure.

(c) Both of these.

(d) None of these.

164. First deciles is the value for which one-tenth of the given observations are _______ D_1 and the remaining nine-tenth observations are ___________D_1.

(a) Less than or equal to, More than or equal to

(b) More than or equal to, Less than or equal to

(c) Less than, More than

(d) More than, Less than

165. _______ may be defined as the minimum value and the maximum value, the class interval may contain.

(a) Class mark

(b) Class limit

(c) Both of the above

(d) None of the above

166. In case of _______, plotted points on a scatter diagram would be equally distributed without depicting any particular pattern.

(a) Zero correlation

(b) Positive correlation

(c) Negative correlation

(d) Simple correlation

167. Let $f(y)= x^{x^3}$ then f'(y) is ______ .

(a) x^3 [x^2+3x.log x]

(b) x^{x^3} [x^2+3x. log x]

(c) x^{x^3} [x2–3x. log x]

(d) None of these

168. The colour of a flower is an example of ______ .

(a) An attribute

(b) A variable

(c) A discrete variable

(d) A continuous variable

169. A quantitative characteristic is known as ______ .

(a) An attribute

(b) A variable

(c) Both of above

(d) None of above

170. Data collected on the weight of a group of a students after recording their weights with a weighing machine are ______ .

(a) Primary data

(b) Secondary data

(c) Discrete data

(d) Continuous data

PART III

171. If in a binomial distribution mean = 20, S.D. = 4 then p is equal to

(a) 2/5

(b) 3/5

(c) 1/5

(d) 4/5

172. The variables x and y are related by 6x+7y=81 and median of x is 10. What is the median of y?

(a) 2

(b) 3

(c) 4

(d) 5

173. Find D_6 for the following observations.

41,28,45,25,60,37.5,37.5,40,65,32.5

(a) 39.60

(b) 40.60

(c) 41.60

(d) 42.60

174. For a moderately skewed distribution of marks in statistics for a group of 100 students, the mean mark and median mark were found to be 50 and 40. What is the modal mark?

(a) 15

(b) 20

(c) 25

(d) 30

175. If y=5+7x and mode of x is 4, what is the mode of y?

(a) 28

(b) 33

(c) 4

(d) 43

176. Following are the marks of 10 students :

82, 79, 56, 79, 85, 95, 55, 72, 70, 66 .

Find coefficient of range.

(a) 25.66

(b) 26.67

(c) 27.66

(d) 28.67

177. A card is drawn from a pack of 52 cards. What is the probability that it is neither a black card nor a king?

(a) 6/13

(b) 5/13

(c) 1/6

(d) None of these.

178. 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 Relative frequency for the third class interval.

(a) 7/16

(b) 7/4

(c) 16/7

(d) None of the above.

179. If the coefficient of correlation between two variables is 0.6, then the percentage of variation unaccounted for is

(a) 60%

(b) 40%

(c) 64%

(d) 36%

180. A coin is tossed two times. The toss resulted in one head and one tail. What is the probability that the first throw resulted in tail?

(a) 1/3

(b) 1/4

(c) 1/2

(d) None of these.

181. A survey shows that 68% of women like apples, 74% of women like orange. What percentage like both

(a) 12%

(b) 6%

(c) 21%

(d) 42%

182. $\int e^{3x+5}\,dx$ is equal to

(a) $\int \frac{e^{3x+5}}{3} + c$

(b) $\frac{e^{3x}}{5} + c$

(c) $\frac{-e^{3x+5}}{3} + c$

(d) None of these.

183. Sum of the series 1+3+9+27 .... is 364. The number of terms is

(a) 5

(b) 6

(c) 11

(d) None of these.

184. In how many ways can 4 single seated rooms in a hostel be occupied by 3 students?

(a) 24

(b) 12

(c) 4

(d) 6

185. The value of $\frac{1}{\log_a(ab)} + \frac{1}{\log_b(ab)}$ is

(a) 0

(b) 1

(c) –1

(d) None of these.

186. The difference between the simple interest and the compound interest on Rs.1200 for 4 years at 10% p.a. is

(a) Rs.77

(b) Rs.480

(c) Rs.80

(d) Rs.557

187. Differentiate y w.r.t. x when $y=(x^2-2x)(x^2+1)$

(a) $4x^3+6x^2-2x+2$

(b) $4x^2-6x+2$

(c) $4x^3-6x^2+2x-2$

(d) None of these.

188. If $f(x) = \frac{2x^2+6x-5}{12x^2+x-20}$ is to be discontinuous then

(a) x=5/4

(b) x=4/5

(c) –4/3

(d) None of these.

189. Find the arithmetic mean between 4 and 10

(a) 14

(b) 7

(c) 3

(d) 6

190. Compute ${}^{8}C_{7}$

(a) 8

(b) 7

(c) 6

(d) None of these.

191. Find the distance between the pair of points p (–5, 2) and q (–3, –4)

(a) $2\sqrt{10}$

(b) $10\sqrt{2}$

(c) 2

(d) 10

192. What will be the final value of investment for the principal value of Rs. 80,000 for 4 years @ 10% p.a. rate of interest?

(a) 83,200

(b) Rs. 112,000

(c) 82,300

(d) None of these.

193. 184 $x^{-9/8}$ is expressed as

(a) $-184x^{9/8}$

(b) $\dfrac{184}{x^{-9/8}}$

(c) $x^{9/8}$

(d) $\dfrac{184}{x^{9/8}}$

194. The value of $\int x\sqrt[3]{x}\ dx$ is

(a) $\dfrac{-2x^{5/2}}{5} + c$

(b) $\dfrac{2x^{5/2}}{5} + c$

(c) $x^{5/2} + c$

(d) None of these.

195. Evaluate $\lim\limits_{x\to 9} \dfrac{x^{3/2}-27}{x-9}$

(a) 3

(b) $\dfrac{9}{2}$

(c) $\dfrac{3}{2}$

(d) 9

196. Find the mean proportion between 5.25 and 8.9

(a) 8.63

(b) 6.83

(c) 9.23

(d) None of these.

197. If a : b = c : d = 3 : 5, then what are the values of ad : bc is

(a) 3:5

(b) 5:3

(c) 1:1

(d) None of these.

198. The solution set of the equations is 2x+3y = 0 and x+2y=0

(a) 2, 2

(b) 1, –1

(c) 0, 0

(d) –3, 3

199. The curve $4y=ux^2+v$ passes through the point p at (2, 3) and $\frac{dy}{dx}=4$ this point 'p'. So the values of u and v are

(a) u=2, v=2

(b) u=–4, v=–4

(c) u=4, v=4

(d) None of these.

200. Determine the first term of an A.P. with common difference 3 & 7th term being 11

(a) –7

(b) 7

(c) 6

(d) 5

Answers of Model Test Papers

MODEL TEST PAPER–BOS/CPT-1/2006

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(c)	**2**	(d)	**3**	(b)	**4**	(b)	**5**	(d)
6	(b)	**7**	(c)	**8**	(a)	**9**	(c)	**10**	(b)
11	(c)	**12**	(d)	**13**	(c)	**14**	(a)	**15**	(a)
16	(a)	**17**	(a)	**18**	(a)	**19**	(c)	**20**	(b)
21	(a)	**22**	(c)	**23**	(d)	**24**	(b)	**25**	(a)
26	(a)	**27**	(b)	**28**	(b)	**29**	(b)	**30**	(a)
31	(a)	**32**	(c)	**33**	(d)	**34**	(d)	**35**	(b)
36	(a)	**37**	(d)	**38**	(a)	**39**	(d)	**40**	(b)
41	(b)	**42**	(c)	**43**	(c)	**44**	(d)	**45**	(b)
46	(c)	**47**	(a)	**48**	(a)	**49**	(b)	**50**	(b)
51	(c)	**52**	(d)	**53**	(d)	**54**	(d)	**55**	(d)
56	(c)	**57**	(c)	**58**	(b)	**59**	(d)	**60**	(b)

SECTION – B : MERCANTILE LAWS

61.	(c)	**62.**	(d)	**63.**	(a)	**64.**	(b)	**65.**	(d)
66.	(d)	**67.**	(b)	**68.**	(c)	**69.**	(a)	**70.**	(b)
71.	(c)	**72.**	(b)	**73.**	(d)	**74.**	(b)	**75.**	(d)
76.	(d)	**77.**	(a)	**78.**	(c)	**79.**	(a)	**80.**	(c)
81.	(b)	**82.**	(a)	**83.**	(a)	**84.**	(a)	**85.**	(c)
86.	(c)	**87.**	(a)	**88.**	(b)	**89.**	(b)	**90.**	(c)
91.	(b)	**92.**	(b)	**93.**	(c)	**94.**	(d)	**95.**	(c)
96.	(a)	**97.**	(b)	**98.**	(d)	**99.**	(b)	**100.**	(b)

SECTION – C : GENERAL ECONOMICS

101	(a)	**102**	(a)	**103**	(b)	**104**	(c)	**105**	(b)
106	(d)	**107**	(d)	**108**	(b)	**109**	(a)	**110**	(d)

111	(b)	**112**	(a)	**113**	(d)	**114**	(a)	**115**	(c)
116	(c)	**117**	(a)	**118**	(b)	**119**	(c)	**120**	(b)
121	(a)	**122**	(a)	**123**	(a)	**124**	(c)	**125**	(d)
126	(d)	**127**	(c)	**128**	(a)	**129**	(c)	**130**	(c)
131	(c)	**132**	(d)	**133**	(c)	**134**	(b)	**135**	(a)
136	(a)	**137**	(c)	**138**	(c)	**139**	(c)	**140**	(c)
141	(b)	**142**	(c)	**143**	(a)	**144**	(c)	**145**	(d)
146	(d)	**147**	(a)	**148**	(c)	**149**	(a)	**150**	(b)

SECTION – D : QUANTITATIVE APTITUDE

151	(d)	**152**	(d)	**153**	(b)	**154**	(a)	**155**	(b)
156	(d)	**157**	(b)	**158**	(a)	**159**	(b)	**160**	(c)
161	(d)	**162**	(b)	**163**	(a)	**164**	(a)	**165**	(b)
166	(a)	**167**	(d)	**168**	(a)	**169**	(b)	**170**	(a)
171	(b)	**172**	(c)	**173**	(a)	**174**	(d)	**175**	(a)
176	(c)	**177**	(a)	**178**	(a)	**179**	(b)	**180**	(b)
181	(b)	**182**	(c)	**183**	(c)	**184**	(a)	**185**	(d)
186	(c)	**187**	(c)	**188**	(c)	**189**	(b)	**190**	(a)
191	(c)	**192**	(a)	**193**	(b)	**194**	(a)	**195**	(a)
196	(c)	**197**	(c)	**198**	(a)	**199**	(b)	**200**	(a)

MODEL TEST PAPER–BOS/CPT-2/2006

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(d)	**2**	(b)	**3**	(c)	**4**	(d)	**5**	(d)
6	(c)	**7**	(a)	**8**	(b)	**9**	(b)	**10**	(c)
11	(a)	**12**	(a)	**13**	(a)	**14**	(c)	**15**	(a)
16	(b)	**17**	(c)	**18**	(a)	**19**	(c)	**20**	(a)
21	(a)	**22**	(c)	**23**	(d)	**24**	(a)	**25**	(a)
26	(d)	**27**	(a)	**28**	(b)	**29**	(c)	**30**	(a)
31	(b)	**32**	(a)	**33**	(b)	**34**	(b)	**35**	(a)

36	(a)	**37**	(a)	**38**	(a)	**39**	(b)	**40**	(a)
41	(a)	**42**	(a)	**43**	(a)	**44**	(c)	**45**	(c)
46	(a)	**47**	(b)	**48**	(a)	**49**	(a)	**50**	(a)
51	(b)	**52**	(b)	**53**	(c)	**54**	(a)	**55**	(b)
56	(c)	**57**	(b)	**58**	(a)	**59**	(b)	**60**	(a)

SECTION – B : MERCANTILE LAWS

61.	(c)	**62.**	(d)	**63.**	(d)	**64.**	(a)	**65.**	(c)
66.	(d)	**67.**	(c)	**68.**	(a)	**69.**	(d)	**70.**	(a)
71.	(d)	**72.**	(d)	**73.**	(c)	**74.**	(b)	**75.**	(d)
76.	(c)	**77.**	(a)	**78.**	(d)	**79.**	(d)	**80.**	(b)
81.	(d)	**82.**	(b)	**83.**	(c)	**84.**	(b)	**85.**	(d)
86.	(a)	**87.**	(b)	**88.**	(c)	**89.**	(c)	**90.**	(b)
91.	(c)	**92.**	(a)	**93.**	(b)	**94.**	(c)	**95.**	(a)
96.	(a)	**97.**	(d)	**98.**	(d)	**99.**	(a)	**100.**	(a)

SECTION – C : GENERAL ECONOMICS

101	(b)	102	(d)	**103**	(a)	**104**	(c)	**105**	(a)
106	(a)	107	(c)	**108**	(c)	**109**	(a)	**110**	(d)
111	(d)	112	(d)	**113**	(b)	**114**	(b)	**115**	(b)
116	(d)	117	(d)	**118**	(b)	**119**	(b)	**120**	(b)
121	(b)	122	(c)	**123**	(c)	**124**	(a)	**125**	(d)
126	(c)	127	(a)	**128**	(c)	**129**	(c)	**130**	(a)
131	(b)	132	(d)	**133**	(b)	**134**	(a)	**135**	(c)
136	(d)	137	(b)	**138**	(b)	**139**	(b)	**140**	(a)
141	(d)	142	(c)	**143**	(a)	**144**	(d)	**145**	(b)
146	(b)	147	(c)	**148**	(a)	**149**	(c)	**150**	(a)

SECTION – D : QUANTITATIVE APTITUDE

151	(b)	**152**	(a)	**153**	(d)	**154**	(d)	**155**	(c)
156	(b)	**157**	(c)	**158**	(c)	**159**	(a)	**160**	(d)

161	(d)	**162**	(b)	**163**	(b)	**164**	(b)	**165**	(c)
166	(d)	**167**	(c)	**168**	(b)	**169**	(b)	**170**	(a)
171	(c)	**172**	(a)	**173**	(a)	**174**	(c)	**175**	(b)
176	(c)	**177**	(d)	**178**	(b)	**179**	(a)	**180**	(d)
181	(b)	**182**	(c)	**183**	(b)	**184**	(a)	**185**	(a)
186	(c)	**187**	(a)	**188**	(a)	**189**	(a)	**190**	(c)
191	(d)	**192**	(c)	**193**	(d)	**194**	(a)	**195**	(b)
196	(b)	**197**	(a)	**198**	(b)	**199**	(b)	**200**	(b)

MODEL TEST PAPER–BOS/CPT-3/2006

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(d)	**2**	(b)	**3**	(a)	**4**	(d)	**5**	(c)
6	(d)	**7**	(a)	**8**	(c)	**9**	(b)	**10**	(c)
11	(c)	**12**	(c)	**13**	(c)	**14**	(a)	**15**	(c)
16	(a)	**17**	(b)	**18**	(c)	**19**	(c)	**20**	(b)
21	(b)	**22**	(c)	**23**	(b)	**24**	(d)	**25**	(b)
26	(c)	**27**	(a)	**28**	(a)	**29**	(d)	**30**	(c)
31	(a)	**32**	(c)	**33**	(d)	**34**	(c)	**35**	(b)
36	(b)	**37**	(d)	**38**	(d)	**39**	(a)	**40**	(b)
41	(b)	**42**	(c)	**43**	(c)	**44**	(b)	**45**	(a)
46	(a)	**47**	(d)	**48**	(a)	**49**	(b)	**50**	(a)
51	(c)	**52**	(b)	**53**	(b)	**54**	(a)	**55**	(d)
56	(c)	**57**	(c)	**58**	(a)	**59**	(d)	**60**	(b)

SECTION – B : MERCANTILE LAWS

61.	(b)	**62.**	(d)	**63.**	(a)	**64.**	(b)	**65.**	(c)
66.	(d)	**67.**	(d)	**68.**	(a)	**69.**	(c)	**70.**	(b)
71.	(c)	**72.**	(b)	**73.**	(b)	**74.**	(d)	**75.**	(b)
76.	(d)	**77.**	(c)	**78.**	(c)	**79.**	(d)	**80.**	(b)
81.	(c)	**82.**	(b)	**83.**	(c)	**84.**	(a)	**85.**	(a)

86.	(b)	**87.**	(a)	**88.**	(a)	**89.**	(b)	**90.**	(a)
91.	(d)	**92.**	(d)	**93.**	(d)	**94.**	(b)	**95.**	(c)
96.	(a)	**97.**	(d)	**98.**	(d)	**99.**	(b)	**100.**	(a)

SECTION – C : GENERAL ECONOMICS

101	(c)	**102**	(a)	**103**	(b)	**104**	(a)	**105**	(d)
106	(a)	**107**	(b)	**108**	(b)	**109**	(c)	**110**	(d)
111	(d)	**112**	(b)	**113**	(c)	**114**	(a)	**115**	(d)
116	(c)	**117**	(a)	**118**	(b)	**119**	(b)	**120**	(d)
121	(d)	**122**	(b)	**123**	(b)	**124**	(b)	**125**	(c)
126	(a)	**127**	(a)	**128**	(c)	**129**	(c)	**130**	(a)
131	(b)	**132**	(b)	**133**	(d)	**134**	(b)	**135**	(d)
136	(c)	**137**	(d)	**138**	(d)	**139**	(c)	**140**	(b)
141	(c)	**142**	(c)	**143**	(a)	**144**	(a)	**145**	(b)
146	(a)	**147**	(c)	**148**	(a)	**149**	(d)	**150**	(d)

SECTION – D : QUANTITATIVE APTITUDE

151	(d)	**152**	(b)	**153**	(c)	**154**	(a)	**155**	(d)
156	(a)	**157**	(d)	**158**	(d)	**159**	(a)	**160**	(b)
161	(b)	**162**	(b)	**163**	(a)	**164**	(c)	**165**	(b)
166	(a)	**167**	(a)	**168**	(d)	**169**	(b)	**170**	(b)
171	(a)	**172**	(b)	**173**	(c)	**174**	(c)	**175**	(a)
176	(b)	**177**	(b)	**178**	(c)	**179**	(c)	**180**	(c)
181	(b)	**182**	(b)	**183**	(c)	**184**	(a)	**185**	(c)
186	(c)	**187**	(b)	**188**	(b)	**189**	(b)	**190**	(b)
191	(b)	**192**	(b)	**193**	(c)	**194**	(c)	**195**	(c)
196	(c)	**197**	(d)	**198**	(b)	**199**	(c)	**200**	(c)

MODEL TEST PAPER–BOS/CPT-4/2006

SECTION – A :FUNDAMENTALS OF ACCOUNTING

1	(d)	**2**	(b)	**3**	(a)	**4**	(c)	**5**	(c)
6	(a)	**7**	(a)	**8**	(b)	**9**	(d)	**10**	(d)
11	(b)	**12**	(c)	**13**	(a)	**14**	(c)	**15**	(a)
16	(d)	**17**	(d)	**18**	(a)	**19**	(b)	**20**	(d)
22	(c)	**23**	(b)	**23**	(d)	**24**	(b)	**25**	(c)
26	(a)	**27**	(d)	**28**	(d)	**29**	(d)	**30**	(b)
31	(b)	**32**	(a)	**33**	(c)	**34**	(c)	**35**	(a)
36	(b)	**37**	(c)	**38**	(c)	**39**	(b)	**40**	(c)
41	(b)	**42**	(b)	**43**	(b)	**44**	(c)	**45**	(a)
46	(b)	**47**	(c)	**48**	(c)	**49**	(a)	**50**	(b)
51	(c)	**52**	(c)	**53**	(d)	**54**	(b)	**55**	(a)
56	(c)	**57**	(b)	**58**	(c)	**59**	(a)	**60**	(a)

SECTION – B : MERCANTILE LAWS

61.	(a)	**62.**	(d)	**63.**	(a)	**64.**	(b)	**65.**	(c)
66.	(d)	**67.**	(d)	**68.**	(b)	**69.**	(c)	**70.**	(a)
71.	(c)	**72.**	(d)	**73.**	(c)	**74.**	(d)	**75.**	(a)
76.	(d)	**77.**	(d)	**78.**	(b)	**79.**	(c)	**80.**	(b)
81.	(a)	**82.**	(a)	**83.**	(c)	**84.**	(b)	**85.**	(a)
86.	(b)	**87.**	(b)	**88.**	(b)	**89.**	(b)	**90.**	(b)
91.	(c)	**92.**	(d)	**93.**	(b)	**94.**	(c)	**95.**	(a)
96.	(d)	**97.**	(d)	**98.**	(b)	**99.**	(a)	**100.**	(a)

SECTION – C : GENERAL ECONOMICS

101	(c)	**102**	(a)	**103**	(c)	**104**	(d)	**105**	(c)
106	(b)	**107**	(d)	**108**	(d)	**109**	(b)	**110**	(c)
111	(d)	**112**	(d)	**113**	(c)	**114**	(b)	**115**	(a)
116	(c)	**117**	(a)	**118**	(c)	**119**	(b)	**120**	(b)

121	(c)	**122**	(c)	**123**	(c)	**124**	(b)	**125**	(d)
126	(b)	**127**	(c)	**128**	(a)	**129**	(c)	**130**	(c)
131	(c)	**132**	(b)	**133**	(d)	**134**	(c)	**135**	(b)
136	(b)	**137**	(d)	**138**	(c)	**139**	(a)	**140**	(d)
141	(b)	**142**	(a)	**143**	(c)	**144**	(d)	**145**	(b)
146	(b)	**147**	(d)	**148**	(d)	**149**	(b)	**150**	(b)

SECTION – D : QUANTITATIVE APTITUDE

151	(c)	**152**	(a)	**153**	(b)	**154**	(b)	**155**	(d)
156	(b)	**157**	(c)	**158**	(b)	**159**	(b)	**160**	(c)
161	(d)	**162**	(c)	**163**	(a)	**164**	(a)	**165**	(c)
166	(d)	**167**	(d)	**168**	(c)	**169**	(b)	**170**	(b)
171	(a)	**172**	(c)	**173**	(b)	**174**	(c)	**175**	(b)
176	(b)	**177**	(b)	**178**	(d)	**179**	(c)	**180**	(a)
181	(b)	**182**	(c)	**183**	(c)	**184**	(a)	**185**	(a)
186	(c)	**187**	(c)	**188**	(b)	**189**	(a)	**190**	(a)
191	(c)	**192**	(c)	**193**	(c)	**194**	(c)	**195**	(b)
196	(a)	**197**	(d)	**198**	(d)	**199**	(c)	**200**	(b)

MODEL TEST PAPER–BOS/CPT-5/2006

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(a)	**2**	(c)	**3**	(d)	**4**	(b)	**5**	(d)
6	(a)	**7**	(d)	**8**	(c)	**9**	(b)	**10**	(a)
11	(c)	**12**	(a)	**13**	(b)	**14**	(c)	**15**	(d)
16	(c)	**17**	(a)	**18**	(b)	**19**	(b)	**20**	(c)
21	(c)	**22**	(b)	**23**	(d)	**24**	(d)	**25**	(a)
26	(a)	**27**	(d)	**28**	(b)	**29**	(d)	**30**	(c)
31	(a)	**32**	(b)	**33**	(a)	**34**	(c)	**35**	(a)
36	(b)	**37**	(d)	**38**	(d)	**39**	(c)	**40**	(a)
41	(b)	**42**	(c)	**43**	(a)	**44**	(d)	**45**	(b)

46	(a)	**47**	(d)	**48**	(c)	**49**	(b)	**50**	(b)
51	(a)	**52**	(d)	**53**	(d)	**54**	(a)	**55**	(c)
56	(b)	**57**	(c)	**58**	(b)	**59**	(c)	**60**	(d)

SECTION – B MERCANTILE AWS

61.	(d)	**62.**	(b)	**63.**	(c)	**64.**	(a)	**65.**	(d)
66.	(d)	**67.**	(d)	**68.**	(b)	**69.**	(d)	**70.**	(d)
71.	(c)	**72.**	(d)	**73.**	(a)	**74.**	(d)	**75.**	(d)
76.	(c)	**77.**	(d)	**78.**	(b)	**79.**	(b)	**80.**	(a)
81.	(d)	**82.**	(b)	**83.**	(a)	**84.**	(a)	**85.**	(a)
86.	(b)	**87.**	(a)	**88.**	(a)	**89.**	(a)	**90.**	(c)
91.	(c)	**92.**	(d)	**93.**	(b)	**94.**	(d)	**95.**	(d)
96.	(d)	**97.**	(d)	**98.**	(a)	**99.**	(a)	**100.**	(d)

SECTION – C : GENERAL ECONOMICS

101	(c)	**102**	(d)	**103**	(a)	**104**	(b)	**105**	(c)
106	(b)	**107**	(b)	**108**	(c)	**109**	(d)	**110**	(b)
111	(d)	**112**	(b)	**113**	(d)	**114**	(b)	**115**	(a)
116	(b)	**117**	(a)	**118**	(a)	**119**	(b)	**120**	(a)
121	(b)	**122**	(c)	**123**	(a)	**124**	(c)	**125**	(a)
126	(a)	**127**	(a)	**128**	(a)	**129**	(b)	**130**	(a)
131	(c)	**132**	(d)	**133**	(b)	**134**	(b)	**135**	(d)
136	(d)	**137**	(d)	**138**	(d)	**139**	(d)	**140**	(c)
141	(c)	**142**	(d)	**143**	(c)	**144**	(b)	**145**	(d)
146	(a)	**147**	(a)	**148**	(b)	**149**	(c)	**150**	(b)

SECTION – D : QUANTITATIVE APTITUDE

151	(b)	**152**	(a)	**153**	(c)	**154**	(a)	**155**	(d)
156	(c)	**157**	(c)	**158**	(d)	**159**	(d)	**160**	(d)
161	(b)	**162**	(b)	**163**	(c)	**164**	(b)	**165**	(a)
166	(b)	**167**	(a)	**168**	(a)	**169**	(d)	**170**	(c)

171	(d)	**172**	(a)	**173**	(b)	**174**	(a)	**175**	(a)
176	(a)	**177**	(c)	**178**	(b)	**179**	(a)	**180**	(d)
181	(d)	**182**	(d)	**183**	(c)	**184**	(a)	**185**	(b)
186	(b)	**187**	(b)	**188**	(c)	**189**	(a)	**190**	(c)
191	(b)	**192**	(b)	**193**	(a)	**194**	(c)	**195**	(c)
196	(a)	**197**	(c)	**198**	(a)	**199**	(c)	**200**	(b)

MODEL TEST PAPER–BOS/CPT-6/2006

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(d)	**2**	(d)	**3**	(c)	**4**	(d)	**5**	(d)
6	(a)	**7**	(c)	**8**	(d)	**9**	(c)	**10**	(b)
11	(b)	**12**	(b)	**13**	(a)	**14**	(b)	**15**	(b)
16	(b)	**17**	(c)	**18**	(c)	**19**	(c)	**20**	(d)
21	(c)	**22**	(b)	**23**	(b)	**24**	(b)	**25**	(d)
26	(c)	**27**	(a)	**28**	(b)	**29**	(b)	**30**	(c)
31	(c)	**32**	(a)	**33**	(b)	**34**	(d)	**35**	(c)
36	(b)	**37**	(d)	**38**	(c)	**39**	(c)	**40**	(b)
41	(a)	**42**	(c)	**43**	(b)	**44**	(c)	**45**	(c)
46	(d)	**47**	(b)	**48**	(d)	**49**	(c)	**50**	(c)
51	(c)	**52**	(d)	**53**	(b)	**54**	(d)	**55**	(c)
56	(c)	**57**	(d)	**58**	(c)	**59**	(b)	**60**	(d)]

SECTION – B : MERCANTILE LAWS

61.	(b)	**62.**	(a)	**63.**	(c)	**64.**	(b)	**65.**	(d)
66.	(c)	**67.**	(d)	**68.**	(b)	**69.**	(d)	**70.**	(d)
71.	(b)	**72.**	(d)	**73.**	(a)	**74.**	(c)	**75.**	(b)
76.	(a)	**77.**	(a)	**78.**	(d)	**79.**	(b)	**80.**	(a)
81.	(a)	**82.**	(a)	**83.**	(b)	**84.**	(a)	**85.**	(b)
86.	(a)	**87.**	(b)	**88.**	(d)	**89.**	(d)	**90.**	(b)
91.	(a)	**92.**	(d)	**93.**	(c)	**94.**	(a)	**95.**	(b)
96.	(c)	**97.**	(d)	**98.**	(d)	**99.**	(a)	**100.**	(b)

SECTION – C : GENERAL ECONOMICS

101	(d)	**102**	(b)	**103**	(b)	**104**	(c)	**105**	(d)
106	(a)	**107**	(c)	**108**	(b)	**109**	(d)	**110**	(b)
111	(a)	**112**	(b)	**113**	(d)	**114**	(c)	**115**	(d)
116	(c)	**117**	(a)	**118**	(a)	**119**	(d)	**120**	(c)
121	(b)	**122**	(b)	**123**	(d)	**124**	(c)	**125**	(c)
126	(c)	**127**	(d)	**128**	(d)	**129**	(d)	**130**	(b)
131	(a)	**132**	(b)	**133**	(c)	**134**	(c)	**135**	(c)
136	(d)	**137**	(b)	**138**	(c)	**139**	(a)	**140**	(d)
141	(d)	**142**	(a)	**143**	(b)	**144**	(c)	**145**	(a)
146	(b)	**147**	(d)	**148**	(c)	**149**	(d)	**150**	(b)

SECTION – D : QUANTITATIVE APTITUDE

151	(b)	**152**	(b)	**153**	(d)	**154**	(d)	**155**	(d)
156	(b)	**157**	(c)	**158**	(b)	**159**	(a)	**160**	(d)
161	(a)	**162**	(c)	**163**	(b)	**164**	(c)	**165**	(c)
166	(b)	**167**	(a)	**168**	(c)	**169**	(b)	**170**	(c)
171	(b)	**172**	(b)	**173**	(b)	**174**	(d)	**175**	(c)
176	(b)	**177**	(c)	**178**	(c)	**179**	(b)	**180**	(c)
181	(c)	**182**	(b)	**183**	(b)	**184**	(d)	**185**	(b)
186	(a)	**187**	(b)	**188**	(c)	**189**	(b)	**190**	(d)
191	(a)	**192**	(b)	**193**	(b)	**194**	(b)	**195**	(a)
196	(a)	**197**	(a)	**198**	(c)	**199**	(b)	**200**	(b)

MODEL TEST PAPER–BOS/CPT-7/2006

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(b)	**2**	(c)	**3**	(a)	**4**	(d)	**5**	(d)
6	(c)	**7**	(b)	**8**	(a)	**9**	(a)	**10**	(a)
11	(b)	**12**	(a)	**13**	(c)	**14**	(c)	**15**	(d)

16	(d)	**17**	(c)	**18**	(a)	**19**	(b)	**20**	(c)
21	(b)	**22**	(a)	**23**	(a)	**24**	(b)	**25**	(c)
26	(b)	**27**	(d)	**28**	(a)	**29**	(d)	**30**	(c)
31	(b)	**32**	(a)	**33**	(b)	**34**	(c)	**35**	(d)
36	(c)	**37**	(a)	**38**	(b)	**39**	(c)	**40**	(d)
41	(a)	**42**	(a)	**43**	(c)	**44**	(b)	**45**	(a)
46	(d)	**47**	(d)	**48**	(d)	**49**	(a)	**50**	(c)
51	(b)	**52**	(d)	**53**	(b)	**54**	(c)	**55**	(c)
56	(a)	**57**	(d)	**58**	(b)	**59**	(c)	**60**	(a)

SECTION – B : MERCANTILE LAWS

61.	(d)	**62.**	(d)	**63.**	(c)	**64.**	(a)	**65.**	(a)
66.	(b)	**67.**	(d)	**68.**	(d)	**69.**	(a)	**70.**	(d)
71.	(d)	**72.**	(c)	**73.**	(d)	**74.**	(d)	**75.**	(d)
76.	(d)	**77.**	(d)	**78.**	(c)	**79.**	(c)	**80.**	(c)
81.	(d)	**82.**	(d)	**83.**	(b)	**84.**	(c)	**85.**	(b)
86.	(a)	**87.**	(a)	**88.**	(d)	**89.**	(a)	**90.**	(b)
91.	(b)	**92.**	(c)	**93.**	(a)	**94.**	(a)	**95.**	(d)
96.	(b)	**97.**	(a)	**98.**	(d)	**99.**	(c)	**100.**	(a)

SECTION – C : GENERAL ECONOMICS

101	(b)	**102**	(d)	**103**	(d)	**104**	(d)	**105**	(c)
106	(a)	**107**	(c)	**108**	(a)	**109**	(d)	**110**	(d)
111	(c)	**112**	(a)	**113**	(d)	**114**	(b)	**115**	(c)
116	(b)	**117**	(a)	**118**	(a)	**119**	(c)	**120**	(b)
121	(c)	**122**	(d)	**123**	(a)	**124**	(c)	**125**	(b)
126	(b)	**127**	(a)	**128**	(d)	**129**	(c)	**130**	(b)
131	(b)	**132**	(a)	**133**	(b)	**134**	(c)	**135**	(d)
136	(a)	**137**	(b)	**138**	(c)	**139**	(c)	**140**	(b)
141	(c)	**142**	(b)	**143**	(b)	**144**	(c)	**145**	(a)
146	(d)	**147**	(c)	**148**	(b)	**149**	(a)	**150**	(d)

SECTION – D : QUANTITATIVE APTITUDE

151	(c)	**152**	(b)	**153**	(d)	**154**	(d)	**155**	(c)
156	(b)	**157**	(b)	**158**	(c)	**159**	(c)	**160**	(a)
161	(c)	**162**	(a)	**163**	(a)	**164**	(b)	**165**	(b)
166	(c)	**167**	(c)	**168**	(a)	**169**	(a)	**170**	(a)
171	(b)	**172**	(d)	**173**	(c)	**174**	(a)	**175**	(a)
176	(c)	**177**	(b)	**178**	(a)	**179**	(a)	**180**	(b)
181	(a)	**182**	(a)	**183**	(a)	**184**	(a)	**185**	(d)
186	(b)	**187**	(b)	**188**	(d)	**189**	(b)	**190**	(d)
191	(d)	**192**	(c)	**193**	(c)	**194**	(b)	**195**	(b)
196	(b)	**197**	(b)	**198**	(a)	**199**	(b)	**200**	(c)

MODEL TEST PAPER–BOS/CPT-8/2006

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(d)	**2**	(d)	**3**	(c)	**4**	(c)	**5**	(c)
6	(b)	**7**	(c)	**8**	(c)	**(9)**	(b)	**10**	(b)
11	(d)	**12**	(a)	**13**	(d)	**14**	(d)	**15**	(c)
16	(c)	**17**	(c)	**18**	(b)	**19**	(c)	**20**	(d)
21	(c)	**22**	(d)	**23**	(b)	**24**	(c)	**25**	(b)
26	(c)	**27**	(c)	**28**	(c)	**29**	(a)	**30**	(d)
31	(b)	**32**	(c)	**33**	(b)	**34**	(c)	**35**	(c)
36	(d)	**37**	(d)	**38**	(c)	**39**	(b)	**40**	(a)
41	(d)	**42**	(c)	**43**	(c)	**44**	(a)	**45**	(b)
46	(c)	**47**	(a)	**48**	(c)	**49**	(c)	**50**	(d)
51	(b)	**52**	(a)	**53**	(b)	**54**	(d)	**55**	(d)
56	(b)	**57**	(c)	**58**	(d)	**59**	(d)	**60**	(b)

SECTION – B : MERCANTILE LAWS

61.	(a)	**62.**	(d)	**63.**	(b)	**64.**	(a)	**65.**	(b)

66.	(c)	**67.**	(d)	**68.**	(d)	**69.**	(b)	**70.**	(a)
71.	(c)	**72.**	(d)	**73.**	(d)	**74.**	(d)	**75.**	(d)
76.	(d)	**77.**	(b)	**78.**	(d)	**79.**	(b)	**80.**	(a)
81.	(c)	**82.**	(d)	**83.**	(c)	**84.**	(a)	**85.**	(b)
86.	(b)	**87.**	(c)	**88.**	(a)	**89.**	(b)	**90.**	(c)
91.	(b)	**92.**	(b)	**93.**	(b)	**94.**	(b)	**95.**	(d)
96.	(d)	**97.**	(c)	**98.**	(d)	**99.**	(c)	**100.**	(a)

SECTION – C : GENERAL ECONOMICS

101	(a)	**102**	(b)	**103**	(d)	**104**	(a)	**105**	(c)
106	(c)	**107**	(c)	**108**	(d)	**109**	(a)	**110**	(c)
111	(a)	**112**	(c)	**113**	(a)	**114**	(d)	**115**	(b)
116	(c)	**117**	(a)	**118**	(b)	**119**	(c)	**120**	(c)
121	(d)	**122**	(b)	**123**	(a)	**124**	(d)	**125**	(d)
126	(c)	**127**	(c)	**128**	(c)	**129**	(b)	**130**	(a)
131	(b)	**132**	(b)	**133**	(a)	**134**	(c)	**135**	(d)
136	(b)	**137**	(b)	**138**	(a)	**139**	(d)	**140**	(d)
141	(c)	**142**	(b)	**143**	(c)	**144**	(b)	**145**	(a)
146	(c)	**147**	(d)	**148**	(a)	**149**	(c)	**150**	(b)

SECTION – D : QUANTITATIVE APTITUDE

151	(b)	**152**	(b)	**153**	(c)	**154**	(d)	**155**	(c)
156	(b)	**157**	(d)	**158**	(c)	**159**	(a)	**160**	(c)
161	(c)	**162**	(b)	**163**	(c)	**164**	(c)	**165**	(b)
166	(c)	**167**	(d)	**168**	(c)	**169**	(a)	**170**	(a)
171	(c)	**172**	(c)	**173**	(d)	**174**	(d)	**175**	(a)
176	(a)	**177**	(b)	**178**	(c)	**179**	(c)	**180**	(d)
181	(b)	**182**	(d)	**183**	(b)	**184**	(c)	**185**	(c)
186	(c)	**187**	(c)	**188**	(b)	**189**	(b)	**190**	(a)
191	(c)	**192**	(c)	**193**	(a)	**194**	(a)	**195**	(b)
196	(a)	**197**	(c)	**198**	(c)	**199**	(a)	**200**	(a)

MODEL TEST PAPER–BOS/CPT-9/2006

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(c)	**2.**	(b)	**3**	(b)	**4**	(c)	**5**	(a)
6	(c)	**7**	(c)	**8**	(d)	**9**	(c)	**10**	(b)
11	(c)	**12.**	(b)	**13**	(a)	**14**	(b)	**15**	(d)
16	(c)	**17**	(c)	**18**	(b)	**19**	(c)	**20**	(b)
21	(d)	**22**	(d)	**23**	(a)	**24**	(b)	**25**	(c)
26	(b)	**27**	(c)	**28**	(d)	**29**	(c)	**30**	(a)
31	(d)	**32**	(c)	**33**	(a)	**34**	(b)	**35**	(a)
36	(b)	**37**	(b)	**38**	(b)	**39**	(d)	**40**	(a)
41	(b)	**42**	(c)	**43**	(c)	**44**	(c)	**45**	(a)
46	(a)	**47**	(d)	**48**	(c)	**49**	(a)	**50**	(b)
51	(c)	**52**	(d)	**53**	(b)	**54**	(a)	**55**	(c)
56	(b)	**57**	(d)	**58**	(c)	**59**	(b)	**60**	(d)

SECTION – B : MERCANTILE LAWS

61.	(a)	**62.**	(c)	**63.**	(d)	**64.**	(b)	**65.**	(d)
66.	(d)	**67.**	(d)	**68.**	(b)	**69.**	(c)	**70.**	(a)
71.	(a)	**72.**	(d)	**73.**	(c)	**74.**	(d)	**75.**	(d)
76.	(d)	**77.**	(d)	**78.**	(d)	**79.**	(d)	**80.**	(a)
81.	(d)	**82.**	(a)	**83.**	(a)	**84.**	(b)	**85.**	(b)
86.	(d)	**87.**	(c)	**88.**	(b)	**89.**	(a)	**90.**	(c)
91.	(b)	**92.**	(c)	**93.**	(a)	**94.**	(b)	**95.**	(a)
96.	(c)	**97.**	(a)	**98.**	(c)	**99.**	(b)	**100.**	(b)

SECTION – C : GENERAL ECONOMICS

101	(c)	**102**	(d)	**103**	(c)	**104**	(a)	**105**	(b)
106	(b)	**107**	(d)	**108**	(b)	**109**	(c)	**110**	(c)
111	(b)	**112**	(c)	**113**	(a)	**114**	(a)	**115**	(d)

116	(b)	**117**	(d)	**118**	(d)	**119**	(a)	**120**	(c)
121	(b)	**122**	(a)	**123**	(c)	**124**	(a)	**125**	(a)
126	(c)	**127**	(d)	**128**	(b)	**129**	(d)	**130**	(b)
131	(a)	**132**	(c)	**133**	(c)	**134**	(d)	**135**	(b)
136	(c)	**137**	(b)	**138**	(c)	**139**	(a)	**140**	(b)
141	(d)	**142**	(a)	**143**	(b)	**144**	(d)	**145**	(d)
146	(a)	**147**	(b)	**148**	(c)	**149**	(c)	**150**	(a)

SECTION – D : QUANTITATIVE APTITUDE

151	(a)	152	(a)	**153**	(b)	**154**	(b)	**155**	(b)
156	(b)	157	(b)	**158**	(a)	**159**	(b)	**160**	(d)
161	(a)	162	(b)	**163**	(a)	**164**	(b)	**165**	(b)
166	(c)	167	(b)	**168**	(b)	**169**	(a)	**170**	(b)
171	(b)	172	(b)	**173**	(b)	**174**	(c)	**175**	(b)
176	(c)	177	(b)	**178**	(b)	**179**	(a)	**180**	(a)
181	(a)	182	(d)	**183**	(c)	**184**	(a)	**185**	(c)
186	(a)	187	(c)	**188**	(a)	**189**	(b)	**190**	(a)
191	(d)	192	(a)	**193**	(c)	**194**	(d)	**195**	(d)
196	(a)	197	(b)	**198**	(a)	**199**	(d)	**200**	(c)

MODEL TEST PAPER–BOS/CPT-10/2006

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(a)	**2**	(b)	**3**	(b)	**4**	(c)	**5**	(b)
6	(c)	**7**	(b)	**8**	(a)	**9**	(b)	**10**	(c)

11	(b)	**12**	(d)	**13**	(c)	**14**	(a)	**15**	(b)
16	(d)	**17**	(a)	**18**	(a)	**19**	(d)	**20**	(b)
21	(b)	**22**	(c)	**23**	(b)	**24**	(b)	**25**	(a)
26	(c)	**27**	(a)	**28**	(c)	**29**	(a)	**30**	(a)
31	(b)	**32**	(d)	**33**	(b)	**34**	(b)	**35**	(c)
36	(a)	**37**	(c)	**38**	(b)	**39**	(d)	**40**	(a)
41	(a)	**42**	(d)	**43**	(c)	**44**	(b)	**45**	(b)
46	(b)	**47**	(b)	**48**	(b)	**49**	(c)	**50**	(c)
51	(c)	**52**	(b)	**53**	(b)	**54**	(c)	**55**	(a)
56	(c)	**57**	(a)	**58**	(c)	**59**	(b)	**60**	(a)

SECTION – B : MERCANTILE LAWS

61.	(c)	**62.**	(d)	**63.**	(d)	**64.**	(d)	**65.**	(c)
66.	(d)	**67.**	(d)	**68.**	(c)	**69.**	(d)	**70.**	(c)
71.	(c)	**72.**	(a)	**73.**	(a)	**74.**	(d)	**75.**	(d)
76.	(d)	**77.**	(d)	**78.**	(d)	**79.**	(a)	**80.**	(b)
81.	(b)	**82.**	(a)	**83.**	(a)	**84.**	(c)	**85.**	(b)
86.	(c)	**87.**	(a)	**88.**	(a)	**89.**	(a)	**90.**	(b)
91.	(b)	**92.**	(d)	**93.**	(c)	**94.**	(b)	**95.**	(a)
96.	(c)	**97.**	(b)	**98.**	(d)	**99.**	(c)	**100.**	(c)

SECTION – C : GENERAL ECONOMICS

101	(c)	**102**	(d)	**103**	(c)	**104**	(c)	**105**	(d)
106	(d)	**107**	(b)	**108**	(b)	**109**	(a)	**110**	(c)
111	(a)	**112**	(a)	**113**	(b)	**114**	(b)	**115**	(b)
116	(d)	**117**	(d)	**118**	(c)	**119**	(a)	**120**	(a)
121	(b)	**122**	(b)	**123**	(c)	**124**	(d)	**125**	(d)
126	(a)	**127**	(b)	**128**	(b)	**129**	(a)	**130**	(b)
131	(a)	**132**	(d)	**133**	(b)	**134**	(c)	**135**	(d)
136	(a)	**137**	(b)	**138**	(d)	**139**	(b)	**140**	(c)
141	(c)	**142**	(d)	**143**	(b)	**144**	(c)	**145**	(a)
146	(c)	**147**	(a)	**148**	(a)	**149**	(c)	**150**	(b)

SECTION – D : QUANTITATIVE APTITUDE

151	(a)	**152**	(a)	**153**	(a)	**154**	(a)	**155**	(a)
156	(b)	**157**	(c)	**158**	(d)	**159**	(b)	**160**	(a)
161	(c)	**162**	(a)	**163**	(a)	**164**	(a)	**165**	(b)
166	(a)	**167**	(b)	**168**	(a)	**169**	(b)	**170**	(a)
171	(c)	**172**	(b)	**173**	(b)	**174**	(b)	**175**	(b)
176	(b)	**177**	(a)	**178**	(a)	**179**	(c)	**180**	(c)
181	(d)	**182**	(a)	**183**	(b)	**184**	(a)	**185**	(b)
186	(a)	**187**	(c)	**188**	(c)	**189**	(b)	**190**	(a)
191	(a)	**192**	(b)	**193**	(d)	**194**	(b)	**195**	(b)
196	(b)	**197**	(c)	**198**	(c)	**199**	(c)	**200**	(a)

BOARD OF STUDIES

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT-1 / 2007

Time : 4 hours *Maximum Marks : 200*

The test is divided into four sections.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

PART-I

1. All the following errors do not effect the trial balance except.
   (a) Compensating errors
   (b) Error of complete omission
   (c) Error of partial omission
   (d) Error of principle
2. Financial statements are part of -
   (a) Accounting
   (b) Book-keeping
   (c) All of the above
   (d) None of the above
3. The areas where in different accounting policies can be adopted are.
   (a) Providing depreciation
   (b) Valuation of inventories
   (c) Valuation of investments
   (d) All of the above

4. The total of the sales book is posted periodically to the credit of
   (a) Sales account
   (b) Cash book
   (c) Journal proper
   (d) Name of the above
5. The amount of the dishonoured bill has been wrongly debited to general expenses account, which type of error has been committed?
   (a) Error of principle
   (b) Error of commission
   (c) Compensating error
   (d) Error of omission
6. Bank account is _____
   (a) Personal account
   (b) Intangible real account
   (c) Nominal account
   (d) Both (b) and (c)
7. Cost of tour abroad by the sales manager to develop markets (tour was successful) is ____
   (a) Capital expenditure
   (b) Revenue expenditure
   (c) Deferred revenue expenditure
   (d) Both (a) & (b)
8. 'Advance received from customers is not taken as sale' is based on
   (a) Money measurement concept
   (b) Accrual consent
   (c) Consistency concept
   (d) Conservation
9. Income includes
   (a) Income received
   (b) Income receivable
   (c) Both (a) and (b)
   (d) None of the above
10. Mohan Stationers will debit purchase of stationery in ____
   (a) Stationery account

(b) General expenses account

(c) Purchases account

(d) None of the three

PART-II

11. Heavy amount spent on advertisement is _____
    (a) Capital expenditure
    (b) Revenue expenditure
    (c) Deferred revenue expenditure
    (d) Name of the three
12. Cost of goods sold can be calculated by ____
    (a) Trading account
    (b) Profit & loss account
    (c) Balance sheet
    (d) Name of the three
13. Rs. 5,000 spent on repairs of a newly purchased old motor car is debited to _____
    (a) Repairs account
    (b) General expenses account
    (c) Motor car account
    (d) Name of the three
14. Suspense account debit balance Rs. 2000 in trial balance, will be recorded in the _____
    (a) Liability side of balance sheet
    (b) Asset side of balance sheet
    (c) Profit & loss account Cr side
    (d) None of the three
15. Liability for bill discounted is a ______
    (a) Current liability
    (b) Contingent liability
    (c) Fixed liability
    (d) None of the three
16. In valuation of consignment stock only _______ expenses are added
    (a) Direct
    (b) Indirect

(c) Both (a) and (b)

(d) None of the three

17. Premium on issue of shares is recorded in _______

    (a) Profit & loss debit side

    (b) Profit & loss appropriation account Dr side

    (c) Profit & loss appropriation Cr side

    (d) Balance sheet liability side

18. Interest is calculated on _______ securities

    (a) Market value

    (b) Face value

    (c) Purchase value

    (d) None of the three

19. Income tax in case of a sole trader is treated as ________

    (a) Business expense

    (b) Personal expense

    (c) Debtors expense

    (d) None of the three

20. In double entry system every business transaction affects _____

    (a) Two accounts

    (b) Two sides of the same account

    (c) The same account on different dates

    (d) None of the three

PART – III

21. A businessman purchased goods for Rs. 25,00,000 and sold 70% of such goods during the accounting year ended 31st March, 2005. The market value of the remaining goods was Rs. 5,00,000. He valued the closing stock at Rs. 5,00,000 and not at Rs. 7,50,000 due to

    (a) Money measurement

    (b) Conservatism

    (c) Cost

    (d) Periodicity

22. XY LTD. issued 25,000 equity shares of Rs. 100 each at a premium of Rs. 15 each payable as Rs. 25 on application, Rs. 40 on allotment and balance in the first call. Applications received for 75,000 equity shares but the company issued to them only 25,000 shares. Excess money was refunded to them after adjustment for further calls.

Last call on 500 shares were not received and were forfeited after due notice. The above is the case of _____

(a) Over subscription

(b) Pro-rata allotment

(c) Forfeiture of shares

(d) All of the above.

PART-IV

23. Opening stock Rs. 3,700, Purchases Rs. 20,800, Closing stock Rs. 2,500. Cost of goods sold will be _______

(a) Rs. 22,000

(b) Rs. 25,000

(c) Rs. 18,000

(d) Rs. 30,000

24. Original cost Rs. 25,000, salvage value Rs. 1,000, useful life 10 years. Annual depreciation under SLM will be

(a) Rs. 2,000

(b) Rs. 2,400

(c) Rs. 3,000

(d) Rs. 2,500

25. When preparing a Bank Reconciliation Statement if you start with balance as per Pass Book, then cheques paid by bank recorded twice in Pass Book Rs. 1050 will be ______

(a) Added

(b) Deducted

(c) Not required to be adjusted

(d) None of the three

26.

	Rs.		Rs.
Gross Profit	50,000	Provision for Bad Debts (old)	2,000
Rent paid	6,000	Apprentice Premium (Credit)	4,000
Salaries	5,800		

Net profit of the firm will be

(a) Rs. 42,200

(b) Rs. 40,000

(c) Rs. 42,000

(d) Rs. 45,000

27. A started business with Rs. 20,000 cash and Rs. 11,000 stock. Cash sales & cash purchases were Rs. 10,000 & Rs. 5,000. Total sales and purchases amounted to Rs. 70,000 & Rs. 50,000. Outstanding creditors were Rs. 15,000 and Debtors Rs. 25,000. Expenses paid Rs. 17,000. Machine was purchased for Rs. 10,000 out of which Rs. 8000 has been paid. Trial Balance total will be ___________

    (a) Rs. 1,18,000

    (b) Rs. 1,20,000

    (c) Rs. 1,25,000

    (d) Rs. 1,40,000

28. Capital introduced in the beginning by Ram Rs. 15,2000, further capital introduced during the year Rs. 2,000. Drawings Rs. 400 per month and closing capital is Rs. 16,900. The amount of profit or loss for the year is _______

    (a) Loss Rs. 3,000

    (b) Loss Rs. 2,500

    (c) Profit Rs. 5,000

    (d) Profit Rs. 4,500

29. Goods purchased Rs. 1,00,000, sales Rs. 90,000 Margin 20% on sales. Closing stock is _____

    (a) Rs. 10,000

    (b) Rs. 25,000

    (c) Rs. 28,000

    (d) None of the above

30. Mohan paid Rs. 500 towards a debit of Rs. 2,500, which was written off as bad debt in the previous year. Mohan's account will be credited with

    (a) Rs. 2,500

    (b) Rs. 2,000

    (c) Rs. 500

    (d) None of the three

31. Income tax liability of the proprietor Rs. 1200 was paid out of petty cash. Journal entry will be ________

    (a) Dr. drawings and Cr. Cash A/c Rs. 1200

    (b) Dr. drawings and Cr. Petty Cash Rs. 1200

    (c) Dr Income tax and Cr Cash A/c Rs. 1200

    (d) None of the above

32. An old, machine was purchased for Rs. 60,000. It was repaired for Rs. 5,000 and Rs. 5,000 paid on its installation. Machinery repairs a/c will be debited by -

(a) Rs. 10,000

(b) Rs. 5,000

(c) Rs. 15,000

(d) None of the three

33. Ras started business on 01.01.06 with a capital of Rs. 20,000 and he borrowed Rs. 3,000 from a friend. He earned a profit of Rs. 10,000 during the year and withdrew cash Rs. 5,000 for private use. What is his capital at the end of the year?

(a) Rs. 25,000

(b) Rs. 28,000

(c) Rs. 30,000

(d) Rs. 27,000

34. A partnership firm maintains the inventory records under perpetual system of inventory considering of the firm held for the month of March 2005.

Date	Particulars	Quantity	Cost per unit (Rs.)
March 1	Opening Inventory	15	400
March 4	Purchases	20	450
March 6	Purchases	10	460

If the firm sold 32 units on March 24, 2005 closing inventory under FIFO method is -

(a) Rs. 7500

(b) Rs. 5681

(c) Rs. 5800

(d) Rs. 5950

35. Capital introduced by Mr. A on 01.01.2005 Rs. 100000. Further capital introduced during the year was Rs. 50,000. Mr. A withdrew Rs. 200 per month on the last date of each month. Interest on drawings was charged @ 5%. Profit earned during the year was Rs. 10,000. Capital on 31.12.05 will be _______

(a) Rs. 157545

(b) Rs. 157000

(c) Rs. 160000

(d) Rs. 155000

36. Purchased goods from A Rs. 500 passed through sales book the rectifying journal entry will be ________

		Rs.	Rs.
(a)	Purchases A/c Dr.	500	
	To A		500
(b)	A's Capital a/c Dr.	500	
	To Sales		500
(c)	Purchases of Dr.	500	
	Sales A/c Dr.	500	
	To A		1000
(d)	None of the above		

37. Opening Stock 20,000

Closing Stock 18,000

Purchases 85,800

Carriage inwards 2,300

Carriage out 3,000

Office Rent 5,000

Sales 1,40,700

Gross profit will be _____

(a) Rs. 50,000

(b) Rs. 47,500

(c) Rs. 42,600

(d) Rs. 50,600

38. X of Kanpur sends out certain goods at cost + 25%. Invoice value of goods sends out Rs. 2,00,000. 4/5th of the goods were sold by consignee at Rs. 1,76,000. Commission 2% upto invoice value and 10% on any surplus above invoice value. Commission amount will be ____

(a) Rs. 4,800

(b) Rs. 5,200

(c) Rs. 3,200

(d) Rs. 1,600

39. Goods costing Rs. 1000 supplied to Ramesh at the invoice price of 10% above cost and a Trade Discount for 5%. The amount of Sales will be

(a) Rs. 1045

(b) Rs. 1050
(c) Rs. 1100
(d) Rs. 1060

40. A & B purchased a piece of land for Rs. 60,000 and sold it for Rs. 80,000. A had contributed Rs. 40,000 and Rs. 20,000. The profit on venture will be -
    (a) Rs. 30,000
    (b) Rs. 20,000
    (c) Rs. 60,000
    (d) NIL

41. A, B & C are partners sharing profits in the ratio of 3:2:1. B retires and goodwill of the firm is fixed at Rs. 1,80,000. No goodwill A/c appears in the books of the firm. A & C decide to share profits in the ratio of 3:1. B's share of goodwill will be adjusted in the Capital accounts of A and C in
    (a) Profit sharing
    (b) Gaining ratio
    (c) Sacrificing ratio
    (d) Old ratio

42. A Co. issued Rs. 1,00,000 12% Debentures at 5% discount redeemable at 5% premium after 10 years. Loss on issue of debentures will be
    (a) Rs. 15,000
    (b) Rs. 10,000
    (c) Rs. 12,000
    (d) Rs. 20,000

43. A partnership firm earned net profits during the last 3 years as follows –

2001	15,000
2002	20,000
2003	25,000

The capital investment in the firm throughout the above mentioned period has been Rs. 1,00,000. Having regard to the risk involved 15% is considered to be a fair return on capital. Goodwill on the basis of 2 years purchase of average super earned during the above mentioned 3 years will be
    (a) Rs. 8,000
    (b) Rs. 10,000
    (c) Rs. 12,000
    (d) Rs. 15,000

44. A & B are partners in a business sharing profits and losses in the ratio of 7:3. They admit C as a partner. A sacrificed 1/7th share and B sacrificed 1/3rd of his share in favour of C. New Profit sharing ratio will be

(a) 3:1:1

(b) 2:1:1

(c) 2:2:1

(d) None of the above

45. G Ltd. acquired assets worth Rs. 7,50,000 from H. Ltd. by issue of shares of Rs. 100 each at a premium of 25%. The number of shares to be issued by G. Ltd., to settle the purchase consideration will be

(a) 6000 shares

(b) 7500 shares

(c) 9375 shares

(d) 5625 shares

46. A & B are equal partners with capitals of the Rs. 10,000 and Rs. 8,000 respectively. They admit C as a partner with 1/4th share in the profits of the firm. C brings Rs. 8,000 as his share of capital. Value of goodwill will be ____

(a) Rs. 6000

(b) Rs. 5000

(c) Rs. 8000

(d) None of the above

47. A second hand car is purchased for Rs. 15000, the amount of Rs. 1000 is spent on its repairs, Rs. 500 is incurred to get the car registered in owners name and Rs. 1200 is paid as dealers commission. The amount debited to car account will be _____

(a) Rs. 17700

(b) Rs. 16000

(c) Rs. 16500

(d) Rs. 17000

48. Ramesh & Suresh are partners sharing profits in the ratio of 2:1 (Ramesh Capital is Rs. 1,02,000 and Suresh Capital is Rs. 73,000) They admitted Mahesh & agreed to give him 1/5 in share. He brings Rs. 14,000 as his share of goodwill. He agreed to contribute capital in profit sharing ratio. How much capital will be brought by incoming partner?

(a) Rs. 47,250

(b) Rs. 45,000

(c) Rs. 47,000

(d) Rs. 48,000

49. Debit Balance as per cash book of Narayan Enterprises as on 28th February 2006 is Rs. 15,000. Cheques deposited but not cleared Rs. 660 and cheques issued but not presented for payment Rs. 2150. Balance as per pass book should be ______

    (a) Rs. 15,500
    (b) Rs. 16,490
    (c) Rs. 16,000
    (d) Rs. 16,500

50. On 1st Sept. 2006 goods costing Rs. 33,000 were consigned by X to his agent Y at a proforma price which was cost plus one – sixth profit on invoice price. Invoice price of goods will be___

    (a) Rs. 39,000
    (b) Rs. 39,600
    (c) Rs. 40,000
    (d) Rs. 45,000

51. Suresh of Delhi consigned 600 fans to Naresh of Bareilly to be sold on his account and at his risk. The cost of each fan is Rs. 300. Suresh paid Rs. 6000 as freight and insurance. Naresh paid Rs. 1500 as Octroi & Cartage; Rs. 3500 for godown rent and Insurance. 500 fans were sold for Rs. 1,80,000. Naresh was entitled to a commission of 4% on sale @ Rs. 350 per fan and 20% of any surplus price realized. Profit on consignment will be ________

    (a) Rs. 12,250
    (b) Rs. 12,000
    (c) Rs. 14,000
    (d) Rs. 15,000

52. X and Y enter into a joint venture. X supplied goods to Y from his own stock worth Rs. 70,000. X incurred expenses amounting to Rs. 6000 on joint venture. The venture resulted in a total profit of Rs. 15,000 of which their ratio of distribution is 2:1. The entire sale proceeds were received by Y. Amount received by X from Y in final settlement will be ____

    (a) Rs. 85,000
    (b) Rs. 86,000
    (c) Rs. 80,000
    (d) Rs. 75,000

53. A and B are partners sharing profits in the ratio of 3:2 with capitals of Rs. 50,000 and Rs. 30,000 respectively. Interest on capital is agreed @ 6% p.a. B is to be allowed an annual salary of Rs. 2,500 during 2000, the profits of the year prior to calculation of interest on capital but after charging B's salary amounted to Rs. 12,500. Manager is to be allowed a Commission of 5% of profits remaining after deducting salary and interest on capital but

before charging such Commission, Profit transferred to partners Capital Accounts will be ____

(a) A Rs. 4389 B Rs. 2926

(b) A Rs. 4000 B Rs. 3315

(c) A Rs. 3000 B Rs. 4315

(d) A Rs. 2500 B Rs. 4815

54. A and B are partners, sharing profits in the ratio of 5:3. They admit C with 1/5 share in profits, which he acquires equally from both 1/10 from A and 1/10 from B. New profit sharing ratio will be

(a) 21:11:8

(b) 20:10:4

(c) 15:10:5

(d) None of the three

55. A, B, and C are partners, sharing profits in the ratio of 4:3:2. D is admitted for 2/9 share of profits and brings Rs. 30,000 as his capital and Rs. 10,000 for his share of Goodwill. The new profit sharing ratio between A:B:C:D will be 3:2:2:2. Goodwill amount will be shared by:

(a) AB & C

(b) A & B

(c) A only

(d) B only

56. Shiva Ltd. Issued 20,000 shares of Rs. 10 each at a discount of 10% Payments were to be made as - application Rs. 3; on Allotment Rs. 4 and on First and Final Call Rs. 2. Applications were received for 18,000 shares and all were accepted. All money duly received. Balance Sheet total will be ____

(a) Rs. 1,80,000

(b) Rs. 1,62,000

(c) Rs. 1,90,000

(d) None of the three

57. X Ltd. Forfeited 100 shares of Rs. 10 each issued at a discount of 10% to Ravi on which he had paid Rs. 2.50 per share on application and Rs. 2.50 per share on allotment but on which he had not paid Rs. 2 on First Call. In case of forfeiture, share capital account will be debited by _____

(a) Rs. 800

(b) Rs. 700

(c) Rs. 900

(d) Rs. 1000

58. A Ltd. makes an issue of 10,000 Equity shares of Rs. 100 each payable as follows:

On application and allotment	Rs.	50
On First Call	Rs.	25
On Second & Final Call	Rs.	25

Members holding 400 shares did not pay the second call and the shares are duly forfeited, 300 of which are reissued on fully paid at Rs. 80 per share. Amount transferred to Capital reserve will be ______

(a) Rs. 16,500

(b) Rs. 16,000

(c) Rs. 15,000

(d) None of the above

59. 100 articles at the sale price of Rs. 200 each sent to a customer on approval basis were recorded as actual sales and that price. The sale price was made it cost plus 25%. The amount of stock on approval will be amounting

(a) Rs. 16,000

(b) Rs. 20,000

(c) Rs. 15,000

(d) None of the above

60. Share capital 5,00,000 shares of 10 each

Rs. 5 called up	Rs.	25,00,000
Calls in arrear	Rs.	10,000
Calls in advance	Rs.	15,000

Directors decide to provide 10% for dividend on share capital. Amount of proposed dividend will be __________

(a) Rs. 2,50,000

(b) Rs. 2,49,000

(c) Rs. 2,40,000

(d) None of the three

SECTION – B : MERCANTILE LAWS (40 MARKS)

PART –I

61. Which of the statement is incorrect?
    (a) All illegal agreements are void but all void agreements are not necessary illegal.
    (b) A voidable contract is not voidable at the option of the aggrieved party.
    (c) Contracts that are immoral or opposed to public policy are illegal in nature.
    (d) All of the above.
62. As per Section 11 of The India Contract Act, 1872, every person is competent to contract provided he:
    (a) Is of the age 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. On the valid performance of the contractual obligations by the parties, the contract
    (a) Is discharged.
    (b) becomes enforceable.
    (c) becomes void.
    (d) none of these.
64. Which of the following agreements is void?
    (a) Agreement made under the unilateral mistake of fact.
    (b) Agreements made under the bilateral mistake of fact.
    (c) Agreement made under the influence of fraud.
    (d) Contingent agreement.
65. 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.
66. Coercion involves:
    (a) Physical Force or Threat.
    (b) Mental Pressure.
    (c) Both (a) and (b)
    (d) None of the Above.

67. An agreement is void if it is opposed to public policy. Which of the following is not covered by heads of public policy?
   (a) Trading with an enemy.
   (b) Trafficking in public offices.
   (c) Marriage brokerage contracts.
   (d) Contracts to do impossible acts.
68. Consideration must move at the desire of
   (a) Promisor
   (b) Promisee
   (c) Any other person.
   (d) Any of these.
69. The following persons can enter into contracts as per the provisions of the Indian contracts Act, 1872
   (a) Alien Enemy
   (b) Foreign Sovereigns or accredited representative of a foreign state.
   (c) Insolvents and convicts
   (d) None of the above.
70. The doctrine of Caveat Emptor does not apply, when
   (a) the goods are bought by sample
   (b) the goods are bought by sample as well as as description
   (c) the goods are purchased under its brand name
   (d) All of above.
71. The Sale of Goods Act, 1930 deals with
   (a) Sale
   (b) mortgage
   (c) pledge
   (d) All of above.
72. In which of the following cases, the unpaid seller loses his right to lien?
   (a) Delivery of goods to buyer
   (b) Delivery of goods to carrier
   (c) Tender of price by buyer
   (d) All of above.
73. A person to whom money has been paid, anything delivered under coercion
   (a) Becomes the owner of such money or those goods.

(b) Is allowed to sell the goods and retain the money realized from such sale.

(c) Has no obligation to return the money, he may do so only a good gesture

Must repay the money or return those goods.

74. 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.

75. In case of sale

(a) Property in goods passes to the buyer.

(b) Risk in the goods passes to the buyer.

(c) Both the above.

(d) None of the above.

76. Partnership

(a) Arises by operation of law.

(b) Comes into existence only after registration.

(c) Can arise by agreement or otherwise.

(d) Arise by way of an agreement only.

77. Which of the following is correct?

(a) Liability of a partner in a partnership firm is unlimited.

(b) Liability of a member of a HUF is unlimited.

(c) Both the above.

(d) None of the above.

78. The test of good faith as provided under Section 33(1) of the Indian Partnership Act, 1932 requires 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 he is given an opportunity of being heard.

(d) All 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. Implied contract, even if not in writing or express words, is perfectly ________ if other conditions are satisfied
    (a) Void.
    (b) Valid
    (c) Voidable.
    (d) Illegal
81. According to Section 14 of The Indian Contract Act, 1872, Consent is said to be free when it is not caused by ________
    (a) Misrepresentation.
    (b) Undue Influence
    (c) Coercion
    (d) All of the above
82. Actual Sale of future goods is
    (a) Impossible
    (b) Possible through an agreement to sell
    (c) Illegal
    (d) A myth
83. A threatens to kill B if he does not agree to sell his scooter to him for Rs.5000 only. Here B's Consent is obtained by ________
    (a) undue influence
    (b) fraud
    (c) coercion
    (d) none of these
84. 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
85. An agreement made with free consent to which the consideration is lawful but inadequate, is ________
    (a) Void
    (b) Valid
    (c) Voidable
    (d) Unlawful

86. When after the formation of a valid contract, an event happens which makes the performance of contract impossible, and then the contract becomes ________

(a) Void

(b) Voidable

(c) Valid

(d) Illegal

87. Consent is not said to be free when it is caused by ________

(a) Coercion

(b) Undue Influence

(c) Fraud

(d) All of these

88. Goods which are in existence at the time of the Contract of Sale is known as ________

(a) Present Goods

(b) existing Goods

(c) specified Goods

(d) none of the above

89. An auction Sale is complete on the ________

(a) delivery of goods

(b) payment of price

(c) fall of hammer

(d) none of the above

90. The essence of a right of lien is to ________

(a) delivery of goods

(b) retain the possession

(c) regain the possession

(d) none of the above.

91. In case of an agreement to sell, the aggrieved party ________

(a) Can sue for price

(b) Can sue for damages

(c) Can sue the buyer for injunction

(d) None of the above.

92. 'Buyer' means a person who ________

(a) Buys goods

(b) Agrees to buy goods

(c) Has bought goods

(d) Buys or agrees to buy goods

93. 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 responsibilities 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 goods gesture.

94. Conditions and warranties ________

(a) Must be expressed

(b) Must be implied if not expressed

(c) May either be expressed or implied

(d) None of the above

95. Registration of a firm is ________

(a) Compulsory

(b) Optional

(c) Occasional

(d) None of the above

96. The bidder at an auction sale can withdraw his bid ________

(a) any time during auction

(b) before fall of hammer

(c) before payment of price

(d) cannot withdraw at all.

97. ________ does not exist.

(a) Liability for special damages

(b) Liability for exemplary damages

(c) Liability for nominal damages

(d) Liability for disciplinary damages

98. Registration of a partnership firm is ________

(a) Compulsory from the beginning

(b) Not compulsory till first five years of beginning of the partnership

(c) Not compulsory at all

(d) Compulsory only if the Registration of Firm, gives an order in the regard

PART –III

99. A believes blue colour to be black colour, for any reason whatsoever. He has a garment shop. He sells one blue colour shirt to B, representing it to be black colour. B knows nothing about colour. B believes A and accepts the blue colour to be black colour, Later on B's mother explains B that the colour of the shirt is actually blue and not black. It is a clear case of

    (a) Misrepresentation

    (b) Fraud

    (c) Unintentional fraud

    (d) Cheating

100. A agrees with B to carry passengers by taxi from Kanpur to Lucknow on the following terms, namely, B is to pay A Rs. 100 per mile per annum, and A and B are to share the costs of repairing and replacement of the cars, and to divide equally between them the proceeds of fares received from passengers, Choose the alternative.

    (a) A and B are partners

    (b) A and B are owners

    (c) A and B are co-owners

    (d) Can't be decided.

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. Total utility is maximum when:
    (a) marginal utility is zero
    (b) marginal utility is at its highest point
    (c) marginal utility is equal to average utility
    (d) average utility is maximum

102. The consumer is in equilibrium at a point where the budget line :
    (a) is above an indifference curve
    (b) is below an indifference curve
    (c) is tangent to an indifference curve
    (d) cuts an indifference curve

103. An indifference curve slopes down towards right since more of one commodity and less of another result in :
    (a) same satisfaction
    (b) greater satisfaction
    (c) maximum satisfaction
    (d) decreasing expenditure

104. The consumer is in equilibrium when the following condition is satisfied:
    (a) $\frac{MU_X}{MU_Y} > \frac{P_X}{P_Y}$
    (b) $\frac{MU_X}{MU_Y} < \frac{P_X}{P_Y}$
    (c) $\frac{MU_X}{MU_Y} = \frac{P_X}{P_Y}$
    (d) None of the above

105. In the case of a Giffen good, the demand curve will be:
    (a) horizontal
    (b) downward-sloping to the right
    (c) backward falling to the left
    (d) upward-sloping to the right

106. Which of the following is not an essential condition of pure competition ?
    (a) large number of buyers and sellers

(b) homogeneous product

(c) freedom of entry

(d) absence of transport cost

107. Which is the first order condition for the profit of a firm to be maximum?

(a) AC = MR

(b) MC = MR

(c) MR = AR

(d) AC = AR

108. In which form of the market structure is the degree of control over the price of its products by a firm very large?

(a) monopoly

(b) Imperfect competition

(c) oligopoly

(d) perfect competition

109. Under which of the following forms of market structure does a firm have no control over the price of its product?

(a) monopoly

(b) monopolistic competition

(c) oligopoly

(d) perfect competition

110. Price discrimination will be profitable only if the elasticity of demand in different markets in which the total market has been divided is:

(a) uniform

(b) different

(c) less

(d) zero

111. The law of consumer surplus is based on :

(a) indifferent curve analysis

(b) revealed perference theory

(c) law of substitution

(d) the law of diminishing marginal utility

112. Which of the following cost curves is never 'U' shaped ?

(a) Average cost curve

(b) Marginal cost curve
(c) Average variable cost curve
(d) Average fixed cost curve

113. In the short run, when the output of a firm increases, its average fixed cost:
(a) increases
(b) decreases
(c) remains constant
(d) first declines and then rises

114. The cost of one thing in terms of the alternative given up is known as:
(a) production cost
(b) physical cost
(c) real cost
(d) opportunity cost

115. Contraction of demand is the result of
(a) decrease in the number of consumers
(b) increase in the price of the good concerned
(c) increase in the prices of other goods
(d) decrease in the income of purchasers

116. In the case of an inferior good the income elasticity of demand is:
(a) positive
(b) zero
(c) negative
(d) infinite

117. The elasticity of substitution between two perfect substitutes is:
(a) zero
(b) greater than zero
(c) less than infinity
(d) infinite

118. A vertical supply curve parallel to Y axis implies that the elasticity of supply is:
(a) zero
(b) infinity
(c) equal to one
(d) greater than Zero but less than infinity

119. Elasticity of supply refers to the degree of responsiveness of supply of a good to changes in its:
(a) demand
(b) price
(c) costs of production
(d) state of technology

120. An isoquant slopes :
(a) downward to the left
(b) downward to the right
(c) upward to the left
(d) upward to the right

121. Which of the following is considered production in economics?
(a) Tilling of soil
(b) Singing a song before friends.
(c) Preventing a child from falling into a manhole on the road
(d) Painting a picture for pleasure

122. Which of the following is not a characteristic of land?
(a) its supply for the economy is limited
(b) it is immobile
(c) its usefulness depends on human efforts
(d) it is produced by our forefathers

123. Who is the official "lender of the last resort" in India?
(a) SBI
(b) PNB
(c) RBI
(d) OBC

124. Which of the following statement regarding privatization is correct?
(a) Privatization is panacea for all economic problems
(b) Privatization always leads to attaining social and economic efficiency
(c) Privatization may result in lopsided development of industries in the country
(d) None of the above

125. Which of the following statements is correct?
(a) The disinvestments programme has been successfully carried out in India.

(b) Privatisation upto 100 percent has been carried out in all the PSUs in India.

(c) Under strategic sale method of disinvestments, the government sells a major share to strategic buyer

(d) None of the above

126. At present 100 per cent FDI is allowed in -

(a) defence

(b) drugs and Pharmaceuticals

(c) banks

(d) insurance

127. FRBM Act stands for

(a) Fiscal Revenue and Budget Management

(b) Foreign Revenue and Business Management

(c) Fiscal Responsibility and Budget Management

(d) Foreign Responsibility and Budget Management

128. The share of concessional debt in total external debt of India has:

(a) remained the same

(b) doubled

(c) reduced

(d) increased

129. Which of the following statements is incorrect?

(a) The Indian road network is second largest in the world

(b) The rural road network connects around 65 per cent of all weather roads

(c) Most of the State Road Transport Corporations are running on profits

(d) The National highways carry more than 40 per cent of the total road traffic

130. In terms of generation of power ___________'s contribution, is the maximum

(a) hydel

(b) nuclear

(c) thermal

(d) others

131. NTPC stands for

(a) National Thermal Power Corporation

(b) National Tidal Power Corporation

(c) National Theological Power Corporation

(d) National Talent and Potential Corporation

132. Most of the unemployment in India is:
    (a) voluntary
    (b) structural
    (c) frictional
    (d) technical

133. What is India's rank in world population?
    (a) First
    (b) Second
    (c) Third
    (d) Fourth

134. In which state is the sex ratio most favourable to women?
    (a) Andhra Pradesh
    (b) Uttar Pradesh
    (c) Kerala
    (d) Karnataka

135. India's present population is:
    (a) Between 50 – 60 crore
    (b) Between 60 – 70 crore
    (c) Between 70 – 80 crore
    (d) Above 100 crore

136. India accommodates nearly _________ per cent of world's population
    (a) 10
    (b) 50
    (c) 17
    (d) 45

137. Which of the following statements is correct?
    (a) Excise duty is levied on sales volume
    (b) Custom duties have been drastically cut down since 1991
    (c) VAT has been adopted by all the states in India
    (d) Agriculture contributes the maximum to the direct tax revenues in India

138. Find the tax which is direct tax among the following:
   (a) Personal income tax
   (b) Excise duty
   (c) Sales tax
   (d) Service tax
139. Per capita national income means:
   (a) NNP ÷ population
   (b) Total capital ÷ population
   (c) Population ÷ NNP
   (d) None of the above
140. Which of the following is an economic activity?
   (a) Listening to music on the radio
   (b) Teaching one's own son at home
   (c) Medical facilities rendered by a charitable dispensary
   (d) A housewife doing household duties
141. Demand for final consumption arises in:
   (a) household sector only
   (b) government sector only
   (c) both household and government sectors
   (d) neither household nor government sector
142. The net value added method of measuring national income is also known as:
   (a) net output method
   (b) production method
   (c) industry of origin method
   (d) all of the above.
143. Which of the following is incorrect ?
   (a) GDP at market price = GDP at factor cost plus net indirect taxes
   (b) NNP at factor cost = NNP at market price minus indirect taxes
   (c) GNP at market price = GDP at market price plus net factor income from abroad
   (d) None of the above
144. Nearly ______ percent of working population is engaged in the service sector
   (a) 23 per cent

(b) 45 per cent

(c) 80 per cent

(d) 50 per cent

145. The industrial sector depends on the agricultural sector because

(a) the agricultural sector provides food and other products for the consumption purposes of industrial sector

(b) the agricultural sector provides raw materials for the development of agro-based industries of the economy

(c) the agricultural sector provides market for the industrial products

(d) all of the above

146. The Indian industry faced the process of retrogression and deceleration because of:

(a) unsatisfactory performance of agriculture

(b) slackening of real investment in public sector

(c) narrow market for industrial goods, especially in rural areas

(d) all of the above.

147. Which of the following statements is incorrect?

(a) About 80 per cent of agricultural area has irrigation facilities

(b) About two third area is rain-fed in India

(c) Productivity per worker in agriculture is much lower than that in industry

(d) Cropping pattern is quite skewed in India.

148. We can say Indian agriculture has become modern since:

(a) there has been an increase in the use of high yielding varieties of seeds, fertilizers pesticides etc.

(b) there has been noticeable positive change in the attitude of farmers towards new techniques of production

(c) farmers are increasingly resorting to intensive cultivation, multiple cropping, scientific water management

(d) all of the above.

149. Generally an economy is considered underdeveloped if:

(a) the standard of living of people is low and productivity is also considerably low.

(b) agriculture is the main occupation of the people and productivity in agriculture is quite low

(c) the production techniques are backward

(d) all of the above

150. _______ is the apex bank for agriculture credit in India.

(a) RBI

(b) SIDBI

(c) NABARD

(d) ICICI

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. Laspeyre's and Pasche's method satisfy time reversal test
   (a) True
   (b) False
   (c) Both
   (d) None of these
152. A frequency distribution
   (a) Arranges observations in an increasing order
   (b) Arranges observations in terms of a number of groups
   (c) Relates to measurable characteristic
   (d) All these
153. Ogive is used to obtain
   (a) Mean
   (b) Mode
   (c) Quartiles
   (d) All these
154. The value of middlemost item when they are arranged in order of magnitude is called
   (a) Standard deviation
   (b) Mean
   (c) Mode
   (d) Median
155. The errors in case of regression equation are
   (a) Positive
   (b) Negative
   (c) Zero
   (d) All these
156. The probability of an event can assume any value between
   (a) –1 and 1
   (b) 0 and 1
   (c) –1 and 0
   (d) None of these
157. The most important probability distribution is known is
   (a) Binomial distribution
   (b) Normal distribution

(c) Chi-Square Distribution

(d) Sampling Distribution

158. A measure of precision obtained by sampling is given by

(a) Standard error

(b) Sampling fluctuation

(c) Sampling distribution

(d) Expectation

159. A range of value is

(a) A point estimate

(b) An interval estimate

(c) Both

(d) None of these

160. The index no. is a special type of G.M.

(a) True

(b) False

(c) Both

(d) None of these

161. The no. of test of adequacy is _________________

(a) 2

(b) 5

(c) 3

(d) 4

162. If $b^2 - 4ac = 0$, the roots are ___________

(a) Equal and real

(b) Unequal and real

(c) Complex numbers

(d) Imaginary numbers

163. If (7p+3q) : (3p-2q) = 43:2 then p:q is _________

(a) 5:4

(b) 4:5

(c) 7:2

(d) 2:7

164. No. of _______________ arrangement can be made by using all the letters of word Monday.

(a) 120

(b) 720

(c) 41

(d) 51

165. Which term of series 7+11+15 ………. is equal to 403.

(a) 50

(b) 100

(c) 101

(d) 51

166. $\log_{\sqrt{2}} 128$ is equal to ____________________

(a) 6

(b) 12

(c) 24

(d) 14

167. The number of ways in which 6 boys sit in a round table so that two particular boys sit together

(a) 48

(b) 720

(c) 120

(d) None of these

168. Rs. 4000 amount to Rs. 6000 in 3 years at the ______________ p.a. if interest is reckoned half yearly.

(a) 12%

(b) 14%

(c) 16%

(d) 8%

169. A graphical representation of _________ can be prepared in 2 different ways.

(a) Median

(b) Mode

(c) Mean

(d) None

170. The value of deciles divides the total no. of observations into ________ equal parts

(a) 100

(b) 10

(c) 2

(d) None of these

171. $\text{Lim}_{x\to 0} \dfrac{3^{x+1}-3}{x}$ is equal to

(a) Does not exist

(b) Exist and is equal to 4

(c) Exist and is equal to 3 $\log_e 3$

(d) Exist and is equal to 3

172. Find $\dfrac{dy}{dx}$ of $\left(\dfrac{x^2}{a^2}+\dfrac{y^2}{b^2}=1\right)$

(a) $-b^2x / a^2y$

(b) $-b_2y / a^2x$

(c) $-b^2 / a^2$

(d) 0

173. 6^{th} term of series ab, a^2b^3, a^3b^5 …… is equal to

(a) a^6b^{11}

(b) a^5b^{10}

(c) a^6b^6

(d) a^5b^{11}

174. $\int_2^e \log x \, dx$ is equal to

(a) log 2 – 1

(b) –(2 log 2 – 2)

(c) 2 log 2 – 1

(d) 0

175. In how many ways can the letters of words "ACCOUNTANT" be arranged if vowels always occur together

(a) 7560

(b) 7650

(c) 7660

(d) 7550

176 .Find the present value of Rs. 500 due 10 years hence when interest of 10% is compounded half yearly

(a) Rs. 188.40

(b) Rs. 193.94

(c) Rs. 138.94

(d) Rs. 50.00

177. If $f(x) = x^2+3x$ then $f(2) - f(4)$ is equal to
   (a) –15
   (b) –18
   (c) 18
   (d) 12

178. For what value of 'K' the equation $9x^2 - 24x + K = 0$ has equal roots
   (a) –16
   (b) –15
   (c) 0
   (d) 16

179. Two number are in the ratio of 5:6. If 5 is subtracted from each of them their ratio becomes 4:5. Find the numbers
   (a) 25 and 30
   (b) 15 and 18
   (c) 60 and 72
   (d) None of these

180. The equation of right bisector of line joining the points A (3, -4) and B (5, -6) is equal to
   (a) $2x - 2y - 9 = 0$
   (b) $x + y + 1 = 0$
   (c) $3x - 2y + 7 = 0$
   (d) $x - 5y + 4 = 0$

181. The regression equation are $8x - 10y + 66 = 0$ and $40x - 18y = 214$ find the coefficient of correlation
   (a) 4/5
   (b) –4/5
   (c) 3/5
   (d) –1

182. The mean weight of 150 students in a class is 60 kg. The mean weight of the boys is 70 kg, while that of girls is 55 kg find the number of boys and that of the girls in the class.
   (a) 50 boys and 100 girls
   (b) 100 boys and 50 girls
   (c) 75 boys and 75 girls
   (d) None of these

183. Two cards are drawn from a well shuffled pack of playing cards. Find the probability that both are access.

(a) 1:221

(b) 2:221

(c) 10:21

(d) None of these

184. A random sample was taken to estimate the mean annual income of 100 families and the mean and standard deviation were found to the Rs. 6300 and Rs. 9.5 respectively find standard error for 95% confidence level.

(a) 2.25

(b) 1.50

(c) 2.15

(d) 1.862

185. If 10 coins are tossed 100 times, how many times would you expect 7 coins to fall head upward.

(a) 14

(b) 12

(c) 13

(d) 11

186. Coefficient of variation of two series are 60% and 80% respectively. Their standard deviation are 20 and 16 respectively what are their A.M.

(a) 15 and 20

(b) 33.3 and 20

(c) 33.3 and 15

(d) 12 and 16

187. The height of 8 boys in a class (in cumulative) are 135, 138, 160, 141, 155, 146, 158, 149 Find 61st percentile.

(a) 139.81

(b) 151.91

(c) 153.98

(d) None of these

188. The roots of equation $9^{x+2} - 6.3^{x+1} + 1 = 0$ are

(a) – 2

(b) – 2 and + 2

(c) -2 and $+3$

(d) $-2, 0$

189. How many diagonals can be drawn in a plane figure of 16 sides.

(a) 100

(b) 50

(c) 104

(d) 54

190. The sum of squares of first n natural numbers is equal to

(a) $\frac{n(n+1)}{2}$

(b) $\frac{n}{6}(n+1)(2n+1)$

(c) $\left[\frac{n}{6}(n+1)\right]^2$

(d) None of these

191. Find the gradient of curve $y = 3x^2-5x+4$ at the point (1, 2)

(a) 1

(b) 3

(c) 4

(d) 5

192. "Is greater than" over the set of all natural number if known as

(a) Transitive

(b) Symmetric

(c) Reflexive

(d) Equivalence

193. Find the least value of n for which the sum $1+3+3^2+3^3$ ________ to n terms of greater than 7000.

(a) 8

(b) 9

(c) 7

(d) 15

194. The number of subsets of the set {1,2,3,4} is

(a) 13

(b) 12

(c) 16

(d) 15

195. $\int \sqrt{x^2 + a^2}$ dx is equal to

(a) $\frac{x}{2}\sqrt{x^2 + a^2} + \frac{a^2}{2}\log\left| x^2 + \sqrt{x^2 + a^2} \right|$

(b) $\frac{x}{2}\sqrt{x^2 - a^2} + \frac{a^2}{2}\log\left| x^2 - \sqrt{x^2 - a^2} \right|$

(c) $\frac{x}{2}\sqrt{x^2 - a^2} - \frac{a^2}{2}\log\left| x^2 + \sqrt{x^2 + a^2} \right|$

(d) None of these

196. If c(n, 8) = c (n, 6), find c(n, 2)

(a) 14

(b) 91

(c) 19

(d) 41

197. An experiment succeeds twice as often as it fails. What is the probability that in next five trials there will be three success.

(a) 192/243

(b) 19/243

(c) 80/243

(d) 50/243

198. If a:b = 4:5, find the value of (5a-3b): (6a + 3b)

(a) 7:39

(b) 15:39

(c) 1:3

(d) 5:39

199. What is the modal value for the numbers 4, 3, 8, 15, 4, 3, 6, 3, 15, 3, 4.

(a) 3

(b) 4

(c) 15

(d) None of these

200. If $p^q = q^p$ then value of $\left(\frac{p}{q}\right)^{\frac{p}{q}} - p^{\frac{p}{q}-1}$ reduces to

(a) p

(b) q

(c) 0

(d) None of these

BOARD OF STUDIES

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT-2 / 2007

Time : 4 hours *Maximum Marks : 200*

The test is divided into four sections.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

PART-I

1. Which of the following is not a sub-field of accounting?
   (a) Management accounting
   (b) Cost accounting
   (c) Financial accounting
   (d) Book-keeping
2. Capital brought in by the proprietor is an example of _____
   (a) Increase in asset and increase in liability
   (b) Increase in liability and decrease in asset
   (c) Increase in asset and decrease in liability
   (d) Increase in one asset and decrease in another asset
3. Cost of removal of business to a more convenient locality is _____
   (a) Capital expenditure
   (b) Revenue expenditure
   (c) Deferred revenue expenditure
   (d) Capital loss

4. Salary Rs. 2000 payable to clerk is credited to _______
   (a) Salary account
   (b) Cash account
   (c) Clerks Account
   (d) None of the above
5. Total of purchase return book is posted periodically to the credit of ______
   (a) Purchase return account
   (b) Cash book
   (c) Journal proper
   (d) None of the three
6. No Journal entry is required to be passed when there is ______
   (a) Normal loss
   (b) Abnormal loss
   (c) Loss of band debts
   (d) Loss by riots.
7. Stock is valued at cost or market value, whichever is less, is based on ______
   (a) Entity concept
   (b) Money measurement concept
   (c) Accrual concept
   (d) Conservation
8. Account sale is sent by _____
   (a) Consignor
   (b) Consignee
   (c) Supplier
   (d) None of the three
9. Which of the following statement is not true?
   (a) If del credere commission is allowed, bad debts will not be recorded in the books of the consignor.
   (b) If del credere commission is allowed, bad debts will be debited in consignment account.
   (c) If del Credere commission is allowed by consignor to consignee, loss of bad debts is shared by both
   (d) Del credere commission is generally relevant for credit sales.

10. In the absence of any provision in the partnership agreement, profits and losses are shared:
    (a) In the ratio of capitals
    (b) Equally
    (c) In the ratio of capital invested by partners to the firm
    (d) None of the above

PART-II

11. Loss on issue of debentures is treated as ______
    (a) Intangible asset
    (b) Current asset
    (c) Current liability
    (d) Miscellaneous expenditure
12. Dividends are usually paid as a percentage of ______
    (a) Authorised shares capital
    (b) Net profit
    (c) Paid up capital
    (d) Called up capital
13. Interest received on debenture redemption fund investment is
    (a) General reserve account
    (b) Debenture Redemption in fund A/c
    (c) Capital reserve account
    (d) None of them.
14. The parties to joint venture are called _______
    (a) Co ventures
    (b) Partners
    (c) Principal and agent
    (d) Friends
15. The owner of the consignment stock is ______
    (a) Consignee
    (b) Consignor
    (c) Debtors
    (d) None
16. In case of credit balance, the words _______ are written on the credit side.
    (a) To balance b/d

(b) To balance c/d

(c) By balance b/d

(d) By balance c/d

17. Prepaid insurance given in trial balance is recorded in __________

(a) Trading account

(b) Profit & Loss account

(c) Balance sheet

(d) None of the three

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

(a) Provision

(b) Liability

(c) Contingent liability

(d) None of the above

19. When preparing a Bank reconciliation statement, if you start with balance as per cash book, then dividends directly collected by bank but not yet entered in cash book within the period are ___________

(a) Added

(b) Deducted

(c) Not required to be adjusted

(d) None of the above

20. Goodwill is a ___________

(a) Current asset

(b) Intangible fixed asset

(c) Tangible fixed asset

(d) Investment

PART –III

21. A trader purchased a machinery costing Rs. 1,00,000 on 1st Oct. 2005. Transportation and installation charges were incurred amounting Rs. 10,000 and Rs. 4,000 respectively. Dismentling charges of the old machine in place of which new machine was purchased amounted Rs. 10,000. Market value of machine was estimated at Rs. 1,20,000 on March 31, 2006, while finalizing the annual accounts. Trader values the machinery at Rs. 1,20,000 in his books which of the following concepts was violated by the trader?

(a) Cost concept

(b) Matching concept

(c) Realisation

(d) Periodicity concept

22. Accounting has certain norms to be observed by the accountants in recording of transactions and preparation of final statements. These norms reduce the vagueness and chances of misunderstanding by harmonizing the varied accounting practices. These norms are ______

(a) Accounting regulations

(b) Accounting guidance notes

(c) Accounting standards

(d) Accounting frame work

PART-IV

23.

Opening Stock	8,500
Purchases	30,700
Direct Expenses	4,800
Indirect Expenses	5,200
Closing Stock	9,000

Cost of goods sold will be:

(a) Rs. 30,000

(b) Rs. 35,000

(c) Rs. 32,000

(d) Rs. 40,000

24. The plant and machinery account of a firm had a debit balance of Rs. 1,47,390 on Jan. 1, 2006. It has purchased on Jan 1, 2003. Firm has been following the practice of charging full years depreciation every year on diminishing balance system @ 15%. Cost of machinery in 2003 will be _____

(a) Rs. 240,000

(b) Rs. 250,000

(c) Rs. 200,000

(d) Rs. 260,000

25. A new firm commenced business on Jan. 1, 2006 purchased goods costing Rs. 19,500 during the year. A sum of Rs. 400 was spent on carriage inward and Rs. 1000 on wages. At the end of the year the cost of goods still unsold was Rs. 12,000. Sales during the year Rs. 25,000. What is the gross profit earned by the firm _________

(a) Rs. 16,100

(b) Rs. 18,200

(c) Rs. 20,000

(d) Rs. 15,100

26.

	Dr. Rs.	Cr. Rs.
Cost of goods sold	1,50,000	—
Closing Stock	—	40,000
Debtors	—	60,000
Fixed Assets	50,000	—
Opening Stock	60,000	—
Sundry Expenses	—	20,000
Sales	—	2,00,000
Capital	90,000	—
	3,50,000	**3,50,000**

Total of current trial balance will be ________

(a) Rs. 3,20,000

(b) Rs. 3,60,000

(c) Rs. 3,00,000

(d) Rs. 4,00,000

27. Journal entry for wages paid Rs. 2000 for installation of machinery will be ______

(a) Dr. wages A/c and Cr. Cash A/c Rs. 20000

(b) Dr. Machinery A/c and Cr. Cash A/c Rs. 20000

(c) Dr. machinery repairs A/c and Cr. Cash A/c Rs. 20000

(d) None of the above

28. Capital introduced in the beginning by Syam Rs. 40,000, further capital introduced during the year Rs. 1000 Drawings Rs. 200 per month and closing capital is Rs. 53,600. The amount of profit or loss for the year is _________

(a) Rs. 15,000 profit

(b) Rs. 5,000 loss

(c) Rs. 20,000 profit

(d) Information is insufficient for any comment.

29. Goods purchased Rs. 1,00,000. The goods were sold Rs. 80,000. Margin 20% on sales. Closing stock is _______

(a) Rs. 36,000

(b) Rs. 40,000

(c) Rs. 50,000

(d) None of the above.

30. Following balances are given in trial balance

Debenture redemption fund	50,000
Debenture redemption fund investment	50,000
Interest on debenture redemption fund Investment	3,000
Increase in Debenture redemption fund by	10,000

Debenture redemption fund in Balance Sheet will be _______

(a) Rs. 60,000

(b) Rs. 63,000

(c) Rs. 50,000

(d) Rs. 65,000

31. Following information pertains to X Ltd.

	Rs.
Equity share capital called up	4,60,000
Calls in arrears	7,500
Calls in advance	5,000
Proposed dividend	5%

The amount of dividend payable will be ______

(a) Rs. 22,625

(b) Rs. 23,000

(c) Rs. 20,000

(d) None of the three

32. Pavan Ltd. Authorized capital 60,000 shares of 10 each. 4000 fully paid shares were issued to promoters for their services. This amount will be debited to_______

(a) Preliminary expenses

(b) Goodwill

(c) Sundry expenses

(d) None of the three

33. X Ltd. Purchased the business of Y Ltd. for Rs. 9,00,000 payable in fully paid shares of 100 each at a premium of 25%. The number of shares to be issued by X Ltd. to settle the purchase consideration will be

(a) 7000

(b) 5000

(c) 7200

(d) None of the three

34. Gopal was holding 100 shares of Rs. 10 each of a company on which he had paid Rs. 3 an application and Rs. 2 on allotment but could not pay Rs. 2 on first call. Directors forfeited the above share. Share capital will be debited by:

    (a) Rs. 1000

    (b) Rs. 700

    (c) Rs. 500

    (d) Rs. 800

35. Pavan Ltd. Invited application for 30,000 shares payable as under:

    Rs. 3 per share on application;

    Rs. 3 per share on allotment;

    Rs. 2 per share on First call;

    Rs. 2 per share on final call;

    Ashok, who had been allotted 500 shares failed to pay both the calls. His shares were forfeited and reissued at Rs. 9 per share to Hari, as fully paid up. Amount transferred to capital Reserve will be ____________

    (a) Rs. 2,000

    (b) Rs. 2,500

    (c) Rs. 2,800

    (d) Rs. 1,500

36. Z Ltd. Forfeited 600 shares of Rs. 10 each, on which first call of Rs. 3 per share was not received; the second and final call of Rs. 2 per share has not yet been called. Forfeited share A/c will be credited with

    (a) Rs. 3,000

    (b) Rs. 2,000

    (c) Rs. 1,500

    (d) Rs. 1,000

37. When preparing a Bank reconciliation statement, if you start with a debit balance as per cash book, cheques sent to Bank but not collected within the period should be ________

    (a) Added

    (b) Deducted

    (c) Not required to be adjusted

    (d) Name of the above

38. A company purchased plant for Rs. 5,000. The useful lite of the plant is 10 years and the turnover value is Rs. 500. When the management wants to depreciate it by Straight line

method. Rate of depreciation will be.

(a) 8%

(b) 9%

(c) 10%

(d) None of the three

39. X sells goods at Cost plus 60%. Total sales were Rs. 16,000. cost price of the goods will be:

(a) Rs. 12,000

(b) Rs. 10,000

(c) Rs. 13,000

(d) None of the three

40. A trader sells goods at a profit of 25% on sale. In a particular month he sold goods costing Rs. 34,200 sale price of goods will be

(a) Rs. 45,000

(b) Rs. 45,600

(c) Rs. 45,500

(d) Rs. 42,000

41. A manager gets 5% commission on sales, cost price of goods sold is Rs. 40,000 which he sells at a margin of 20% on sale. Manager Commission will be

(a) Rs. 2000

(b) Rs. 2500

(c) Rs. 2800

(d) None of the three

42. A manager gets 5% commission on net profit after charging such commission. If gross profit is Rs. 48,000 and expenses of indirect nature other than manager's commission are Rs. 6,000. Commission amount will be _________

(a) Rs. 2100

(b) Rs. 2000

(c) Rs. 2200

(d) Rs. 2400

43. On January 1, Mohan paid wages amounting Rs. 10,000. This is

(a) An event.

(b) A transaction.

(c) Either (a) or (b).

(d) Neither (a) nor (b).

44. Omega Stationers used Stationery for business purposes Rs. 300. Amount will be credited to:

(a) Sales A/c

(b) Purchases A/c

(c) Cash A/c

(d) None of the three

45. A machinery of Rs. 3,000 was sold for Rs. 4200. Depreciation provision to date was Rs. 400 and commission paid to the selling agent was Rs. 420 and wages paid to the workers for removing the machine was Rs. 30. Profit on sale of machinery will be _________

(a) Rs. 1200

(b) Rs. 1000

(c) Rs. 1150

(d) None of the three

46. Cost of goods sold 158600

Stock in hand at the close of the year 25,400

Stock in hand at the beginning of the year 44,000

Purchases amount will be

(a) Rs. 1,40,000

(b) Rs. 1,35,000

(c) Rs. 1,30,000

(d) Rs. 1,45,000

47. Opening balance of Capital Rs. 5,000

Net profit	2,770
Income tax	550
Drawings	650
Interest on capital	500
Interest on Drawings	120

Capital at end will be

(a) Rs. 6950

(b) Rs. 6000

(c) Rs. 6500

(d) Rs. 6600

48. Trial balance of a trader shows the following balances

	Rs.
Opening Stock	9600
Purchases less returns	11850
Salaries and wages	3200
Commission on Purchases	200
Carriage out	300
Sales	24900
Closing Stock	3500

Gross profit will be

(a) Rs. 6750

(b) Rs. 6500

(c) Rs. 3250

(d) Rs. 3200

49.

Jan 1,2006 Provision for Bad Debts	2,500
Dec. 31, 2006 Bad debts	1,870
Debtors	20,000

Make a provision for bad debts

Debts 5% on debtors. Provision for bad debts in Profit and Loss A/c will be

(a) Rs. 370

(b) Rs. 400

(c) Rs. 500

(d) None of the three

50. Goods destroyed by fire Rs. 25000 and Insurance company admitted full claim. Claim receivable will be recorded in _______

(a) Trading A/c

(b) P/L Account

(c) Balance Sheet

(d) P/L Appropriation A/c

51. On 1st January, 2005 Badry of Bombay consigned 100 cases (cost price Rs. 7500) at a proforma invoice price of 25% profit on sales to his agent Anil of Agra. On the same date Badri paid non recurring expenses of Rs. 600. On 5th Jan. Anil took delivery and paid Rs. 1200 for Octroi. On 31st January he sold 80 cases for Rs. 10500. He charged Rs. 775 as his commission. Consignment profit will be

(a) Rs. 2285

(b) Rs. 2200

(c) Rs. 2500

(d) Rs. 2000

52. If sales revenue are Rs.4,00,000, cost of goods sold is 3,10,000 and operating expenses are Rs.60,000, the gross profit is

(a) Rs. 90,000

(b) Rs. 30,000

(c) Rs. 3,40,000

(d) Rs.60,000

53. A, B and C are partners in a business sharing profits and losses in the ratio of 3:2:1. On 30th June, 2006, C retired from business, when his capital A/c after all necessary adjustments showed a balance of Rs. 10,950. It was agreed that he should be paid Rs. 4950 in cash. On retirement and the balance in three equal yearly instalments with interest at 6% per annum. Amount of last instalment with interest will be:

(a) Rs. 2120

(b) Rs. 2100

(c) Rs. 2200

(d) Rs. 2500

54. A, B and C share profit and losses in the ratio of 3:2:1. Upon admission of D they agreed to share in the ratio of 5:4:2:1 sacrificing ratio will be:

(a) $\frac{1}{12}$:NIL : NIL

(b) NIL : $\frac{1}{12}$: NIL

(c) NIL : NIL : $\frac{1}{12}$

(d) None of the three

55. Rs. 35,000 was spent on painting the new factory. It is a ______

(a) Capital expenditure

(b) Revenue expenditure

(c) Deferred revenue expenditure

(d) None of the above

56. The total cost of goods available for sale with a company during the current year is Rs. 12,00,000. Total sales during the period are Rs. 13,00,000. If the gross profit margin is

$33\frac{1}{3}$% on cost. Closing inventory of the current year will be ______

(a) Rs. 4,00,000

(b) Rs. 3,00,000

(c) Rs. 2,25,000

(d) Rs. 2,50,000

57. Opening Debtors Rs.10,200

Opening Debtors	Rs.10,200
Cash Received from debtors during the year	
(as per cash book)	Rs. 30,400
Returns Inwards	Rs. 2,700
Bad debts	Rs. 1,2 00
Debtors at end	Rs. 13,800
Cash Sales (As per cash book)	Rs. 28,400

Total Sales will be

(a) Rs. 66,300

(b) Rs. 66,000

(c) Rs. 65,000

(d) Rs. 66,500

58. A company wishes to earn 20% profit margin on selling price. Which of the following is the profit mark upon cost, which will achieve the required profit margin?

(a) 25%

(b) 30%

(c) 20%

(d) None of the above.

59. Anwar Ltd. Purchased building worth Rs. 99,00,000 and issued 12% debentures of 100 each at a premium of 10%. Premium amount will be

(a) Rs. 9,00,000

(b) Rs. 8,00,000

(c) Rs. 7,00,000

(d) Rs. 10,00,000

60. Green Ltd. Issued 5,000, 6% debentures of Rs.100 each at a discount of 5% repayable after 5 years at a premium of 5%. Total loss on issue of debentures will be ______

(a) Rs. 40,000

(b) Rs. 50,000

(c) Rs. 60,000

(d) Rs. 70,000

SECTION – B : MERCANTILE LAWS (40 MARKS)

PART –I

61. Consent is not said to be free when it is caused by
    (a) Coercion
    (b) Undue Influence
    (c) Fraud
    (d) All of these
62. Which of the following statements are correct?
    (a) In the case of fraud, the person making the representation believes it to be true.
    (b) In the case of misrepresentation, the maker does not believe it to be true.
    (c) Fraud does not afford a ground for bringing an action in tort for damages; whereas misrepresentation does.
    (d) In the case of misrepresentation, the fact the plaintiff had means of discovering the truth by exercising ordinary diligence can be good defence against the repudiation of the contract but such a defence cannot be set up in the case of fraud other then fraudulent silence.
63. Which of the following statement is true?
    (a) A contract with a minor is voidable at the option of the minor.
    (b) An agreement with a minor can be ratified after he attains majority.
    (c) A person who usually of an unsound mind cannot enter into contract even when he is of a sound mind.
    (d) A person who usually of a sound mind cannot enter into contract when he is of unsound mind.
64. On the valid of the contractual obligations by the parties, the contract
    (a) is discharged.
    (b) becomes enforceable.
    (c) becomes void
    (d) None of these.
65. Consideration in simple term means:
    (a) Anything in return.
    (b) Something in return
    (c) Everything in return
    (d) Nothing in return
66. Which of the following statement is true?
    (a) There can be a stranger to a contract
    (b) There can be a stranger to a consideration

(c) There can be a stranger to a contract & consideration

(d) None of the above

67. An agreement is void if it is opposed to public policy. Which of the following is not covered by heads of public policy?

    (a) Trading with an enemy

    (b) Trafficking in public offices

    (c) Marriage brokerage contracts

    (d) Contracts to do impossible acts

68. Ordinarily, a minor's agreement is

    (a) Voidable initio

    (b) Voidable

    (c) Valid

    (d) Unlawful

69. A contract is discharged by rescission which means the

    (a) Change in one or more terms of the contract

    (b) Acceptance of lesser performance.

    (c) Abandonment of rights by a party

    (d) Cancellation of the existing contract

70. In case of a firm carrying on the business of 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 ten 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.

71. The bidder at an action sale can withdraw his bid:

    (a) Any time during auction

    (b) Before fall of hammer

    (c) Before payment of price.

    (d) None of these

72. In case of sale on approval, the ownership is transfer to the buyer when he:

    (a) Accepts the goods

    (b) Adopts the transaction

    (c) Fails to return goods

(d) In all the above cases

73. The heir of the deceased partner
    (a) Has a right to become a partner in the firm of the deceased partner.
    (b) Does not have a right to become a partner in the firm of the deceased partner.
    (c) Can become a partner in the firm of the deceased partner only if the surviving partner give their consent in this regard.
    (d) Both (b) & (c)

74. The Sale of Goods Act, 1930 came into force on
    (a) 15th March, 1930
    (b) 30th July, 1930
    (c) 30th June,1930.
    (d) 1st July, 1930

75. An auction sale is complete on the:
    (a) Delivery of goods.
    (b) Payment of price.
    (c) Fall of hammer.
    (d) None of the above.

76. A share in a partnership be transferred like any other
    (a) Property
    (b) Goods
    (c) Currency
    (d) Investment

77. The maximum number of partners is mentioned in
    (a) The Partnership Act
    (b) The General Clauses Act
    (c) The Companies Act
    (d) The Societies Registration Act

78. Active partner is one who
    (a) Takes part in the business of the firm
    (b) Actively participates in co-curricular activities
    (c) Actively shares the profits.
    (d) Makes a show of authority.

79. A minor may be :
    (a) Admitted to the benefits of the partnership
    (b) A partner of the firm

(c) Representative of the firm
(d) Entitled to carry on the business of the firm

PART –II

80. The agent should be in possession of goods with the consent of the ________
    (a) Owner
    (b) Seller
    (c) Buyer
    (d) Principal
81. All contracts are ________
    (a) Agreement
    (b) Promises,
    (c) Set of promises
    (d) Proposals
82. Agreement with a minor is altogether ________
    (a) Void
    (b) Voidable
    (c) Illegal
    (d) enforceable
83. Delivered by acknowledgement is ________
    (a) Actual Delivery
    (b) Constructive Delivery
    (c) Symbolic Delivery
    (d) None of the above
84. Total substitution of new contract in place of old contract takes place in case of ________
    (a) Remission
    (b) Recission
    (c) Novation
    (d) Alteration
85. 'Buyer' means a person who
    (a) Buys Goods
    (b) Agrees to buy goods
    (c) Has bought goods
    (d) Buy or agrees to buy goods

86. An offer made to the public in general which anyone can accept and do the desired act is ________
   (a) General Offer
   (b) Special Offer
   (c) Cross Offer
   (d) Counter Offer
87. Contract of sale is ________
   (a) Executory Contract
   (b) Executed contract
   (c) Executory Contract or Executed Contract
   (d) None of the above
88. Quasi- Contracts arise ________
   (a) Where obligation are created without a contract
   (b) Where obligation are created under a contract
   (c) Out of natural causes
   (d) Out of man-made causes
89. Conditions and warranties ________
   (a) Must be expressed
   (b) Must be implied if not expressed
   (c) May either be expressed or implied
   (d) None of the above
90. The maxim 'delegates non protest delegate' means ________
   (a) A person whom authority has been given cannot delegate the authority to another
   (b) A person whom authority has been given can delegate the authority to another with prior permission
   (c) A person whom authority has been given to indemnify agent for injury caused by principal's neglect can be delegated
   (d) An authority can be delegated under protest by the person to whom authority has been given.
91. Goods are said to be in a deliverable state when ________
   (a) The buyer may take delivery of them
   (b) The buyer would, under contract, be bound to take delivery of them
   (c) The seller is in a position to delivery them
   (d) All of the above
92. In case of a sale the position of a buyer is that of ________
   (a) Owner of the goods
   (b) Bailee of the goods
   (c) Hirer of the goods

(d) None of the above

93. In case of an agreement to sell, subsequent loss of destruction of the goods is the liability of
    (a) The buyer
    (b) The seller
    (c) Both the buyer and the seller
    (d) The insurance company

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

95. 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

96. The liabilities of a minor when admitted to the benefits of the Partnership ________
    (a) Is confined to his share of the profits and property in the firm
    (b) Is as that of any other partner in the firm
    (c) Is similar as that of any other partner in the firm
    (d) Is unlimited

97. In case of an agreement to sell, the ownership in the goods remains with ________
    (a) The buyer
    (b) The seller
    (c) Both the buyer and seller
    (d) The Central Government or the state government, as the case may be

98. Expulsion of a partner, which is not in accordance with provisions of section 33 of the Indian partnership Act, 1932 is ________
    (a) Null and void
    (b) Null and void to some extent
    (c) Is unconstitutional
    (d) In good faith and in the interest of the partnership

PART –III

99. State whether X and Yare partners in the following circumstances:

    (a) X agrees Y to carry passengers by taxi from Delhi to Gurgaon on the followings terms, namely, Y is to pay X Rs. 100 per mile per annum, and X and Y are to share to costs of repairing and replacement of the care, and to divide equally between them the proceeds of fares received from passengers.

    (b) X and Yare co-owners of a house let to a tenant. X and Y divide the net rents (after deduction of the incidental taxes; etc.) between themselves.

    (c) X and Y buy 200 bales of cotton agreeing to share the same between them.

    (d) X and Y agree to work together as carpenters but X shall receive all profit and shall pay wages to Y.

100. An auctioneer in Mumbai advertised in a newspaper that a sale of office furniture would be held on December 23, 2005 a broker came from Hyderabad to attend the auction, but all the furniture was withdrawn. The broker from Hyderabad sued the auctioneer for loss of his time and expenses. Which of the following statement(s) is correct?

    (a) The broker can get damages from the auctioneer for loss of his time and expenses.

    (b) The broker will not get damages from the auctioneer for loss of his time and expenses.

    (c) An invitation to make offer is a valid offer.

    (d) A declaration of intention by a person will give right of action to another.

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. Which of the following statements is correct?
    (a) Robbins has made economics as a form of welfare economics
    (b) The law of demand is always true
    (c) All capital is wealth but all wealth is not capital
    (d) None of the above
102. State which of the following represents macro from the national point of view.
    (a) Turnover ratio of Reliance Ltd.
    (b) Capital output ratio of Indian Industries
    (c) Debt equity ratio of TELCO
    (d) All the above
103. Which of the following can be regarded as law of economics?
    (a) Ceteris Paribus, if the price of a commodity rises the quantity demanded of it will fall
    (b) Higher the income, greater is the expenditure
    (c) Taxes have no relation with the benefits which a person derives from the state
    (d) None of the above
104. When as a result of decrease in the price of good, the total expenditure made on it decreases we say that price elasticity of demand is:
    (a) less than unity
    (b) unity
    (c) zero
    (d) greater than unity
105. The point elasticity at the mid-point on the demand curve is:
    (a) one
    (b) zero
    (c) less than one
    (d) less than zero
106. If as a result of 50 per cent increase in all inputs, the output rises by 75 per cent, this is a case of:
    (a) increasing returns to a factor
    (b) increasing returns to scale
    (c) constant returns to a factor
    (d) constant returns to scale

107. The income of a household rises by 20 per cent, the demand for computer rises by 25 per cent, this means computer (in Economics) is a/an

(a) inferior good

(b) luxury good

(c) necessity

(d) can't say

108. Which of the following is not a property of the indifference curve ?

(a) Indifference curves are convex to the origin

(b) Indifference curves slope downwards from left to right

(c) No two indifference curve can cut each other

(d) None of the above

109. The structure of the cold drink industry in India is best described as:

(a) Perfectly competitive

(b) Monopolistic

(c) Oligopolistic

(d) Monopolistically competitive

110. If the price of apples rises from Rs. 30 per kg to Rs. 40 per kg and the supply increases from 240 kg to Rs. 300 kg. Elasticity of supply is:

(a) .77

(b) .67

(c) (–) .67

(d) (–) .77

111. Which of the statement is correct ?

(a) Land is highly mobile factor of production

(b) Man cannot create matter

(c) The services of housewife are termed as production in economics

(d) None of the above

112. Under which market structure, average revenue of a firm is equal to its marginal revenue:

(a) Oligopoly

(b) Monopoly

(c) Perfect competition

(d) Monopolistic competition

113. If a seller realizes Rs. 10,000 after selling 100 units and Rs. 14,000 after selling 120 units. What is the marginal revenue here?

(a) Rs. 4000

(b) Rs. 450

(c) Rs. 200

(d) Rs. 100

114. Under which market condition, though the firms earn normal profits in the long run, there is always excess capacity with them:

(a) Perfect competition

(b) Monopoly

(c) Oligopoly

(d) Monoplistic competition

115. Price discrimination is profitable when:

(a) the elasticity of the product in different markets is same

(b) the elasticity of the product in different market is different

(c) the elasticity of the product in different market is zero

(d) none of the above.

116. The cost of one thing in terms of the alternative given up in known as:

(a) opportunity cost

(b) real cost

(c) actual cost

(d) deffered cost

117. Which of the following statements is incorrect?

(a) Even monopolist can earn losses

(b) Firms in a perfectly competitive market are price takers

(c) It is always beneficial for a firm in the perfectly competitive market to discriminate prices

(d) Economic laws are less exact than the laws of physical sciences

118. In economics, what a consumer is ready to pay minus what he actually pays, is termed as:

(a) Consumer's equilibrium

(b) Consumer's surplus

(c) Consumer's expenditure

(d) None of the above

119. The producer is in equilibrium at a point where the cost line is:

(a) above the isoquant

(b) below the isoquant

(c) cutting the isoquant

(d) tangent to isoquant

120. If the price of 'X' rises by 10 per cent and the quantity demanded falls by 10 per cent, 'X' has:
   (a) Inelastic demand
   (b) Unit elastic demand
   (c) Zero elastic demand
   (d) Elastic demand
121. Which of the following is not an economic activity?
   (a) A son looking after his ailing mother
   (b) A chartered accountant doing his own practice
   (c) A soldier serving at the border
   (d) A former growing millets
122. If real national income rises by 10 per cent and population increases by 2 per cent, per capita income will increase by:
   (a) 5 per cent
   (b) 8 per cent
   (c) 12 per cent
   (d) 6 per cent
123. Which of the following statement is correct?
   (a) Cropping pattern in India is quite balanced
   (b) India is passing through the first stage of demographic transition
   (c) India's population is second largest in the world
   (d) None of these
124. Which sector of the Indian economy contributes the largest to national income?
   (a) Primary sector
   (b) Manufacturing sector
   (c) Secondary sector
   (d) Tertiary sector
125. Economics development is
   (a) synonymous with economic growth
   (b) narrower concept than economic growth
   (c) broder concept than economic growth
   (d) none of the above
126. Which of the following is correct:
   (a) GDP at market price = GDP at factor cost plus net indirect taxes
   (b) NNP at factor cost = GNP at market price

(c) GNP at market price = NNP at market price plus net income from abroad

(d) All of the above

127. Fiscal policy is concerned with :

(a) public revenue, public expenditure and public debt

(b) controlling the BOP situation

(c) controlling the banks

(d) none of the above

128. In order to control credit and investment, the Central Bank should:

(a) decrease Cash reserve ratio

(b) decrease Bank rate

(c) buy securities in the open market

(d) sell securities in the open market

129. Pick up the correct statement:

(a) Inflation is a persistent fall in the price level

(b) The Indian direct tax structure relies on a very narrow population base

(c) Mixed income of self-employed means gross profits received by proprietors

(d) All of the above

130. Which of the following is an economic activity?

(a) Medical facilities rendered by a charitable dispensary

(b) Teaching one's own nephew at home

(c) A housewife doing household duties

(d) Watching television

131. Which of the following statement is correct ?

(a) Income tax was abolished in India in 1991

(b) Gift tax abolished in India in 1998

(c) All the States have adopted VAT

(d) Estate duty was abolished in 1995

132. Demand for intermediate consumption arises in:

(a) household consumers

(b) government enterprises only

(c) corporate enterprises only

(d) all producing sectors of the economy

133. Transfer payments refer to payment which are made:

(a) without any exchange of goods and services

(b) to workers on transfer from one job to another
(c) as compensation to employees
(d) none of the above

134. Net National Product at factor cost is:
(a) equal to national income
(b) more than national income
(c) less than national income
(d) always more than the gross national product

135. The net value added method of measuring national income is also known as:
(a) net output method
(b) production method
(c) industry of origin method
(d) all the above

136. Which of the following is incorrect?
(a) GDP at market price = GDP at factor cost plus net indirect taxes
(b) NNP at factor cost = NNP at market prices minus net indirect taxes
(c) GNP at market prices = GDP at market prices plus net factor income from abroad
(d) None of the above

137. What is India's world rank in population?
(a) First
(b) Second
(c) Third
(d) Fourth

138. In which state or union territory is the literacy rate highest in the country?
(a) Delhi
(b) Chandigarh
(c) Karnataka
(d) Kerala

139. Which year is known as 'year of great divide' for India's population?
(a) 1921
(b) 1951
(c) 1991
(d) 1981

140. Which is the other name that is given to the average revenue curve?
(a) Profit curve

(b) Demand curve
(c) Average cost curve
(d) Indifference curve

141. A monopolist is able to maximize his profits when:
(a) his output is maximum
(b) he charges a high price
(c) his average cost is minimum
(d) his marginal cost is equal to marginal revenue

142. Which is the other name that is given to the demand curve?
(a) Profit curve
(b) Average Revenue curve
(c) Average Cost Curve
(d) Indifference Curve

143. What is the shape of the demand curve faced by a firm under perfect competition?
(a) Horizontal
(b) Vertical
(c) Positively sloped
(d) Negatively sloped

144. A horizontal supply curve parallel to the quantity axis implies that the elasticity of supply is:
(a) zero
(b) infinity
(c) equal to one
(d) greater than zero but less than one.

145. The second glass of lemonade gives lesser satisfaction to a thirsty boy, this is a clear case of:
(a) Law of demand
(b) Law of diminishing returns
(c) Law of diminishing marginal utility
(d) Law of supply

146. Which of the following statement is incorrect?
(a) An indifference curve slopes downward to the right
(b) Convexity of a curve implies that the slope of the curve diminishes as one moves from left right
(c) The elasticity of substitution between two goods to a consumer is zero
(d) The total effect of a change in the price of a good on its quantity demanded is called the price effect

147. The second chapter gives lesser satisfaction to a hungry boy. This is a clear case of:
   (a) Law of demand
   (b) Law of diminishing returns
   (c) Law of diminishing utility
   (d) Law of supply
148. Three steel plants in Bhilai Rulkela and Durgapur were set up in the
   (a) First plan
   (b) Second plan
   (c) Third plan
   (d) Fourth plan
149. About _______ per cent of the sick units in India are small units
   (a) 10 per cent
   (b) 5 per cent
   (c) 30 per cent
   (d) 98 per cent
150. Which of the following has been specifically established to meet the requirements of credit of the farmers and villagers?
   (a) ICICI Bank
   (b) Regional Rural Bank
   (c) State Bank of India
   (d) EXIM Bank

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. The class having maximum frequency is called
    (a) Modal class
    (b) Median class
    (c) Mean Class
    (d) None of these
152. The errors in case of regression equation are
    (a) Positive
    (b) Negative
    (c) Zero
    (d) All these
153. Karl Pearson's coefficient is defined from
    (a) Ungrouped data
    (b) Grouped data
    (c) Both
    (d) None
154. If P $(A \cap B) = 0$ then two events A and B are
    (a) Mutually exclusive
    (b) Equally like
    (c) Independent
    (d) Exhaustive
155. A binomial distribution is
    (a) Never Symmetrical
    (b) Never Negatively skewed
    (c) Symmetrical when $p = 0.5$
    (d) never positively skewed
156. As the sample size decreases, standard error
    (a) Increases
    (b) Decreases
    (c) Remains constant
    (d) Increases proportionately
157. Standard deviation of sampling distribution is itself the standard error
    (a) True
    (b) False

(c) Both
(d) None of these

158. Theoretically, A.M. is the best average in the construction of index nos. but in practice, mostly the G.M. is used
(a) False
(b) True
(c) Both
(d) None of these

159. The result of ODI matches between INDIA and ENGLAND follows
(a) Binomial distribution
(b) Poisson distribution
(c) Normal distribution
(d) (b) or (c)

160. If P (AB) = P (A) × P(B) two events A and B are said to be
(a) Dependent
(b) Equally like
(c) Independent
(d) None

161. Correlation Co-efficient is _______ of the units of measurements
(a) Dependent
(b) Independent
(c) Both
(d) None of these

162. log 64/8 is equal to ______
(a) log 64 – log 8
(b) 2^3
(c) 8 log 64
(d) None of these

163. If ________, the roots are real but unequal
(a) $b^2 - 4ac = 0$
(b) $b^2 - 4ac > 0$
(c) $b^2 - 4ac < 0$
(d) $b^2 - 4ac \leq 0$

164. ____________ is the mean proportional between $4p^2$ and $9q^2$
(a) 6 pq

(b) 36 pq

(c) $6p^2q^2$

(d) None of these

165. r, bxy, byx all have ____________ sign.

(a) Different

(b) Same

(c) Both

(d) None of these

166. The 8^{th} term of series 4, 8, 16 …….. is _____________.

(a) 1024

(b) 256

(c) 32

(d) 2048

167. The total no. of seating arrangement of 5 person in a row is _____.

(a) 5!

(b) 4!

(c) 2 x 5!

(d) None of these

168. In _________________ the quantities are in ratios

(a) A.M.

(b) G.M.

(c) H.M.

(d) None of these

169. The present value of Rs. 10,000 due in 2 years at 5% p.a. compound interest when the interest is paid on half yearly is Rs. _______.

(a) 9070

(b) 9069

(c) 9061

(d) 9060

170. The equation of line passing through the points (1, -1) and (3, -2) is given by ________.

(a) $2x + y + 1 = 0$

(b) $2x + y + 2 = 0$

(c) $x + y + 1 = 0$

(d) $x + 2y + 1 = 0$

171. $\text{Lim}_{x\to 3}\dfrac{x^2-9}{x-3}$ is equal to

(a) 0

(b) 6

(c) Does not exist

(d) – 6

172. The derivative of y = $\sqrt{2x+1}$ is

(a) $1/\sqrt{2x+1}$

(b) $-1/\sqrt{2x+1}$

(c) $1/2.\sqrt{2x+1}$

(d) None of these

173. $\int\frac{1}{x}dx$ is equal to

(a) x log x

(b) $\dfrac{1}{x^2}$

(c) log x + c

(d) none of these

174. If f (x)= $\dfrac{1}{x}-x$, f $\left(\dfrac{1}{2}\right)$ is

(a) 3/2

(b) 2/3

(c) 1

(d) 0

175. The sum of square of first natural numbers.

(a) $\dfrac{n}{2}(n+1)$

(b) $\dfrac{n}{6}(n+1)(2n+1)$

(c) $\left[\dfrac{n}{2}(n+1)\right]^2$

(d) None of these

176. P_{10} is the index for time

(a) 1 on 0

(b) 0 on 1

(c) 1 on 1

(d) 0 on 0

177. If a sample of 500 eggs produces 25 rotten eggs arranges, then the estimates of SE of the proportion of rotten eggs in the sample is

(a) 0.01

(b) 0.05

(c) 0.028

(d) 0.0593

178. The mode of the nos. 7, 7, 9, 7, 10, 15, 15, 15, 10 is

(a) 7

(b) 10

(c) 15

(d) 7 and 15

179. There are 11 trains plying between Delhi & Kanpur. The number of ways in which a person can go from Delhi to Kanpur and return by a different train.

(a) 121

(b) 100

(c) 110

(d) None of these

180. If in a party every person gives a gifts to each other and total number of gift taken is 132. The number of guests in the party is

(a) 11

(b) 12

(c) 13

(d) 14

181. The sum of certain numbers of terms of an AP series –6, -3, 0 …… is 225. The number of terms is

(a) 16

(b) 15

(c) 14

(d) 13

182. If each item is reduced by 12 A.M. is

(a) Reduced by 12

(b) Increased by 12

(c) Unchanged

(d) None of these

183. If x and y are perfectly related by $2x + 3y + 4 = 0$ and SD of x is 6 then SD of y is

(a) 22

(b) 4

(c) 25

(d) 8.30

184. If $f(x+1) = 2x + 7$ then $f(-2)$ is

(a) 1

(b) 2

(c) 3

(d) 4

185. The roots of the equation $4^{x+1} + 4^{1-x} = 10$ are

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

(b) 2, – 2

(c) 1, – 1

(d) None of these

186. An employer recruits experienced and fresh workmen for his firm under the condition that he cannot employ more than 12 people. It can be related by the inequality

(a) $x + y \neq 12$

(b) $x + y \leq 12$

(c) $x + y \geq 12$

(d) None of these

187. There are 5 bags of wheat weighing on an average 102 kgs and another 8 bags weighing 98 kgs on an average. What is combined mean of 13 bags.

(a) 109.54

(b) 99.54

(c) 95.54

(d) None of these

188. The standard deviation of 25, 32, 43, 53, 62, 59, 48, 31, 24, 33 is

(a) 13.23

(b) 12.33

(c) 11.13

(d) None of these

189. A bag contains 5 white and 10 blackballs. Three balls are taken out at random. Find the probability that all three balls drawn are black .

(a) 16/91

(b) 42/91

(c) 24/91

(d) None of these

190. A card is drawn from a well shuffled pack of playing Cards. Find the probability that it is a king or a Queen

(a) 1/13

(b) 1/4

(c) 2/13

(d) 2/4

191. If x and y are related as 4x + 3y + 11 = 0 and mean deviation of x is 2.70. what is mean deviation of y?

(a) 7.20

(b) 14.40

(c) 3.60

(d) None of these

192. $\int x.e^{ax}dx$ is

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

(b) $-\frac{e^{ax}}{a}$

(c) log x

(d) $\frac{e^{ax}}{a}\left(\frac{1}{a}-x\right)$

193. $\frac{d}{dx}\sqrt{\log x}$

(a) $\frac{1}{2x\sqrt{\log x}}$

(b) $2x.\sqrt{\log x}$

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

(d) $\frac{1}{x}$

194. Evaluate $\int_0^{\pi/2} \left(\frac{\sqrt[4]{\cos x}}{\sqrt[4]{\sin x} + \sqrt[4]{\cos x}} \right) dx$

(a) -1

(b) 0

(c) $\frac{\pi}{4}$

(d) 1

195. In how many ways can 7 persons be seated at a round table if 2 particular persons sit together.

(a) 420

(b) 1440

(c) 240

(d) None of these

196. Three numbers are in A.P. whose sum is 69 and the product of first two is 483. Numbers are

(a) 25, 23, 21

(b) 21, 23, 25

(c) 19, 22, 25

(d) None of these

197. The line joining (-1, 1) and (2, -2) and the line joining (1, 2) and (K, 3) are perpendicular to each other for the value of K.

(a) 2

(b) 0

(c) – 2

(d) None

198. A machine for which the useful life is estimated to be 5 years cost Rs. 5000. rate of depreciation is 10% p.a. The scrap value at the end of its life is:

(a) 2952.45

(b) 2500.00

(c) 3000.00

(d) 2559.50

199. The sum of series 8, 4, 0 …… to 50 terms is

(a) 18900

(b) 9000

(c) –4500

(d) None of these

200. The number of subset of set {2, 4, 6} is

(a) 12

(b) 8

(c) 6

(d) None of these

BOARD OF STUDIES

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT-3 / 2007

Time : 4 hours *Maximum Marks : 200*

The test is divided into four sections.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

PART-I

1. Reserve for doubtful debts account is a
   (a) Real account
   (b) Personal account
   (c) Nominal account
   (d) None of the above
2. Bank overdraft has a
   (a) Debit balance
   (b) Credit balance
   (c) Negative balance
   (d) None of the above
3. Under annuity method, interest is calculated on
   (a) Original cost
   (b) Scrap value
   (c) Written down value
   (d) None of the three

4. Journal Proper records
   (a) Bills receivables
   (b) Bills payables
   (c) Cash payments
   (d) Opening entry
5. Inventories should be out of godown in the sequence in which they arrive is based on
   (a) FIFO
   (b) LIFO
   (c) HIFO
   (d) Weighted average
6. When adjusted purchase is shown in the debit column of the trial balance then
   (a) Both opening and closing stock appear in trial balance
   (b) Opening stock is shown in trial balance and not the closing stock
   (c) Closing stock is shown in trial balance and not opening stock
   (d) Both opening and closing stock do not appear in trial balance
7. "Business unit" is separate and distinct from the person who supply capital to it is based on –
   (a) Money measurement concept
   (b) Going concern concept
   (c) Entity concept
   (d) Dual aspect concept
8. All the expenditures and receipts of revenue nature go to
   (a) Trading A/c
   (b) Profit and Loss A/c
   (c) Balance sheet
   (d) Either to (a) or (b)
9. If two or more transactions of the same nature are journalized together having either the debit or the credit account common is known as
   (a) Compound journal entry
   (b) Separate journal entry
   (c) Posting
   (d) None of the above

10. Following is not the example of external users
    (a) Government
    (b) Management
    (c) Investors
    (d) Suppliers and other creditors

PART-II

11. If effect of an error is cancelled by the effect of some other error, it is commonly known as ____________
    (a) Error of principle
    (b) Compensating errors
    (c) Error of omission
    (d) Error of commission
12. General reserve at the time of retirement of a partner is transferred to_______
    (a) Revaluation A/c
    (b) Memorandum Revaluation A/c
    (c) Partners' capital accounts
    (d) Profit & Loss Adjustment account
13. Interest on Partner's capital is ________
    (a) An expenditure
    (b) An appropriation
    (c) A gain
    (d) None of the three
14. Noting charges are paid at the time of ____________ of the bill
    (a) Retirement
    (b) Dishonour
    (c) Renewal
    (d) None of the above
15. A __________ is sent to a customer when he returns goods
    (a) Debit note
    (b) Credit note
    (c) Proforma invoice
    (d) None of the above
16. In double entry book keeping system, every transaction affects at least ____account
    (a) One

(b) Two

(c) Three

(d) Four

17. The left hand side of an account is known as _________ and the right hand side of an account is known as ________

(a) Debt side; Credit side

(b) Credit side; Debit side

(c) Liability; Asset

(d) None of the three

18. A proforma invoice is sent by

(a) Consignor to consignee

(b) Debtor to consignor

(c) Debtor to consignor

(d) Debtor to consignee

19. Profit and loss of realization account is shared among the partners in _______ ratio

(a) Old profit sharing ratio

(b) New profit sharing ratio

(c) Capital ratio

(d) Equal ratio

20. Loss on issue of debentures is treated as

(a) Intangible asset

(b) Current asset

(c) Current liability

(d) Miscellaneous expenditure

PART-III

21. Some funds are required for conducting day to day operations of an enterprise. They are represented by excess of current assets over current liabilities. Here, Current assets are those assets which are converted into cash or consumed within a years time. (Debtors and stock are examples of current assets). While current liability falls due for payment in a relatively short period, normally not more than twelve months. Such funds are termed as ______

(a) Working capital

(b) Opening capital

(c) Closing capital

(d) None of the three

22. A, B and C are partners in the firm sharing profits and losses in 5:3:2 ratio. The firm's

balance sheet as on 31.03.2006 shows the reserve balance of Rs. 25,000, profit of the last year Rs. 50,000, Joint life policy of Rs. 10,00,000 and fixed assets of Rs. 12,00,000. On 1st June, C died and on the same date assets were revalued. The executor of the deceased partner will get along with the capital of C

(a) Share in the reserve account of the firm

(b) Proportionate share of profit upto the date of death

(c) Share in joint life policy

(d) All of the above

PART IV

23. A bill of exchange matures on 16th July. It is a public holiday. Bill will mature on

(a) 17th July

(b) 15th July

(c) 16th July

(d) 18th July

24. 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

25. Trial Balance (Total method)

		Dr.	*Cr.*
S.No.	*Name of the account*	*(Rs.)*	*(Rs.)*
1	Cash account	11045	7865
2	Capital account		10000
3	Bank account	7000	100
4	Purchases account	725	
5	Sales account		950
6	Krishna	375	375
7	Salary	5	10
8	Rent Account	150	
		19300	19300

Amount of total balance according to balance method will be:

(a) Rs.10,955

(b) Rs.10,900

(c) Rs.10,000

(d) Rs.10,500

26. Trial balance containing obvious errors is given below

Name of the account	*Dr. Rs.*	*Cr Rs..*
Cost of goods sold	1,50,000	
Closing stock		40,000
Debtors		60,000
Creditors		30,000
Fixed Assets	50,000	
Opening Stock	60,000	
Expenses		20,000
Sales		2,00,000
Capital	90,000	
	3,50,000	3,50,000

Total of corrected trial balance will be

(a) Rs.3,00,000

(b) Rs.3,20,000

(c) Rs.2,90,000

(d) Rs.3,10,000

27. On Jan 1, 2001 the position of V. Mathur was as follows

Stock in hand Rs. 2400; Bills payable Rs. 400; Cash at Bank Rs. 1800; Plant and machinery Rs. 1000; Owing by debtors Rs. 500; Owing to creditors Rs. 800; Investments 2000; Loan from Raja Ram Rs. 1500.

V. Mathur's capital on the above date will be

(a) Rs. 5000

(b) Rs. 4000

(c) Rs. 6000

(d) None of the three

28. Goods worth Rs. 1000 taken by the proprietor for personal use should be credited to

(a) Sales A/c

(b) Purchase A/c

(c) Expenses A/c

(d) Proprietor's personal A/c

29. The profit and loss account shows

(a) The financial position of the concern

(b) The degree of honesty with which accounting work has been done

(c) The capital invested in business

(d) Profit earned or loss suffered by the firm

30. The trial balance checks

(a) Arithmetical accuracy of books

(b) The honesty of the book keeper

(c) The valuation of closing stock

(d) None of the three

31. Unexpired insurance is

(a) Real A/c

(b) Personal A/c

(c) Nominal A/c

(d) None of the three

32. In the beginning of 2001 person has goods worth Rs. 4000 in his godown. During the year he purchased goods worth Rs. 20,000. His sales during the year were Rs. 30,000 and there were goods still lying in his godown worth Rs. 3000. Profit has been made

(a) Rs. 9000

(b) Rs. 8000

(c) Rs. 10000

(d) Rs. 9500

33. Total sales during the year amounted to Rs. 70,000; Cash sales Rs. 10,000; Outstanding debtors at the end of the year Rs. 25,000. Cash received from debtors during the year will be

(a) Rs. 35,000

(b) Rs. 30,000

(c) Rs. 37,000

(d) Rs. 32,000

34.

Cost of goods sold	Rs.	15,00,000
Closing Stock	Rs.	4,00,000
Opening Stock	Rs.	6,00,000

Amount of Purchases will be

(a) Rs. 12,00,000

(b) Rs. 13,00,000

(c) Rs. 10,00,000

(d) Rs. 14,00,000

35. Balance as per Pass Book is Rs. 2,430

Cheques paid but not yet credited Rs. 1,390

Bank Charges entered in pass book Rs. 260

Cheques issued but not presented for payment Rs. 1,710

Balance as per Cash Book will be

(a) Rs. 2370

(b) Rs. 2500

(c) Rs. 2300

(d) Rs. 2380

36. Overdraft as per Cash Book Rs. 6,340

Cheque deposited but not credited Rs. 2,360

Cheques issued but not presented for payment Rs. 2,368

Overdraft as per Pass Book will be

(a) Rs. 6,332

(b) Rs. 6000

(c) Rs. 6300

(d) Rs. 6330

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

Opening Stock	Rs.	14,500
Purchases	Rs.	75,995
Carriage Inward	Rs.	1,700
Wages	Rs.	825
Sales	Rs.	93,750
Goods sent on Consignment	Rs.	20,000

Amount of profit will be

(a) 20730

(b) 20500

(c) 20200

(d) 21000

38. Jan. 2006 Balance of Provision for Doubtful debts Rs. 1,200

Bad debts during the year Rs. 1,000

Debtors at the end of the year Rs. 20,000

Make a provision for Bad Debts 5% on debtors Provision amount debited to P/L A/c will be

(a) Rs. 1,000

(b) Rs. 800

(c) Rs. 700

(d) Rs. 600

39. A trader purchased furniture on Jan 1, 2004 for Rs. 5,200. Its scrap value is 200 and life 10 years. Depreciate furniture according to fixed instalment method. Balance of furniture a/c at the end of third year will be

(a) Rs.3500

(b) Rs.3700

(c) Rs.4000

(d) Rs.3400

40. A seven years lease has been purchased for a sum of Rs. 60,000 and it is proposed to depreciate it under annuity method charging 4% interest. Reference to annuity table, Rs. 9996.55 should be charged to depreciation A/c. Balance of lease A/c at the end of the 1^{st} year will be

(a) Rs. 52403.45

(b) Rs. 52000

(c) Rs. 50000

(d) None of the above

41. After preparing the trial balance the accountant find that the total of the credit side is short by Rs. 1500. This difference will be -

(a) Credited to suspense account

(b) Debited to suspense account

(c) Adjusted to any of the debit balance a/c

(d) Adjusted to any of the credit balance a/c

42. On 01.12.06, X draws a bill on Y for 30 days after sight. The date of acceptance is 08.12.06. The due date of the bill will be -

(a) 8.01.07

(b) 10.01.07

(c) 11.01.07

(d) 09.10.07

43. Capital introduced in the beginning by Ram Rs. 16,080; further capital introduced during the year in the form of machinery Rs. 2000; personal expenses during the year –

Drawings in cash	Rs.	3,000
Life Insurance Premium	Rs.	250
Closing capital	Rs.	21,925

The amount of profit or loss for the year will be

(a) Profit 7095

(b) Profit 7085

(c) Loss 5000

(d) Loss 6000

44. The total of debit and credit side of Mr. Raja Ram as on 31st March, 2006 were Rs. 20,000 and Rs. 10,000 respectively. The difference was transferred to suspense A/c. On 4th April 2006, it was found that the total of sales book was carried forward as 5,000 instead of 4,000. The balance of suspense A/c after rectification of this error will be -

(a) Rs.11,000

(b) Rs. 10,000

(c) Rs. 9,000

(d) Rs. 12,000

45. The total of 'Discount allowed' column in the cash book for the month of September, 2006 amounting to Rs. 250 was not posted Rectifying entry for the same will be -

(a) Suspense A/c Dr 250; To Discount A/c 250

(b) Discount A/c Dr. 250; To Suspense A/c 250

(c) Discount A/c Dr. 250; To Customer A/c 250

(d) None of the three

46. Closing entry for transfer of Net profit Rs. 6300 to capital A/c will be

(a) Capital A/c Dr 6300; To P/L A/c 6300

(b) P/L A/c Dr. 6300; To Capital A/c 6300

(c) Trading A/c Dr. 6300; to P/L A/c 6300

(d) None of the three

47. Gross profit is the difference between

(a) Sales and purchases

(b) Sales and cost of sales

(c) Sales and total expenses

(d) None of the three

48. Credit balances in the ledger will be
   (a) A revenue or an asset
   (b) An expense or on asset
   (c) A revenue or a liability
   (d) None of the three
49. Miss Rakhi consigned 1,000 Radio sets costing Rs. 900 each to Miss Gita, her agent on July 1, 2006. Miss Rakhi incurred the following expenses.

Carriage	Freight	Insurance
Rs. 650	Rs. 7,000	Rs. 3,250

   Miss Gita received the delivery of 950 radio sets. 750 sets were sold for Rs. 9,00,000 and Miss Gita incurred total expenses Rs. 13,000. Agents commission 6% on sales. Insurance company admitted claim of Rs. 35,000. Consignment stock was valued Rs. 1,84,391. Consignment Profit will be -
   (a) 152036
   (b) 152000
   (c) 150000
   (d) None of the three
50. Amount spent on "Structural alterations" under pressure of law is a
   (a) Capital expenditure
   (b) Revenue expenditure
   (c) Deferred revenue expenditure
   (d) Capital loss
51. Goodwill is to be calculated at one year's purchase of the average of the last 3 years profit. The profit of the first year was Rs. 6,000, second year twice the profit of the first year and the third year one and half times of the profit of the second year goodwill amount will be -
   (a) Rs.10,000
   (b) Rs.12,000
   (c) Rs.11,000
   (d) Rs.13,000
52. A, B and C share the profit losses in the ratio of 3:2:1. D is admitted. He gets $\frac{1}{6}$ in share entirely from A. New ratio will be
   (a) $\frac{1}{3}:\frac{1}{3}:\frac{1}{6}:\frac{1}{6}$
   (b) 3:1:1:1

(c) 2:2:2:1

(d) None of the three

53. A, B and C share profit and losses in the ratio of 3:2:1 upon admission of D. They agreed to share 5:4:2:1 sacrificing ratio will be

(a) 1/12:NIL:NIL

(b) NIL:1/12:NIL

(c) NIL: NIL:1/12

(d) None of the three

54. A, B and C entered into a joint venture with equal risks contributing Rs. 20,000, Rs. 27,500 and Rs. 35,000 respectively. The amounts were banked in a joint account. Joint Transactions were as follows:

Purchase of goods	Rs.	66,600
Expenses on goods purchased	Rs.	6,629
Total sales	Rs.	89,000

C, who effected these transactions, was allowed 6% commission on sales. Profit on joint venture will be -

(a) Rs. 10,431

(b) Rs. 10,000

(c) Rs. 11,000

(d) Rs. 12,000

55. Gopal was holding 100 shares of 10 each of a company on which he had paid Rs. 3 on application and Rs. 2 allotment, but could not pay Rs. 2 on first call. Forfeited shares a/c will be credited with

(a) Rs. 500

(b) Rs. 400

(c) Rs. 600

(d) None of the three

56. A Ltd. makes an issue of 10,000 equity shares of Rs. 100 each, payable as follows –

On application and allotment	Rs.	50
On first call	Rs.	25
On second and final call	Rs.	25

Members holding 400 shares did not pay the second call and the shares are duly forfeited, 300 of which are reissued as fully paid at Rs. 80 per share. Amount transferred to capital reserve will be

(a) 16,500

(b) 15,000

(c) 15,000

(d) None of the three

57. The following information pertains to X Ltd.

(1)	Equity share capital called up	Rs.	10,00,000
(2)	Calls in arrear	Rs.	50,000
(3)	Calls in advance	Rs.	20,000
(4)	Proposed dividend		10%

The amount of proposed dividend payable is

(a) 95,000

(b) 90,000

(c) 98,000

(d) 1,00,000

58. X Ltd. purchased the business of Y Ltd. for Rs. 90,000 payable in fully paid shares of 10 each; shares were issued at a premium of 25%. Number of shares issued against purchased consideration will be –

(a) 6,000 shares

(b) 7,200 shares

(c) 8,000 shares

(d) 7,000 shares

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. X Ltd. purchased assets of Y Ltd. as under –

Plant and machinery of Rs. 20,00,000 at Rs. 18,00,000; Land and building of Rs. 30,00,000 at Rs. 42,00,000 for purchase consideration of Rs. 55,00,000 and paid Rs. 10,00,000 in cash and remaining by issue of 8% debentures of 100 each at a premium of 20%. No. of debentures issued to vendors will be

(a) 37,000

(b) 37,500

(c) 35,500

(d) 38,000

SECTION – B : MERCANTILE LAWS (40 MARKS)

PART -I

61. Contracts may be classified on the basis of their validity, formation or performance. Contracts classified on the basis of formation are of the following types:
    (a) Express contracts.
    (b) Implied contracts.
    (c) Quasi contracts.
    (d) All of the above.
62. Which of the following statement is false, Consideration:
    (a) Must move at the desire of the promisor
    (b) May move from any person.
    (c) Must be illusory.
    (d) Must be of some value.
63. Generally, the following damages are not recoverable?
    (a) Ordinary damages.
    (b) Special damages.
    (c) Remote damages.
    (d) Nominal damages.
64. A contract is discharged by novation which means the
    (a) cancellation of the existing contract.
    (b) change in one or more terms of the contract.
    (c) Substitution of existing contract for a new one.
    (d) None of these.
65. One the valid performance of the contractual obligation by the parties, the contract
    (a) Is discharged.
    (b) becomes enforceable.
    (c) becomes void.
    (d) None of these.
66. An offer may lapse by:
    (a) Revocation
    (b) Counter offer.
    (c) Rejection of offer by offeree.
    (d) All of these
67. In case of illegal agreements, the collateral agreements are:
    (a) Valid

(b) Void

(c) Void able

(d) Any of these.

68. Which of the following is false? An acceptance:

(a) Must be communicated.

(b) Must be absolute and unconditional.

(c) Must be accepted by a person having authority to accept.

(d) May be presumed from silence of offeree

69. Which of the following statements is not true about minor's position in a firm?

(a) He cannot become a partner in an existing firm.

(b) He can become a partner in an existing firm.

(c) He can be admitted only to the benefits of any existing a major.

(d) He can become partner on becoming a major.

70. A contract for a sale of goods where property would pass to the buyer on payment of total price would be;

(a) Sale

(b) Agreement to sell

(c) hire-purchase contract.

(d) Sale on approval.

71. The Sale of Goods Act, 1930 deals with the

(a) movable goods only.

(b) immovable goods only.

(c) both movable and immovable goods.

(d) All goods except ornaments.

72. Selection of goods with the intention of using them in performance of the contract and with the mutual consent of the seller and the buyer is known as

(a) Distribution

(b) Appropriation

(c) amortization.

(d) Storage

73. Mercantile Agent is having an authority to

(a) sell and consign goods.

(b) raise money on the security of goods.

(c) sell or buy goods.

(d) any of the above.

74. Which of the following is not a form of delivery?
    (a) constructive delivery.
    (b) structured delivery.
    (c) actual delivery.
    (d) symbolic delivery.
75. Under sale of goods Act, 1930 the terms "goods" means every kind of the movable property and it includes
    (a) Stock and share
    (b) Growing crops, grass
    (c) Both (a) and (b)
    (d) None of the above
76. Which of the following is correct:
    (a) Liability of a partner in a partnership firm is unlimited.
    (b) Liability of a member of a HUF is unlimited.
    (c) Both the above.
    (d) None of the above.
77. Which of the following is not the right of a partner i.e, which he cannot claim as a matter of right?
    (a) Right to take part in business
    (b) Right to have access to account books.
    (c) Right to share profits.
    (d) Right to receive remuneration.
78. On which of the following grounds, a partner may apply to the court for dissolution of the firm?
    (a) Insanity of a partner
    (b) Misconduct of a partner
    (c) Perpetual losses in business
    (d) All of the above.
79. Which of the following is not disability of an unregistered firm?
    (a) It can not file a suit against third parties
    (b) Its partners cannot file a suit against a firm
    (c) It can claim a set-off exceeding Rs. 100.
    (d) It can be sued by a third party.

PART –II

80. A Hindu widow borrowed money from a lender for the purpose of filling a suit for maintenance. The lender advanced money at 100 percent rate of interest. The act of the money lender is induced by
    (a) coercion
    (b) Undue Influence
    (c) Fraud
    (d) Misrepresentation
81. A mistake as to a law not in force in India has the same effect as ________
    (a) Mistake of fact
    (b) Mistake of India law
    (c) fraud
    (d) misrepresentation
82. A stipulation in a contract of sale of goods whose violation by seller gives a right of rescission to buyer, is called ________
    (a) Guarantee
    (b) warranty
    (c) condition
    (d) term.
83. The communication of an acceptance is complete as against 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 acceptor declare the acceptance
    (d) When the acceptor accepts his acceptance in court of law
84. Every person attains majority an completion of ________ years of age
    (a) 21 years
    (b) 18 years
    (c) 16 years
    (d) 20 years
85. Doctrine of Caveat Emptor means ________
    (a) let the seller beware.
    (b) let the buyer beware.
    (c) let the creditor beware.
    (d) None of the above

86. The essence of a right of lien is to ________

(a) deliver the goods.

(b) retain the possession.

(c) regain the possession

(d) none of the above

87. Discharge by mutual agreement may involve ________

(a) Novation

(b) Recission

(c) Alteration

(d) All of the above

88. Where the goods are delivered to a carrier or wharfinger for the purpose of transmission to the buyer, the delivery is ________

(a) Invalid and ineffective

(b) Valid and effective

(c) Conditional

(d) None of these

89. ________ consideration is no consideration in England.

(a) Past

(b) Present

(c) Future

(d) Past and present

90. The relationship of principal and agent may arise by ________

(a) Express or implied agreement

(b) Ratification

(c) Operation of law

(d) All of the above

91. A contract for the sale of "future goods" is ________

(a) Sale

(b) Agreement to sell

(c) Void

(d) Hire-purchase contract

92. Right of an unpaid seller include ________

(a) Right against the law

(b) Right in stoppage in transit

(c) Right of re-sale

(d) All of the above

93. A stipulation in a contract of sale of goods whose violation by seller gives a right of rescission to buyer, is called ________
    (a) Guarantee.
    (b) Warranty.
    (c) Condition.
    (d) Term.

94. Total substitution of new contract in place of the old contract takes place in case of ________
    (a) Remission
    (b) Recission
    (c) Novation
    (d) Alteration

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 partner may be expelled from the firm on the fulfillment of the condition that the expulsion power is exercised ________
    (a) As given by express contract
    (b) By majority of partners
    (c) In absolute good faith
    (d) All of the above.

97. Right of lien is to ________
    (a) Retain possession
    (b) Regain possession
    (c) Remove possession
    (d) Recharge possession

98. Partner by holding out is also known as ________
    (a) Active Partner
    (b) Dormant partner
    (c) Partner by estoppel
    (d) Partner by stoppage

PART -III

99. Under which circumstances the unpaid seller can exercise right of re-sale
    (a) when the goods are of perishable nature.
    (b) when he gives notice to the buyer
    (c) When he gives notice to the buyer of his intention to re-sale and the buyer does not within reasonable time pay the price.
    (d) Both (a) and (b)

100. A timber merchant agreed to supply best teak at a certain agreed price to a builder. Later the merchant supplied timber, which was identified as ordinary class of timber and demanded the payment from the builder which of the following statements is/are true?
    (a) Builder can reject the goods can claim damages.
    (b) Builder has accept the goods.
    (c) Builder has to pay the price by taking delivery of teak wood.
    (d) Timber merchant cannot plead the doctrine of caveat emptor.

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. Which of the following is not an essential condition of pure competition?
    (a) Large number of buyers and sellers
    (b) Homogeneous product
    (c) Freedom of entry
    (d) Absence of transport cost

102. Which of the following is not a characteristic of a "Price taker"?
    (a) TR = PXQ
    (b) AR = Price
    (c) Negatively – sloped demand curve
    (d) Marginal Revenue = Price

103. Which of the following is not a condition of perfect competition ?
    (a) A large number of firms
    (b) Perfect mobility of factors
    (c) Informative advertising to ensure that consumers have good information
    (d) Freedom of entry and exit into and out of the market

104. All of the following are characteristics of a monopoly except?
    (a) there is a single firm
    (b) the firm is a price taker
    (c) the firm produces a unique product
    (d) the existence of some advertising

105. A monopolist is able to maximize his profits when:
    (a) his output is maximum
    (b) he charges a high price.
    (c) his average cost is minimum
    (d) his marginal cost is equal to marginal revenue.

106. Which is the other name that is given to the long run average cost curve?
    (a) profit curve
    (b) planning curve
    (c) demand curve
    (d) indifference curve

107. Price discrimination will be profitable only if the elasticity of demand in different market in which the total market has been divided is:

(a) uniform

(b) different

(c) less

(d) zero

108. The kinked demand curve model of oligopoly assumes that:

(a) response to a price increase is less than the response to a price decrease

(b) response to a price increase is more than the response to a price decrease

(c) elasticity of demand is constant regardless of whether price increases or decreases

(d) elasticity of demand is perfectly elastic if price increases and perfectly inelastic if price decreases

109. Agricultural goods markets depict characteristics close to:

(a) Perfect competition

(b) Oligopoly

(c) Monopoly

(d) Monopolistic competition

110. Which of the statements is correct?

(a) The tertiary sector contributes the maximum to the GDP.

(b) India is a basically a socialist economy

(c) The distribution of income and wealth in India is quite equitable

(d) None of the above

111. NABARD is the apex bank for ___________ credit in India.

(a) real estate

(b) small scale industries

(c) agriculture

(d) none of the above

112. The share of agriculture in India's national income has __________ over the years.

(a) remained constant

(b) decreased

(c) increased

(d) first decreased and then increased

113. Which is of the following is incorrect?
   (a) Special schemes have been started to promote agro-products.
   (b) India has been a big importer of food grains especially since 1990s.
   (c) High yielding varieties programme has resulted in improvement in production and productivity of food grains in India
   (d) None of the above

114. Agriculture sector faces the problem of:
   (a) slow and uneven growth
   (b) inadequate and incomplete land reforms
   (c) inadequate finance
   (d) all of the above

115. The Tenth plan aims at achieving a growth rate of ________ in the industrial sector.
   (a) 5 per cent
   (b) 8 per cent
   (c) 10 per cent
   (d) 6 per cent

116. Which of the following statements is correct?
   (a) The industrial pattern on the eve of independence was quite balanced
   (b) During the planning period the structure of Indian industry has shifted in favour of basic and capital goods and intermediate goods.
   (c) Most of the big industrial units in India are sick.
   (d) None of the above

117. Over the planning period the share of industrial sector in the GDP of India has __________
   (a) increased
   (b) decreased
   (c) remained constant
   (d) remained above 50 per cent

118. India has the ____________ largest scientific and technical manpower in the world
   (a) Fifth
   (b) Tenth
   (c) Eighth
   (d) Second

119. Demand for final consumption arises in:
   (a) household sector only
   (b) government sector only
   (c) both household and government sectors
   (d) neither household for government sectors
120. Which of the following is an economic activity ?
   (a) Playing friendly cricket match
   (b) Teaching one's own daughter at home
   (c) Manufacturing chairs at subsidised rate
   (d) A housewife doing household duties
121. Per capita national income means
   (a) NNP / population
   (b) Total capital / population
   (c) Population / NNP
   (d) None of the above
122. India's rank in world Population comes after _____
   (a) U.S.A.
   (b) China
   (c) Australia
   (d) Canada
123. In which state is the sex ratio most favourable to women?
   (a) Andhra Pradesh
   (b) Uttar Pradesh
   (c) Kerala
   (d) Karnataka
124. India's present population is:
   (a) more than that of China
   (b) less than that of China
   (c) less than that of Pakistan
   (d) less than that of England
125. NTPC stands for:
   (a) National Thermal Power Corporation

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

126. Which of the following is correct in relation to banks in the post reform period?
(a) Bank rate has been increased to 10 per cent
(b) CRR has been increased to 8 per cent
(c) CRR has been reduced in stages
(d) Public sector banks have been asked to raise their funds from their private resources only

127. _______________ refers to disposal of public sector's units in equity in the market.
(a) Globalisation
(b) Privatisation
(c) Disinvestment
(d) Liberalisation

128. Population per bank in India is :
(a) around 5000
(b) around 20000
(c) around 16000
(d) around 45000

129. Commercial banks suffer from :
(a) regional imbalances
(b) increasing overdues
(c) lower inefficiency
(d) all the above

130. Money includes
(a) currencies and demand deposits
(b) bonds, government securities
(c) equity shares
(d) all of the above.

131. M1 in the money stock in India refers to:
(a) post office saving deposits
(b) total post office deposits
(c) currency plus demand deposits plus other deposits with RBI

(d) time deposits with banks

132. Which of the following is not a characteristic of land?
    (a) Its supply for the economy is limited
    (b) It is immobile
    (c) Its usefullness depends on human efforts
    (d) It is produced by our forefathers

133. Which of the following statements is true ?
    (a) Accumulation of capital depends solely on income
    (b) Savings can also be affected by the state
    (c) External economies go with size and internal economics with location
    (d) The supply curve of labour is an upward slopping curve

134. The marginal product of a variable input is best described as:
    (a) total product divided by the number of units of variable input
    (b) the additional output resulting from a one unit increase in the variable input
    (c) the additional output resulting from a one unit increase in both the variable and fixed inputs
    (d) The ratio of the amount of the variable input that is being used to the amount of the fixed input that is being used.

135. Diminishing marginal returns imply
    (a) decreasing average variable costs
    (b) decreasing marginal costs
    (c) increasing marginal costs
    (d) decreasing average fixed costs

136. To economists, the main difference between the short run and the long run is that:
    (a) in the short run all inputs are fixed, while in the long run all inputs are variable
    (b) in the short run the firm varies all of its inputs to find the least cost combination of inputs
    (c) in the short-run, at least one of the firm's input levels is fixed
    (d) in the long run, the firm is making a constrained decision about how to use existing plant and equipment efficiently

137. Which cost increases continuously with the increase in production?
    (a) Average cost
    (b) Marginal cost
    (c) Fixed cost

(d) Variable cost

138. In the short run, when the output of firm increases, its average fixed cost:

(a) increases

(b) decreases

(c) remains constant

(d) first declines and then rises

139. Which of the following is an example of an "explicit cost"?

(a) The wages a proprietor could have made by working as an employee of a large firm

(b) The income that could have been earned in alternative uses by the resources owned by the firm

(c) The payment of wages by the firm

(d) The normal profit earned by a firm.

140. 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

141. Which of the following is not a determinant of the firm's cost function?

(a) The production function

(b) The price of labour

(c) Taxes

(d) The price of the firm's output

142. A firm's average total cost is Rs. 300 at 5 units of output and Rs. 320 at 6 units of output the marginal cost of producing the 6^{th} unit is:

(a) Rs. 20

(b) Rs. 120

(c) Rs. 320

(d) Rs. 420

143. Which of the following is a function of an entrepreneur?

(a) Initiating a business enterprise

(b) Risk bearing

(c) Innovating

(d) All of the above

144. The law of scarcity

(a) does not apply to rich, developed countries

(b) applies only to the less developed countries

(c) implies that consumers wants will be satisfied in a socialistic system

(d) implies that consumers wants will never be completely satisfied

145. Who expressed the view that "economics is neutral between end"?

(a) Robbins

(b) Marshall

(c) Pigou

(d) Adam Smith

146. An example of positive economic analysis would be:

(a) an analysis of the relationship between the price of food and the quantity purchased

(b) determining how much income each person should be granted

(c) determining the fair price for food

(d) deciding how to distribute the output of the economy

147. Which of the following does not suggest a macro approach for India ?

(a) Determining the GNP of India

(b) Identifying the causes of inflation in India

(c) Finding the causes of failure of X and Co.

(d) Analyse the causes of failure of industry in providing large scale employment

148 What is one of the future consequences of an increase in the current level of consumption in the India

(a) Slower economic growth in the future.

(b) Greater economic growth in the future

(c) No change in our economic growth rate

(d) Greater capital accumulation in the future

149. Capital intensive technique would get chosen in a :

(a) labour surplus economy

(b) capital surplus economy

(c) developed economy

(d) developing economy

150. Consider the following and decide which if any economy is without scarcity:

(a) The pre-independent Indian Economy, where most people were farmers

(b) A mythical economy where everybody is a billionaire

(c) Any economy where income is distributed equally among its people

(d) None of the above

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. Representation of data is done by
   (a) Diagrams
   (b) Pictures
   (c) Charts
   (d) All these

152. Ogive is a
   (a) Line diagram
   (b) Bar diagram
   (c) Both
   (d) None of these

153. Which result is true?
   (a) HM $\le$ GM $\le$ AM
   (b) HM $\ge$ GM $\ge$ AM
   (c) HM < GM < AM
   (d) GM > AM > HM

154. The range of 12, 15, 17, 9, 21, 25
   (a) 3
   (b) 16
   (c) 25
   (d) 12

155. Median is effected by extreme valves
   (a) True
   (b) False
   (c) Both
   (d) None of these

156. In a scatter diagram, if the plotted points lie on a single line, then the correlation is:
   (a) Perfect positive
   (b) Perfect negative
   (c) Both (a) and (b)
   (d) Either (a) or (b)

157. For any two events A and B
   (a) $P(A \cap B) < P(A) + P(B)$
   (b) $P(A \cap B) > P(A) + P(B)$

(c) $P(A \cap B) \leq P(A) + P(B)$

(d) $P(A \cap B) \geq P(A) + P(B)$

158. The mode and mean of a normal distribution

(a) May be equal

(b) May be different

(c) Are always equal

(d) (a) or (b)

159. A statistic is described as

(a) A function of sample observation

(b) A function of population units

(c) A characteristic of a population

(d) A part of population

160. The index no. is not a special type of average

(a) False

(b) True

(c) Both

(d) None of these

161. Fisher's ideal formula does not satisfy _______ test.

(a) Unit test

(b) Circular test

(c) Time reversal test

(d) None of these

162. Under Algebric method we get _____ Linear equations

(a) Two

(b) Three

(c) One

(d) None of these

163. 24, 32, ___________,. 40 are in proportion.

(a) 25

(b) 20

(c) 30

(d) None of these

164. $\log_3 \log_3 27$ is equal to _______

(a) 0

(b) -1

(c) 3

(d) 1

165. If ______________, the roots are imaginary .

(a) $b^2 - 4\ ac = 0$

(b) $b^2 - 4\ ac > 0$

(c) $b^2 - 4\ ac < 0$

(d) $b^2 - 4\ ac \geq 0$

166. The letters of the words ALLAHABAD and INDIA are arranged in all possible ways. The ratio of the number of these arrangement is ________________

(a) $\lfloor\underline{9} : \lfloor\underline{5}$

(b) 126:1

(c) 1:1

(d) 2:5

167. The 13th term of series 93, 90, 87 ….. is ________

(a) 57

(b) – 54

(c) 50

(d) 54

168. Rs. 3,52,000 will produce Rs. 28,600 interest in ___________ years at 2.5% p.a. simple interest.

(a) 2 years 2 months

(b) 3 years 3 months

(c) 4 years 4 months

(d) 5 years 5 months

169. The mean of binomial distribution with parameters n and p is ________

(a) n(1-p)

(b) np(1-p)

(c) np

(d) $\sqrt{np(1-p)}$

170. If P(A) = 6/9 then the odds against the event is ________

(a) 3/9

(b) 6/3

(c) 3/6

(d) 3/15

171. $\lim_{x \to 2} \dfrac{\sqrt{3-x} - 1}{2-x}$ is equal to

(a) 1/2

(b) 2

(c) 0

(d) does not exist

172. The derivative of y = log x^x is

(a) 1/x

(b) log x

(c) 1/x. log x

(d) 1 + log x

173. $\int \dfrac{dx}{e^x + 1}$ is equal to

(a) – log (1+e^x) + K

(b) $(e^x+1)^{-2}$ + K

(c) $\dfrac{1}{1+e^x} + K$

(d) None

174. If f(x) = 2x + 3 then f(2x) – 2f(x)+3 is equal to

(a) 1

(b) 0

(c) –1

(d) None of these

175. Which term of series 3, $\sqrt{3}$, 1, $\dfrac{1}{\sqrt{3}}$ ..... is $\dfrac{1}{243}$?

(a) 13

(b) 14

(c) 15

(d) 12

176. Fisher's ideal idex no. is equal to

(a) Laspeyse's index x Pasche's is Index

(b) $\sqrt{\text{Laspeyre's Index} \times \text{Pasche's Index}}$

(c) $\frac{\sum P_0 q_1}{\sum P_1 q_1}$

(d) None of these

177. A sample of 100 gave a mean of 7.4 kg and a standard deviation of 1.2 kg. Find 95% confidence limits for population mean.

(a) 7.164 and 7.635

(b) 5.164 and 5.635

(c) 4.001 and 5.001

(d) None of these

178. A dice is tossed thrice, if getting a four is considered a success, find the variance of probability distribution of number of success.

(a) 1/2

(b) 1/4

(c) 5/12

(d) 7/12

179. A pair of dice is rolled. If the sum on the dice is 9. Find the probability that one of dice showed 3.

(a) 1/9

(b) 1/4

(c) 1/2

(d) 1

180. The two regression lines obtained from certain data were y = x + 5 and 16 x = 9y – 94. Find the variance of x if variance of y is 16.

(a) 4/16

(b) 9

(c) 1

(d) 5/16

181. If ${}^{n}P_{13} : {}^{n+1}P_{12} = 4:3$ then value of n is

(a) 15

(b) 14

(c) 13

(d) 12

182. In a group of 23 children 10 drink tea but not coffee and 15 like tea. The number of children drinking coffee but not tea is

(a) 6

(b) 7

(c) 8

(d) 9

183. In a GP series the product of first three term is 729/8. The middle term is

(a) 3/2

(b) 9/2

(c) 2/9

(d) None of these

184. In how many ways 5 physics, 3 chemistry and 3 maths books be arranged keeping the books of the same subject together.

(a) 5! X 3! X 3!

(b) 5 P3

(c) 5! X 3!

(d) 5! X 3! X 3! X 3

185. If a loan of Rs. 50,000 is paid back in equal instalments for 20 years and 10% interest on balance loan. What will be equal instalment .

(a) 5872.98

(b) 5000.00

(c) 4999.98

(d) None of these

186. The lines $x - y - 3 = 0$, $3x - 2y - 5 = 0$ and $4x - 3y - 20=0$ are

(a) concurrent

(b) Not concurrent

(c) Parallel to each other

(d) Perpendicular to each other

187. Solving equation $3x^2 - 2x - 16=0$ we get root as

(a) $-2, 8/3$

(b) 2, 3/8

(c) ± 2

(d) None of these

188. If a number of which the half is greater than 1/10th of number by 20 then the number is

(a) 50

(b) 40

(c) 80

(d) None of these

189. Sum of three numbers in A.P. is 12 and the sum of their cube is 408. The numbers are

(a) 3, 4, 5

(b) 1, 4, 7

(c) 2, 4, 6

(d) None of these

190. The number of subset of a set containing n element is:

(a) 2n

(b) 2^n

(c) 2^{-n}

(d) None of these

191. Wages of 8 workers expressed in Rs. as follows – 80, 96, 51, 72, 67, 50, 70. find Coefficient of range.

(a) 30.5

(b) 35.3

(c) 31.00

(d) 31.51

192. $\int e^{px}\,dx$ is equal to

(a) e^x

(b) e^{px} / p

(c) log x

(d) None of these

193. Evaluate $\int_{-3}^{3}(x^3 + x)\,dx$

(a) 0

(b) 3

(c) –3

(d) 1

194 If Arithmetic Mean and coefficient of variation of x are 5 and 20 respectively. What is the variance of (15-2x)?

(a) 16

(b) 2

(c) 64

(d) 32

195. If $y = e^x - e^{-x}$ the $\frac{dy}{dx} - \sqrt{y^2 + 4}$ is equal to

(a) 1

(b) -1

(c) 0

(d) None of these

196. 6 seats of articled clerks are vacant in a 'Chartered Accountant firm'. How many different batches of candidates can be chosen out of 10 candidates if one candidate is always selected.

(a) 124

(b) 125

(c) 126

(d) None of these

197. The A.M. between two numbers is 34 and their G.M. is 16 the numbers are

(a) 4, 64

(b) 4, 32

(c) 32, 64

(d) None of these

198. For a group of 8 students the sum of squares of differences in ranks for Accounts and Economics marks was found to be 50. What is the rank correlation coefficient.

(a) 0.50

(b) 0.40

(c) 0.30

(d) 0.20

199. A sum of money triples itself in 20 years. The number of years it would double itself.

(a) 25 years

(b) 15 years

(c) 10 years

(d) None of these

200. The value of $(\log_b a \times \log_c b \times \log_a c)^5$ is equal to

(a) 5

(b) 0

(c) 1

(d) None of these

BOARD OF STUDIES

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT-4 / 2007

Time : 4 hours *Maximum Marks : 200*

The test is divided into four sections.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

PART-I

1. Commission received in advance account has a
   (a) Credit balance
   (b) Debit balance
   (c) Negative balance
   (d) None of the above
2. Insurance unexpired account is a
   (a) Personal account
   (b) Real account
   (c) Nominal account
   (d) None of the above
3. On March 31, 2006 Narain Enterprises purchased a loader from Laxmi Motors for Rs. 1,75,000. This is -
   (a) An event
   (b) A transaction
   (c) A transaction as well as an event
   (d) Neither a transaction under an event

4. A sum of Rs. 1,10,000 was spent on painting the new factory. It is a
   (a) Capital expenditure
   (b) Deferred revenue expenditure
   (c) Revenue expenditure
   (d) None of the above.
5. What is the order in which the accounting transactions and events are recorded in the books:
   (a) Journal, subsidiary books, P/L A/c and Ledger
   (b) Ledger, Journal, Balance Sheet and Profit and Loss A/c
   (c) Journal, Ledger P/L A/c and balance sheet
   (d) P/L A/c Ledger and Balance sheet
6. Cash discount allowed to a debtor should be credited to
   (a) Discount account
   (b) Customers account
   (c) Sales account
   (d) None of the above
7. B/R is a
   (a) Current asset
   (b) Fixed asset
   (c) Tangible asset
   (d) Intangible asset
8. Which of the following account will have debit balance?
   (a) Reserve for doubtful debts account
   (b) Outstanding wages
   (c) Capital account (Machinery brought in business)
   (d) Loan to contractor
9. Which of the following error is an error of principle?
   (a) Wages paid to Ram has been debited to his account
   (b) The total of purchase journal has not been posted to purchase A/c
   (c) Sales to X Rs. 20, posted to his A/c as Rs. 2
   (d) Furniture purchased on credit from Nigam for Rs. 300 posted to Machinery Account

10. A bill has been drawn on 26.02.2006 payable after 90 days. The due date of the bill will be -

   (a) 30.05.2006

   (b) 29.05.2006

   (c) 28.05.2006

   (d) 27.05.2006

PART-II

11. Balance of goods sent on consignment account is transferred to -

   (a) Profit & loss account

   (b) Trading account

   (c) P/L appropriator account

   (d) None of the three

12. Memorandum joint venture account is prepared

   (a) When separate set of joint venture books is prepared

   (b) When each co-venture keeps records of all the joint venture transactions himself.

   (c) When each Co-venture keeps records of their own joint venture transactions

   (d) None of the above.

13. In case of Del Credere Commission is provided by consignor to consignee, bad debt is a loss of

   (a) Consignee

   (b) Consignor

   (c) Both consignor and consignee

   (d) Neither of the two

14. The party who sends the goods for sale on fixed commission basis is

   (a) Consignee

   (b) Consignor

   (c) Drawee

   (d) Drawer

15. 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) Goodwill

(d) Premium for goodwill

16. Discounting, endorsement and collection of bills of exchange is made by

    (a) Drawer

    (b) Drawee

    (c) Bank

    (d) Creditor

17. Sales returns appearing in the trial balance are deducted from

    (a) Capital

    (b) Sales

    (c) Purchases

    (d) none of the three

18. Drawings are deducted from

    (a) Sales

    (b) Purchases

    (c) Expenses

    (d) Capital

19. The trial balance of M/s Narain Manufacturers shows closing stock of Rs. 30,000. It will be recorded in

    (a) Trading account

    (b) Profit and loss account

    (c) Profit and loss appropriation A/c

    (d) Balance Sheet

20. Purchase of fixed assets on credit basis is recorded in

    (a) Purchase Book

    (b) Cash Book

    (c) Journal Proper

    (d) None of the above

PART-III

21. A company issued 25,000 equity shares of Rs. 100 each at a premium of Rs. 15 each payable as Rs. 25 on application. Rs. 40 on allotment and balance in the first call. The applications were received for 75,000 equity shares but the company, issued to them only 25,000 shares on pro-rata basis. Excess money was refunded to them. The last call

on 500 shares were not received and were forfeited after due notice. Above is the case of

(a) over subscription

(b) pro-rata allotment

(c) Forfeiture of shares

(d) All of the above.

22. A places an order to B for supply of certain goods yet to be manufactured. On receipt of order B purchases raw material, employs workers, produces the goods and delivers them to A. In this case, sale will be presumed to have been made at the time of

(a) Receipt of order

(b) Production of goods

(c) Delivery of goods.

(d) Purchase of raw material.

PART IV

23. Ramesh drew a 45 days bill on Komal on 25th Jan. 2007. The bill falls due on

(a) March 14

(b) Feb. 28

(c) March 10

(d) None of the three.

24. Birbal drew a three month bill on Satyapal for Rs.5,000. On due date Satyapal approached Birbal to renew the bill for another month @ 12% p.a. Amount of the new bill will be

(a) Rs.5,000.

(b) Rs.5,050.

(c) Rs.4,050.

(d) None of the three.

25. Preet accepted a 90 days bill of Rs. 10,000 drawn by Jeet on 05.02.2006. On 13.03.2006, Preet wished to retire the bill. Jeet offered rebate @ 12% p.a. Considering the year of 360 days, rebate amount will be -

(a) Rs. 150

(b) Rs. 180

(c) Rs. 184

(d) None of the three

26. **Consignment Account**

To Goods sent on consignment (at invoice price)	1,00,000	By Consignee A/c (Sales)	1,50,000
To Consignee's A/c (indirect expenses)	40,000	By Stock at Invoice price	10,000
To Profit	20,000		
	1,60,000		1,60,000

Consignor charged 25% profit on cost while sending the goods on consignment. Rectify the above A/c correct profit on consignment will be

(a) Rs.38000

(b) Rs.35000

(c) Rs.30000

(d) Rs.40000

27. X consigned 100 packets of cosmetics each costing Rs. 300 to his agent at Bareilly. He paid Rs. 500 towards freight and insurance. 15 packets were destroyed in the way. Consignee took delivery of the remaining packets and spent to 700 as godown rent, Rs. 1,000 as clearing charges and Rs. 300 as carriage inwards. Cost of damage will be

(a) Rs.4500

(b) Rs.4575

(c) Rs.4000

(d) None of the three

28. X consigned 100 packets of cosmetics each costing Rs. 300 to his agent at Bareilly. He paid Rs. 500 towards freight and insurance. 15 packets were destroyed in the way. Consignee took delivery of the remaining packets and spent to 700 as godown rent, Rs. 1,000 as clearing charges and Rs. 300 as carriage inwards. The agent sells away 70 packets. Stock amount will be

(a) Rs. 4500

(b) Rs. 4751

(c) Rs. 4651

(d) None of the above

29. ELDER and LARGE enter into a joint venture sharing profits and losses equally. ELDER supplied goods to the value of Rs. 2,500 and incurred expenses of Rs. 200. LARGE supplied goods to the value of Rs. 2,000 and his expenses amounted to Rs. 150. LARGE sold the entire lot of goods on behalf of the joint venture and realized Rs. 6,000 LARGE was entitled to a commission of 5% on sales. Profit on the venture

(a) Rs.850

(b) Rs.800

(c) Rs.900

(d) Rs.1000

30. Hardcore Computers Ltd. issued to public 15,000 shares of 10 each at a premium of Rs.2. Applications were received for 10,000 shares. The amount payable was as follows:

On application	3 per share
On allotment	4 per share (including premium)
On first and final call	5 per share

All sums were duly received by the company except the following:

Mr. Perfect holder of 100 shares did not pay allotment and call money. Mr. Right holder of 200 shares did not pay call money. The company forfeited all the shares of Mr. Perfect. Share Capital a/c will be debited by -

(a) Rs. 1000

(b) Rs. 900

(c) Rs. 800

(d) None of the three

31. A and B are doing business separately as building contractors., They undertook jointly to construct a building for a newly started joint stock company for a contract price of Rs. 2,00,000. A Bank A/c is opened in their joint names; A depositing Rs. 50,000 and B Rs. 30,000. They will share profits and losses in ratio of 2/3 and 1/3 respectively. Their transactions were as follows:–

Paid wages	Rs.	60,000
Brought materials	Rs.	1,62,000

Contract was completed and the price was duly received. B took stock of materials for the Rs. 6,000. Profit or loss on joint venture will be

(a) Profit Rs. 8,000

(b) Loss 16,000

(c) Profit Rs. 10,000

(d) Loss Rs.15,000

32. J and R are equal partners U is admitted as a partner for ¼ share of profits but is unable to contribute premium for goodwill in cash amounting to Rs. 8,000 and so it is decided to raise a loan A/c in the name of U. Journal entry will be

(a)	U's loan A/c	Dr.	8000	
	To J			8000
(b)	U/s loan A/c	Dr.	8000	
	To R			4000

(c) US Loan A/c Dr. 8000

To J 4000

To R 4000

(d) None of the three

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

Purchases (Adjusted)	Rs.	30,000
Sales	Rs.	40,000
Closing Stock	Rs.	5,000

The amount of profit will be

(a) Rs. 10,000

(b) Rs. 15,000

(c) Rs. 12,000

(d) None of the above

37. Bank overdraft as per Cash Book Rs. 13,500

Cheque deposited but not credited Rs. 3,000

Cheque issued by not presented Rs. 6,000

Overdraft as per bank statement will be

(a) Rs. 10,500

(b) Rs. 10,000

(c) Rs. 11,000

(d) None of the three

38. Sundry creditors for goods amounting to Rs. 50,000 are not responding during the last five years and payment for the same may not be made by the concern. Journal entry will be

(a)	Sundry Creditors A/c	Dr.	50,000	
	To P/L A/c			50,000
(b)	P/L A/c	Dr.	50,000	
	To Sundry Creditors			50,000
(c)	Sundry Creditors A/c	Dr.	50,000	
	To Cash A/c			50,000

(d) None of the three.

39. Net salary paid to employees Rs. 45,000 in cash after deducting income tax Rs. 1000, professional tax Rs. 200 employees provident fund Rs. 2000, staff welfare fund Rs. 100 and recovery of loan Rs. 1700. Salary A/c will be debited with -

(a) Rs.50,000

(b) Rs.45,000

(c) Rs.48,000

(d) None of the three

40. Dividend received (net) Rs. 9200 for which tax deducted at source is Rs. 800. Dividend A/c will be credited with -

(a) Rs.10,000

(b) Rs.9,200

(c) Rs.9,000

(d) None of the three

41. Good purchased on credit during last year worth Rs. 60,000 were not recorded in the books of a partnership firm namely ABC and Co. whose profit is shared equally by A, B &

C, but the said amount was included in last years closing stock figure. Adjusting entry will be

(a)	S. Creditors A/c	Dr.	60,000	
	To A			60,000
(b)	Sundry Creditors A/c	Dr.	60,000	
	To A			30,000
	To B			30,000
(c)	A's Capital	Dr.	20,000	
	B's Capital	Dr.	20,000	
	C's Capital	Dr.	20,000	
	To Sundry Creditors			60,000
(d)	None of the three			

42. Dismantling and demolition charges is a _______

(a) Capital expenditure

(b) Revenue expenditure

(c) Deferred revenue expenditure

(d) None of the three

43. There was an error in the trial balance. Difference was put to Suspense A/c. Later on, it was found that the opening stock of Rs. 1080 was brought into the books as Rs. 1800. Rectifying entry will be

(a)	Suspense A/c	Dr.	720	
	To Opening Stock			720
(b)	Opening Stock A/c	Dr.	720	
	To Suspense A/c			720
(c)	Trading A/c	Dr.	720	
	To Opening stock			720
(d)	None of the three			

44. The profits for the last four years are given as follows

Year	*Rs.*
2000	40,000
2001	50,000
2002	60,000
2003	50,000

The value of goodwill on the basis of 3 years purchase of average profits based on the last four years will be

(a) Rs.1,00,000

(b) Rs.1,50,000

(c) Rs.2,00,000

(d) None of the three

45. G Ltd. acquired assets worth Rs. 1,50,000 from AB Ltd. by issue of shares of Rs. 10 each at a premium of Rs. 5. The number of shares to be issued by G. Ltd. to settle the purchase consideration will be

(a) 10,000 shares

(b) 12,000 shares

(c) 9,000 shares

(d) None of the three.

46 In Jan. 2004 a trader purchased furniture for Rs. 10,000 Depreciation is charged @ 25%. Diminishing balance. At the end of the third year it was sold for Rs. 1,000. Profit or loss as sale will be .

(a) Profit Rs.2400

(b) Profit Rs.2300

(c) Loss Rs.2406

(d) Loss Rs.3219

47. The plant and machinery account of a firm had a debit balance of Rs. 1,47,390 as on 31st December, 2006. On Jan. 1st, 2003 Co. started business in 2003 and has been following the practice of charging full years depreciation every year on Diminishing balance method @ 15%. Cost of machinery on 01.01.2003 will be

(a) Rs. 2,40,000

(b) Rs. 2,00,000

(c) Rs. 2,50,000

(d) None of the three

48. Net Profit before charging manager commission is Rs. 22,000 and the manager is to be allowed a commission of 10% on the profit after charging such commission. Commission amount will be

(a) Rs.2,000

(b) Rs.18,000

(c) Rs.2,200

(d) None of the three

49. X Co. Ltd. issued 1,00,000 debentures of Rs. 100 each at a discount of 4% redeemable after 5 years at a premium of 6%. Loss on issue of debentures will be

(a) Rs. 10,00,000

(b) Rs. 6,00,000

(c) Rs. 16,00,000

(d) Rs. 4,00,000

50. Rishi is a partner in a firm. He withdrew the following amounts during the year ended on 31st December 2006.

February 1	Rs.	12,000
April 30	Rs.	6,000
June 30	Rs.	9,000
August 31	Rs.	12,000
October 1	Rs.	8,000
December 31	Rs.	7,000

Interest on drawings @ 9% p.a. will be

(a) Rs.2295

(b) Rs.2000

(c) Rs.2200

(d) None of the above

51. Interest on capital at 6% p.a. is to be allowed. Capital in the beginning was Rs. 3,00,000. Interest amount will be

(a) Rs.18,000

(b) Rs.15,000

(c) Rs.16,000

(d) None of the three

52. Depreciation as 5% on office furniture of Rs. 8,000; at 10% on plant and machinery of Rs. 80,000; at 5% on factory building of Rs. 2,00,000 have been charged by the entrepreneur during the year. Total amount of depreciation will be

(a) Rs.18,400

(b) Rs.18,000

(c) Rs.15,000

(d) None of the three

53. Gaining ratio may be applied when

(a) A partner is admitted

(b) A partner retires

(c) A business is sold out.

(d) A partner is insolvent

54. A limited company forfeited 100 equity shares of the face value of Rs. 10 each, for non payment of first call of Rs. 2 per share. The forfeited shares were subsequently reissued as fully paid @ 7 each. Amount transferred to capital reserve will be

(a) Rs. 500
(b) Rs. 200
(c) Rs. 300
(d) None of the three

55. Z Ltd. purchased plant and machinery for Rs. 2,00,000 payable as Rs. 65,000 in cash and the balance by an issue of 6% debentures of Rs. 1000 each at a discount of 10%. Discount on issue of debentures will be

(a) Rs. 15000
(b) Rs. 14000
(c) Rs. 10000
(d) None of the three

56. A firm had an unrecorded investment of worth Rs.5,000. Entry in the firms journal on admission of a partner will be

(a)	Unrecorded Investment A/c	Dr.	5,000	
	To Revaluation A/c			5,000
(b)	Revaluation A/c	Dr.	5,000	
	To unrecorded Investment			5,000
(c)	Partner capital a/c	Dr.	5,000	
	To unrecorded investment			5,000

(d) None of the three

57. A company issued debentures of the face value of Rs. 1,00,000 at a discount of 6% on Jan. 1, 2001. These debentures are redeemable by annual drawings of Rs. 20,000 made on 31st Dec. each year. The directors decided to write off discount based on the debentures outstanding each year. Amount of discount to be written off in the 5th year will be

(a) Rs. 400
(b) Rs. 600
(c) Rs. 800
(d) None of the three.

58. Alok Ltd. forfeited 300 shares of Rs. 10 each fully called up held by Ram for non payment of allotment money of Rs. 3 per share and final call money of Rs.4 per share. Out of these shares 250 were reissued to Sohan for a total payment of Rs. 2000. Amount transferred to capital reserve account will be

(a) Rs. 250
(b) Rs. 900

(c) Rs. 600

(d) None of the three.

59. A company issued Rs. 2,00,000 15% debentures at a discount of 5% redeemable after 10 years at a premium of 10%. Loss on issue of debentures will be

(a) Rs. 30,000

(b) Rs. 15,000

(c) Rs. 20,000

(d) None of the three

60. The following information pertains to Suraj Ltd.

1.	Equtiy share capital called up	Rs.	5,00,000
2.	Calls in arrears	Rs.	40,000
3.	Calls in advance	Rs.	25,000
4.	Proposed dividend		15%

Amount of dividend payable is

(a) Rs. 69,000

(b) Rs. 75,000

(c) Rs. 70,000

(d) None of the three.

SECTION – B : MERCANTILE LAWS (40 MARKS)

PART –I

61. An agreement made without consideration is valid under section 25 of the Indian Contract Act, 1872 if
    (a) The agreement is expressed in writing
    (b) The agreement is made on account of natural love and affection of the parties to the agreement stand in a near relation to each other.
    (c) The document is registered under the law for the time being in force for registration of such document.
    (d) All of the above
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 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. A person employed to do any act for another or to represent and another in dealings with the third parties is:
    (a) Principal
    (b) Agent
    (c) Servant
    (d) Bailee
64. When the consent of a party is not free, the contract is
    (a) Void
    (b) Voidable
    (c) Valid
    (d) Illegal
65. Moral pressure is involved in the case of
    (a) Coercion
    (b) Undue Influence
    (c) Misrepresentation
    (d) Fraud
66. A agrees to pay Rs. 1000 to B if it rains, And B promises to pay a like amount to A, if it does not rain, this agreement is called
    (a) Quasi Contract
    (b) Contingent Contract
    (c) Wagering agreement

(d) Voidable contract

67. When offer is made to a definite person, it is known as
    (a) General Offer
    (b) Cross Offer
    (c) Counter Offer
    (d) Special Offer

68. An agreement to pay money's worth on the happening or non-happening of a specified uncertain event, is a
    (a) Wagering agreement
    (b) Contingent contract
    (c) Quasi contract
    (d) Uncertain agreement

69. A contingent contract dependent on the happening of specified uncertain event within fixed time can be enforced if the event
    (a) Does not happen within fixed time
    (b) Becomes impossible before the expiry of fixed time
    (c) Happened within the fixed time
    (d) Both (a) and (b)

70. Essentials of Contract of Sale are
    (a) At least 2 parties
    (b) Subject matter must be goods
    (c) None of the above
    (d) Both (a) and (b)

71. The heir of the deceased partner
    (a) Has a right to become a partner in the firm of the deceased partner.
    (b) Does not have a right to become a partner in the firm of the deceased partner
    (c) Can becomes a partner in the firm of the deceased partner only if the surviving partners give their consent in this regard
    (d) Both (b) and (c)

72. Valid contract:
    (a) In case of this collateral agreement are void.
    (b) Not enforceable in a court of law
    (c) An agreement enforceable by law at the option of one or more of the parties thereon but not at the option of the other or others
    (d) Enforceable at the option of the parties.

73. A person to whom money has been paid, or anything delivered under coercion
   (a) Becomes the owner of such money or those goods
   (b) Is allowed to sell the goods and retain the money realized from such sale
   (c) Has no obligation to return the money, he may do so only a good gesture.
   (d) Must repay the money or return those goods.

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. A minor may be :
   (a) A partner of a firm
   (b) Representative of the firm
   (c) Entitled to carryon the business of the firm
   (d) Admitted to the benefits of the partnership

76. A partnership firm is compulsorily dissolved where
   (a) All partner have becomes insolvent
   (b) Firm's business has become unlawful
   (c) The fixed term has expired
   (d) In cases (a) and (b) only.

77. A partnership may be registered with
   (a) Registrar of companies
   (b) Registrar of partners
   (c) Registrar of firms
   (d) District court

78. Dissolution by agreement is:
   (a) Dissolution by the adjudication of all the partner or of all the partner but one as insolvent
   (b) Dissolution as a result of any agreement between all the partners
   (c) Dissolution by the business of the firm becoming unlawful
   (d) All of the above

79. Types of partner includes
   (a) Active partner
   (b) Sleeping partner

(c) Nominal partner

(d) All of the above

PART -II

80. There can be a stranger to a consideration but a stranger to a contract signifies that a consideration may move from _______

    (a) Promisee or any other person

    (b) Promisee

    (c) Promisor

    (d) An independent person

81. Coercion involves _______

    (a) Physical force

    (b) Mental pressure

    (c) Moral pressure

    (d) Threat

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. Recission means _______

    (a) Substituting a new contract for the old one

    (b) Cancellation of the old contract

    (c) Modifying or altering the terms of contract so that it has the effect of substituting a new contract for the old one

    (d) Dispensing away the performance of the promise made by the other party

84. A _______ agreement is one, which is enforceable at the option of one party

    (a) Voidable

    (b) void

    (c) valid

    (d) illegal

85. The position of stranger to a contract and that of stranger to consideration is _______

    (a) Partially different

    (b) Partially same

    (c) Entirely different

    (d) same

86. Agreement to share profits _______
    (a) Implies an agreement to share losses
    (b) Does not necessarily mean an agreement to share losses
    (c) Must be coupled with an agreement to share losses
    (d) Is same as agreement to share losses
87. A person who is mentally derange due to same mental strain or other personal experience and suffers from intermittent intervals of sanity and insanity is _______
    (a) Idiot person
    (b) Lunatic person
    (c) Intoxicated person
    (d) All of the above
88. The relationship of principal and agent may arise by _______
    (a) Express or implied agreement
    (b) Ratification
    (c) Operation of law
    (d) All of the above
89. Goods are said to be in a deliverable state when _______
    (a) The buyer may take delivery of them
    (b) The buyer would, under contract, be bound to take delivery of them
    (c) The seller is in a position to deliver them
    (d) All of the above
90. A contract to pay B Rs. 2,00,000/- 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. Rights of an unpaid seller include _______
    (a) Right against the goods
    (b) Right of stoppage in transit
    (c) Right of re-sale
    (d) All of the above
92. Seller' means a person who _______
    (a) Sells goods
    (b) Agrees to sell goods
    (c) Sells or agree to sell goods
    (d) Has sold goods

93. Where in an auction sale, the seller appoints more than one bidder, the sale is _______
   (a) Void
   (b) Illegal
   (c) Conditional
   (d) Voidable

94. Goods are said to be in a deliverable state when _______
   (a) The buyer may take delivery of them
   (b) The buyer would, under contract be bound to take delivery of them
   (c) The seller is in a position to deliver them
   (d) All of the above

95. 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 allows to sell them and retain the money realized from such sale
   (d) Has no obligation to return those goods, he may do so only as a good gesture

96. Each of the partner is _______
   (a) Principals as well agents
   (b) Only agents of the firm
   (c) Only representatives of the firm
   (d) Only co-partners of the firm

97. 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

98. Registration of firm is _______
   (a) Compulsory
   (b) Optional
   (c) Occasional
   (d) None of the above

PART –III

99. A contracted with Housing Corporation for construction of number of houses. In calculating his price for the houses, A 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 A

(c) There is no contract at all since there no consensus ad idem

(d) The contract is not binding

100. A had offered B, a price of Rs.1,000,000/- for B's flat but B was not ready to sell the flat at all. A says to be that "1 shall kill you if you do not agree to sell me your house for Rs.1,000,000/-“ B thereafter did all that was the desire of A in order to save his life. What is immediate answer?

(a) A can enforce the contract

(b) B can enforce the contract

(a) A has applied coercion

(d) The contract is unenforceable

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. Which of the following is the best general definition of the study of Economics?
   (a) Inflation and unemployment in a growing economy
   (b) Business decision making under foreign competition
   (c) Individual and social choice in the face of scarcity
   (d) The best way to invest in the stock market

102. Labour intensive technique would get chosen in a :
   (a) labour surplus economy
   (b) capital surplus economy
   (c) developed economy
   (d) developing economy

103. Which of the following is not one of the four central questions that the study of economics is supposed to answer?
   (a) Who produces what?
   (b) When are goods produced?
   (c) Who consumes what?
   (d) How are goods produced?

104. The various combinations of goods that can be produced in any economy when it uses its available sources and technology efficiently are depicted by :
   (a) demand curve
   (b) production curve
   (c) supply Curve
   (d) production possibilities curve

105. Rational decision making requires that:
   (a) one's choices be arrived at logically and without errors.
   (b) one's choices be consistent with one's goals
   (c) one's choices never vary
   (d) one's makes choices that do not involve trade offs.

106. Contraction of demand is the result of :
   (a) decrease in the number of consumers
   (b) increase in the price of the good concerned
   (c) increase in the prices of other goods
   (d) decrease in the income of purchasers

107. In the case of a straight line demand curve meeting the two axes the price – elasticity of demand at the mid-point of the line would be :

(a) 0

(b) 1

(c) 1.5

(d) 2

108. If the demand for a good is inelastic, an increase in its price will cause the total expenditure of the consumers of the good to:

(a) remain the same

(b) increase

(c) decrease

(d) any of these

109. All of the following are determinants of demand except

(a) tastes and preferences

(b) quantity supplied

(c) income

(d) price of related goods

110. The price of hot dogs increases by 22% and the quantity of hot dog demanded falls by 25% this indicates that demand for hot dog is -

(a) elastic

(b) inelastic

(c) unitarily elastic

(d) perfectly elastic.

111. If electricity demand is inelastic, and electric rates increase, which of the following is likely to occur?

(a) Quantity demanded will fall by a relatively large amount

(b) Quantity demanded will fall by a relatively small amount

(c) Quantity demanded will rise in the short run, but fall in the long run

(d) Quantity demanded will fall in the short run, but rise in the long run

112. An indifference curve slopes down towards right since more of one commodity and less of another results in :

(a) same satisfaction

(b) greater satisfaction

(c) maximum satisfaction

(d) decreasing expenditure

113. A vertical supply curve parallel to Y axis implies that the elasticity of supply is:

(a) zero

(b) infinity

(c) equal to one

(d) greater than zero but less than infinity

114. Which of the following cost curves in never 'U' shaped?

(a) Average cost curve

(b) Marginal cost curve

(c) Average variable cost curve

(d) Average fixed cost curve

115. Which of the following statement is true of the relationship among the average cost functions?

(a) ATC = AFC = AVC

(b) AVC = AFC + ATC

(c) AFC = ATC + AVC

(d) AFC = ATC – AVC

116. 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

117. In describing a given production technology, the short run is best described as lasting:

(a) upto six month from now

(b) upto five years from now

(c) as long as all inputs are fixed

(d) as long as at least one input is fixed

118. What is the shape of the demand curve faced by a firm under perfect competition?

(a) Horizontal

(b) Vertical

(c) Positively sloped

(d) Negatively sloped

119. Which is the first order condition for the profit of a firm to be maximum?

(a) AC = MR

(b) MC = MR

(c) MR = AR

(d) AC = AR

120. In which form of the market structure is the degree of control over the price of its product by a firm very large?
    (a) Monopoly
    (b) Imperfect competition
    (c) Oligopoly
    (d) Perfect competition

121. The kinked demand hypothesis is designed to explain in the context of oligopoly
    (a) price and output determination
    (b) price rigidity
    (c) price leadership
    (d) collusion among rivals

122. The structure of the tooth paste industry in India is best described as:
    (a) perfectly competitive
    (b) monopolistic
    (c) monopolistically competitive
    (d) oliogopolistic

123. When ___________ we know that the firm are earning just normal profits:
    (a) AC = AR
    (b) MC = MR
    (c) MC = AC
    (d) AR = MR

124. The green revolution is also known as :
    (a) wheat revolution
    (b) rice revolution
    (c) maize revolution
    (d) forest revolution

125. The area under irrigation has over the years in India
    (a) remained constant
    (b) decreased
    (c) increased
    (d) first increased and then decreased

126. Abolition of Intermediaries and tenancy reforms are both part of :
    (a) industrial reforms in India
    (b) external sector reforms in India
    (c) land reforms in India

(d) banking reforms in India

127. In absolute terms, the number of people engaged in agricultural activities over the planning period has
   (a) remained constant
   (b) increased
   (c) decreased
   (d) first increased and then decreased

128. Which of the following has been specifically established to meet the requirements of credit of the farmers and villagers?
   (a) ICICI Bank
   (b) Regional Rural Banks
   (c) State Bank of India
   (d) EXIM Bank

129. Mahalanobis model stressed upon the establishment of :
   (a) consumer goods industries
   (b) export oriented industries
   (c) agro-based industries
   (d) capital and basic goods industries

130. About _____________ per cent of the sick units in India are small units.
   (a) 10 per cent
   (b) 5 per cent
   (c) 30 per cent
   (d) 90 per cent

131. Oil and Natural Gas Corporation, Indian Oil Corporation, Steel Authority of India, and Bharat Heavy Electricals are all example of:
   (a) small Scale Units
   (b) private Sector Units
   (c) public Sector Units
   (d) sick Units

132. The service sector in India now accounts for :
   (a) more than 80 per cent of GDP
   (b) more than 70 per cent of GDP
   (c) more than 50 per cent of GDP
   (d) more than 90 per cent of GDP

133. BPO stands for :
   (a) Bharat Petro Organisation
   (b) Business Process Outsourcing
   (c) Big Portfolio Outsourcing
   (d) Business Partners organization

134. National income differs from net national product at market price by the amount of :
   (a) current transforms from the rest of the world
   (b) net indirect taxes
   (c) national debt interest
   (d) it does not differ

135. Demand for intermediate consumption arises in:
   (a) consumer household
   (b) government enterprises only
   (c) corporate enterprises only
   (d) all producing sector of an economy

136. Net value added is equal to :
   (a) payments accruing to factors of production
   (b) compensation to employees
   (c) wages plus rent plus rent
   (d) value of output minus depreciation

137. Find the tax which is direct tax among the following
   (a) Personal income tax
   (b) Excise duty
   (c) Sales tax
   (d) Service tax

138. Which of the following statements is correct?
   (a) Income tax was abolished in India in 1991
   (b) Gift tax was abolished in India in 1998
   (c) All the states have adopted VAT system of indirect taxation
   (d) Estate duty was abolished in 1995

139. The annual addition to India's population is almost equal to the total population of:
   (a) Bangladesh
   (b) Australia
   (c) Japan
   (d) China

140. Which years is known as years of great divide for India's population?
   (a) 1991
   (b) 2001
   (c) 1981
   (d) 1921
141. India passing through ___________ stage of demographic transition
   (a) fourth
   (b) third
   (c) first
   (d) second
142. India accommodates nearly _______percent of world's population
   (a) 10
   (b) 50
   (c) 17
   (d) 45
143. EAS stand for
   (a) Easy Assistance Scheme
   (b) Endless Assistance Scheme
   (c) Employment Assurance Scheme
   (d) Employment Assessment Scheme
144. Every ____________ person in the world is an India.
   (a) Second
   (b) Third
   (c) Sixth
   (d) Tenth
145. According to the latest data (2005) Plant Load Factor (PLF) is lowest in :
   (a) southern region
   (b) northern region
   (c) western region
   (d) north eastern region
146. ____________ measures the operational efficiency of a thermal plant.
   (a) Power load factor
   (b) Power leakage factor
   (c) Plant load factor
   (d) Plant leakage factor

147. Who is regulatory authority for telecom in India?
   (a) SEBI
   (b) TRAI
   (c) MTNL
   (d) BSNL

148. Which of the following statements is correct with regard to external sector in the pre-reform period?
   (a) The foreign trade policy was very liberal, it allowed import of all types of goods.
   (b) Import of food grains was strictly prohibited
   (c) The balance of payments situation was quite comfortable
   (d) None of the above

149. The pre-condition for privatization to be successful requires:
   (a) liberalisation and de-regulation of the economy.
   (b) capital markets should be sufficiently developed
   (c) none of the above
   (d) both of the above (a) & (b)

150. Privatisation in India has taken place in all of the cases except :
   (a) CMC
   (b) BALCO
   (c) VSNL
   (d) None of the above

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. Pie diagram is used for
    (a) Comparing different components and their relation to the total
    (b) Representing qualitative data in a circle
    (c) Representing quantitative data in a circle.
    (d) (b) or (c)
152. Which of the following measures of central tendency is based on only 50% of the central values
    (a) Mean
    (b) Mode
    (c) Median
    (d) Both (a) and (b)
153. If all the observations are divided by 3, then
    (a) New SD would be also divided by 3
    (b) New SD would be multiplied by 3
    (c) New SD increased by 3
    (d) New SD decreased by 3
154. More laborious numerical calculation involves in A.M. than GM.
    (a) True
    (b) False
    (c) Both
    (d) None of these
155. To find the median graphically use
    (a) Ogive
    (b) Frequency Polygon
    (c) Histogram
    (d) None of these
156. Which measures of dispersion is the quickest to compute
    (a) Standard deviation
    (b) Mean deviation
    (c) Quartile deviation
    (d) Range

157. 2^{nd} decile is greater than 1^{st} decile

(a) True

(b) False

(c) Both

(d) None of these

158. Correlation coefficient is not a pure number

(a) True

(b) False

(c) Both

(d) None of these

159. Probability of throwing an even no. with an ordinary six faced dice is:

(a) 1

(b) –1/2

(c) 1/2

(d) 0

160. In audit test statistical methods are not used

(a) True

(b) False

(c) Both

(d) None of these

161. Fisher's Ideal formula does not satisfy_________ test

(a) Circular test

(b) Unit test

(c) Time Reversal test

(d) None of these

162. We use t-distribution when the sample size is ________

(a) Big

(b) Small

(c) Moderate

(d) None of these

163. The mean of binomial distribution with parameters n and p is _______

(a) n (1–p)

(b) np (1–p)

(c) np

(d) $\sqrt{np(1-p)}$

164. P (B/A) is defined only if ___________

(a) A is Pure event

(b) B is a sure event

(c) B is an impossible event

(d) A is not an impossible event

165. AUA is equal to

(a) A

(b) ϕ

(c) 2A

(d) None of these

166. The sum of m terms of AP is n and the sum of n terms of AP is m. The sum of m+n terms is ______

(a) –(m+n)

(b) (m+n)

(c) $(m-n)^2$

(d) m^2-n^2

167. The null set is given by

(a) 0

(b) $\{\phi\}$

(c) ϕ

(d) {0}

168. If P is a set of natural number then $P \cap P'$ is

(a) ϕ

(b) Sample Space

(c) 0

(d) $(P \cup P')'$

169. In normal distribution as the distance from ________ decreases, the curve goes far and far to the Horizontal axis.

(a) Median

(b) Mode

(c) Mean

(d) None of these

170. The no. of factors must be known is ___________ in determining the sample size for estimating a population mean.

(a) 2

(b) 5

(c) 4

(d) 3

171. The compounded ratio of 4:9 and sub-duplicate ratio of 9:16 is

(a) 1:4

(b) 1:3

(c) 3:1

(d) None of these

172. If x = 9 then $2x^{1/2}\ 3x^{-1}$ is equal to

(a) 2

(b) 3

(c) 4

(d) 0

173. If x = $\sqrt{2-\sqrt{2-\sqrt{2}}}$ ... ∞ then it is equal to

(a) –2

(b) 1

(c) 2

(d) 0

174. The equation of a straight line passing through (3, –2) and making equal intercepts on axis

(a) x + y – 1 = 0

(b) x + y – 5 = 0

(c) 3x - 2y + 1=0

(d) None of these

175. If P+$\sqrt{P}$ = 6/25 then value of P is equal to

(a) 1/5

(b) 2/5

(c) 1/25

(d) 2/25

176. Rs. 80,000 is invested to earn a monthly interest of Rs. 1200 at the rate of _______ p.a. SI.

(a) 12%

(b) 14%

(c) 16%

(d) 18%

177. $\frac{d}{dx}(x \log x)$ is equal to

(a) (1+ log x)

(b) 1/log x

(c) log x

(d) x/log x

178. $\lim_{x\to 0} \frac{3^x - 1}{\sqrt{1+x} - 1}$ is equal to

(a) 3 $\log_e 2$

(b) 2 $\log_e 3$

(c) $\log_e 6$

(d) does not exit

179. If f'(x) = $3x^2 - 2/x^3$ then f(x) = ?

(a) $x^3 + 1/x^2 + K$

(b) $x^2 + 1/x^3 + K$

(c) $x^2 - 2/x^3 + K$

(d) None of these

180. A person pays Rs. 975 in monthly instalment, each instalment is less than former by Rs. 5. The amount of first instalment is Rs. 100. In what time entire amount paid

(a) 26 months

(b) 16 months

(c) 15 months

(d) 20 months

181. How many three digit numbers are there, with distinct digits, with each digits odd

(a) 120

(b) 60

(c) 30

(d) 15

182. The difference between CI and SI on a certain sum for 2 years at 6% p.a. is Rs. 13.50. Find the sum

(a) 3750

(b) 2750

(c) 4750

(d) None of these

183. If $f(x)=x^2-1$ and $g(x) = \frac{x+1}{2}$ then $\frac{f(3)}{f(3)+g(3)}$ is

(a) 5/4

(b) 4/5

(c) 3/5

(d) 5/3

184. The sum of two numbers are 16 and twice the square of larger part exceeds the square of smaller part by 164. Numbers are

(a) 10 and 6

(b) 12 and 4

(c) 11 and 5

(d) None of these

185. If $3y - 2x = 4$ and $4y - px = 2$ are perpendicular to each other, the value of p is equal to

(a) –6

(b) 6

(c) 2

(d) 1

186. The mean height of 8 student is 152 cm. Two more students of heights 143 cm and 156 cm join the group. New mean height is equal to

(a) 153

(b) 152.5

(c) 151.5

(d) 151

187. Find the three numbers in G.P whose sum is 52 and the sum of their product in pairs is 624.

(a) 4, 12, 36

(b) 10, 16, 26

(c) 5, 17, 30

(d) None of these

188. In how many ways can the letters of the word PENCIL be arranged so that N is always next to E

(a) 60

(b) 40

(c) 720

(d) 120

189. If with rise of 10% in prices the wages are increased by 20%. Find the percentage of real wage increase

(a) 109.29%

(b) 9.09%

(c) 9.29%

(d) None of these

190. A sample of 100 gave a mean of 7.4 kg and a standard deviation of 1.2 kg. The standard error of mean will be

(a) 0.12

(b) 0.001

(c) 0.0001

(d) 1

191. A letter lock has three rings each marked with 10 different letters. In how many ways it is possible to make an unsuccessful attempt to open the lock.

(a) 1000

(b) 999

(c) 5040

(d) None of these

192. A candidate is selected for interview for 3 posts for the first there are 3 candidates, for the second there are 4 and for the third there are 2. What are the chances of his getting

at least one.

(a) 3/4

(b) 2/3

(c) 1/10

(d) 1

193. Equations of two lines of regression are 4x+3y+7 = 0 and 3x+4y +8 = 0, the mean of x and y are

(a) 5/7 and 6/7

(b) – 4/7 and –11/7

(c) 2 and 4

(d) None of these

194. If the first Quartile is 104 and quartile deviation is 18, the third quartile will be

(a) 140

(b) 116

(c) 20

(d) 0

195. What is the present value of Re 1 to be received after 2 years compounded annually at 10%?

(a) 0.56

(b) 0.78

(c) 0.99

(d) 0.83

196. The value of $\int_0^1 x(1-x)^n dx$ is equal to

(a) 0

(b) 1

(c) $\dfrac{1}{(n+1)(n+2)}$

(d) $(n+1)(n+2)$

197. In a class 30 students, 20 students like maths, 18 like science and 12 like both the subject. Find the number of student who like no subject.

(a) 4

(b) 5

(c) 8

(d) None of these

198. $\frac{d}{dx} e^{2\log x}$ is equal to

(a) 2

(b) 2x

(c) x^2

(d) 0

199. If the quartile deviation of x is 6 and 4x + 8y = 20, What is the quartile deviation of y

(a) 3

(b) 4

(c) 5

(d) 1

200. For a group of 8 students, the sum of square of differences in ranks for maths and Economics marks was found to be 50. What is the value of rank correlation coefficient.

(a) 0.50

(b) 0.40

(c) 1.00

(d) −1.00

BOARD OF STUDIES

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT-5 / 2007

Time : 4 hours *Maximum Marks : 200*

The test is divided into four sections.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

PART-I

1. A bill has been drawn on 26.02.2006 payable after 90 days the due date of the bill will
   (a) 30.05.2006
   (b) 29.05.2006
   (c) 28.05.2006
   (d) 27.05.2006
2. Carriage outward is debited to
   (a) Trading Account
   (b) Profit and loss account
   (c) Profit and loss appropriations account
   (d) Balance sheet
3. Amount spent, for the construction of temporary huts, which were necessary for construction of the cinema house and demolished when the cinema house was ready is a
   (a) Revenue expenditure
   (b) Capital expenditure
   (c) Deferred revenue expenditure
   (d) None of the above

4. Material costing Rs. 700 in the erection of the machinery and 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) Trading account
   (b) Miscellaneous account
   (c) Difference account
   (d) Suspense account
6. Which of the following is correct
   (a) Capital is equal to assets minus liabilities
   (b) Capital is equal to assets plus liabilities
   (c) Assets are equal to liabilities minus capital
   (d) Liabilities is equal to capital plus assets
7. All of the following have debit balance except one. That account is
   (a) Wages outstanding account
   (b) Loan to contractor
   (c) Debtors Account
   (d) Goodwill
8. In the absence of any provision in the partnership agreement, profits and losses are shared
   (a) In the ratio of capitals
   (b) In the ratio of loans given by them to the partnership firm
   (c) Equally
   (d) None of the above
9. Which of following statement is not true
   (a) Book keeping is mainly concerned with recording of financial data
   (b) Goods given as sample should be credited to purchase A/c
   (c) The balance of petty cash is an asset
   (d) In case of a debt becoming bad the amount should be credited to bad debts A/c

10. Fundamental accounting assumptions are
    (a) Going concern
    (b) Accrual
    (c) Consistency
    (d) All of the three.

PART-II

11. The purpose of accommodation bill is
    (a) To finance actual purchase or sale of goods
    (b) To facilitate trade transmission
    (c) When both parties are in need of funds
    (d) None of the three
12. Municipal tax Rs. 50,000 under dispute is a
    (a) Current liability
    (b) Contingent liability
    (c) Revenue loss
    (d) None of the above.
13. It del-credere commission is allowed for bad debt, consignee will debit the bad debt amount to
    (a) Commission earned account
    (b) Consignor A/c
    (c) Debtors A/c
    (d) General trading a/c
14. As per section 37 of the Indian Partnership Act, 1932, the executors would be entitled at their choice to the interest calculated from the date of death till the date of payment on the final amount due to the dead partner at ______ percent per annum
    (a) 7
    (b) 4
    (c) 6
    (d) 12
15. Dividends are usually paid as a percentage of _____
    (a) Authorised share capital
    (b) Net Profit
    (c) Paid up capital

(d) Called up capital

16. Writing of transaction in the ledger is called

    (a) Posting

    (b) Journalizing

    (c) Balancing

    (d) Casting

17. Commission provided by the consignor to the consignee to promote credit sale is known as

    (a) Ordinary commission

    (b) Del- Credere commission

    (c) Over riding commission

    (d) Special commission

18. Memorandum Joint venture account is a

    (a) Personal a/c

    (b) Real a/c

    (c) Nominal a/c

    (d) None of the above

19. In the ledger there are _______ columns

    (a) 4

    (b) 6

    (c) 8

    (d) 10

20. Carriage charges paid for a new plant purchased if debited to carriage a/c would effect _

    (a) Plant account

    (b) carriage account

    (c) Plant and Carriage account

    (d) None of the above

PART-III

21. If a machinery is purchased for Rs. 1,00,000 the asset would be recorded in the books at Rs. 1,00,000 even if its market value at that time happens to be Rs. 1,40,000. In case a year after, the market value of the asset comes down to Rs. 90,000 it will ordinarily continue to be shown at Rs. 1,00,000 and not Rs. 90,000 due to

    (a) Realisation concept

    (b) Present value concept

(c) Replacement concept

(d) Cost concept

22. A businessman purchased goods for Rs. 25,00,000 and sold 70% of such goods during the accounting year ended 31st March 2005. The market value of the remaining goods was Rs. 5,00,000. He valued the closing stock at Rs. 5,00,000 and not Rs. 7,50,000 due to

(a) Money measurement

(b) Conservatism

(c) Cost

(d) Periodicity

PART-IV

23. Sharma of Allahabad sends goods costing Rs. 1,00,000 at an invoice price of the Rs. 1,20,000 to Kalapil of Katak. Sharma incurs the following expenditure in relation to such consignment:

1.	Packing and loading	Rs.	5000
2.	Transportation	Rs.	10000
3.	Insurance	Rs.	5000

1/10th of the consignment is damaged in transit. Amount of abnormal loss will be

(a) Rs. 14,000

(b) Rs. 10,000

(c) Rs. 12,000

(d) None of the above.

24. Suresh of Delhi consigned 600 fans to Naresh of Agra to be sold on his account and at his risk. The cost of each fan is Rs. 300 Suresh paid Rs. 6000 as freight and insurance Naresh paid Rs. 1500 as octroi and cartage. Rs. 2000 as rent; and Rs. 1500 as insurance. 500 fans were sold by Naresh for Rs. 1,80,000 Naresh was entitled to a commission of 4% on sale @ Rs. 350 per fan and 20% of any surplus price realized. Consignment profit will be

(a) Rs. 12250

(b) Rs. 12000

(c) Rs. 10000

(d) Rs. 13000

25. Original cost = Rs. 1,26,000

Salvage Value = Rs. 6000

Use Life = 6 years

Annual depreciation under SLM will be

(a) Rs. 21000

(b) Rs. 20000

(c) Rs. 15000

(d) Rs. 14000

26. At the end of the accounting period the provision is made for the amount outstanding for the electricity that has been consumed during the said period the statement is based on

    (a) Accrual concept

    (b) Matching

    (c) Realisation

    (d) Money measurement

27. Under the diminishing balance method, depreciation

    (a) Increases every year

    (b) Decreases every year

    (c) Is constant every year

    (d) None of the above

28. Which inventory valuation method best matches the cost of goods sold with current replacement cost?

    (a) LIFO

    (b) FIFO

    (c) Weighted average method

    (d) Specific identification method.

29. Which financial statement represents the accounting equation, Assets = Liabilities + Owners equity

    (a) Income statement

    (b) Balance sheet

    (c) Statement of cash flow

    (d) None of the three

30. The total of the purchase day book is posted periodically to the debit of

    (a) Purchases account

    (b) Cash book

    (c) Journal proper

    (d) None of the above

31. Legal expenses incurred in defending a suit for breach of contract to supply goods is a

    (a) Revenue expenditure

(b) Capital expenditure

(c) Deferred revenue expenditure

(d) None of the three

32. A running business was purchased by Ram with following assets and liabilities

Cash in hand	1000
Cash at Bank	5000
Stock	20000
Land and building	100000
Plant and machinery	50000
Owing from Mr. X	12500
Prepaid Insurance	500
Owing to Z Ltd.	3750
Interest received in advance	250

Rama's capital will be

(a) 18500

(b) 180000

(c) 175000

(d) None of the above

33. Following are the sales return of Jindal & Co. a saree dealer

Date	**Credit Note**	
05.01.206	201	Goyal & Co. Rampur returned
		2 Polyster sarees @ 125
10.01.2006	202	Accepted return of goods (which were sold for cash) from Garf & Co. Bhiwani, 2 Kota Sarees @ Rs. 50
17.01.2006	203	Mittal & Co. Hissar returned 2 silk sarees @ Rs. 325
31.01.2006		Mohan returned one old type writer @ Rs. 500

Total of sarees return book will be

(a) Rs. 900

(b) Rs. 800

(c) Rs. 1000

(d) None of the three

34. Following is an incorrect trial balance

	Dr. Balance (Rs.)	Cr Balance (Rs.)
Sen Gupta Capital	-	1556
Sen Gupta Drawings	564	-
Leasehold premises	750	-
Sells	-	2750
Dues from customers		530
Purchases	1259	
Purchases return	264	
Loan from Bank		256
Creditors	528	
Trade expenses	700	
Cash at Bank	226	
Bills payable	100	
Salaries and wages	600	
Opening stock	-	264
Rent and taxes	463	
Sales return		98

Total of corrected trial balance will be

(a) Rs. 5454

(b) Rs. 5400

(c) Rs. 5600

(d) Rs. 5000

35. 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.

36. 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.

37. No journal entry is required to be passed when there is

(a) Normal loss

(b) Abnormal Loss

(c) Loss of bad debts

(d) Loss by theft

38. A building worth Rs. 10,00,000 is insured for Rs. 6,00,000. It is completely destroyed by fire. The loss to be admitted by the insurance company will be

(a) Rs. 10,00,000

(b) Rs. 6,00,000

(c) Rs. 8,00,000

(d) None of the three

39. Cost of goods sold 80,700, opening stock 5,800 and closing stock 6,000 then amount of purchases will be

(a) Rs. 80500

(b) Rs. 74900

(c) Rs. 74700

(d) Rs. 80900

40.

	Rs.
Opening stock	8500
Purchases	30,700
Direct expenses	4800
Indirect expenses	52000
Closing Stock	9000

Cost of goods sold will be

(a) Rs. 35000

(b) Rs. 30000

(c) Rs. 40000

(d) None of the three

41.

Cost of goods sold	Rs.	70,800
Sales	Rs.	1,30,200

Gross Profit will be

(a) 59400

(b) 59000

(c) 60000

(d) None of the above

42.

Stock at start	2400	Carriage inward	524
Purchases	15205	Manufacturing wages	2800
Sales	20860	Manufacturing wages outstanding	96
Closing stock	3840	Loss due to fire	1000
Return outward	185	Indirect expenses	200
Return Inward	860		

On the basis of the above information, Gross Profit will be

(a) Rs. 4000

(b) Rs. 5000

(c) Rs. 6000

(d) None of the three

43.

Accounts payable	60000	Long Term Loan	300000
Capital	100000	Wages payable	120000
Cash in hand	124000	Investments	20000
Prepaid expenses	2000	Net Profit	96,000
Cash at Bank	290000	Bills receivable	80,000
Inventories	160000		

Total of Balance Sheet will be

(a) Rs. 676000

(b) Rs. 600000

(c) Rs. 680000

(d) None of the three.

44 Depreciation on motor car, whose cost is Rs. 58,000 with an accumulated depreciation reserve of Rs.11,600, at 20% p.a. on diminishing balance will be

(a) Rs. 9000

(b) Rs. 9280

(c) Rs. 10000

(d) None of the three.

45. Balance of Provision for bad debts on Jan 1, 2006 Rs. 1250; Bad debts during the year Rs. 300; Provision for bad debts is 5% on Debtors of Rs. 10,000. Provision credited to Profit and Loss account will be

(a) Rs. 400

(b) Rs. 500

(c) Rs. 450

(d) None of the three

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. A and B enter into a joint venture in timber trading. A pays for purchase of timber Rs. 2,00,000 and expenses Rs. 2,000. He draws a bill of exchange on B for Rs.1,00,000 and discounts it with Bank for Rs. 95,000. B sells the timber for Rs. 2,50,000 and pays expenses Rs. 3,000 B is entitled to get a commission of 10% on sale A is entitled to get an interest of Rs. 12,000 on his capital. Profit on venture will be

(a) Rs. 3000

(b) Rs. 4000

(c) Rs. 5000

(d) None of the three.

48. Received final dividend of Rs. 500 from Ajit, whose account had already been written off as bad debt was credited to a newly opened account and was included in the list of creditors rectifying entry will be -

(a)	Ajit	Dr.	500	
	To Bad Debts recovered			500
(b)	Bank	Dr.	500	
	To bad debts			500
(c)	Debtors	Dr.	500	
	To Bad debts recovered			500

(d) None of the three.

49. When balance as per cash book is the starting point, and cheques issued for payment Rs. 400 was wrongly credit by Bank as Rs.900 then in the bank reconciliation statement

cash balance will be

(a) Added by Rs. 1300

(b) Subtracted by Rs. 1300

(c) Added Rs. 900

(d) Subtracted by Rs. 400

50. Over draft as per pass book is given Rs. 10000

(a) Cheques deposited in the Bank but not recorded in Cash Book Rs. 100

(b) Cheques drawn but not presented for payment Rs. 6000

(c) Bank charges recorded twice in cash book Rs. 30

Overdraft as per Cash Book will be

(a) Rs. 16000

(b) Rs. 16130

(c) Rs. 15000

(d) None of the three.

51. Ratan and Karan entered into partnership on April 1, 2002. They invested capital Rs.15,000 and Rs.10,000 respectively. It was agreed that 8% p.a. interest will be calculated both on capital and drawings. Drawings were made as follows

	RATAN	*KARAN*
June 30	600	800
Sept. 30	500	700
Dec. 31	400	600

Karan was entitled to a salary of Rs. 250 p.m.

Profit before adjusting interest and salary was Rs. 8848. Divisible profit will be

(a) Rs. 4000

(b) Rs. 3000

(c) Rs. 5000

(d) None of the three.

52. X and Y have been sharing profit and losses in the ratio of 5:3; C is admitted as a partner. He acquires his 1/8th share only from B. New ratio will be

(a) 5:2:1

(b) 4:2:1

(c) 2:2:1

(d) None of the three

53. A and B are equal partners in a firm their capital shows credit balance of Rs. 18,000 and Rs.12,000 respectively. A new partner C is admitted with 1/5th share in profits. He brings

Rs. 14,000 for his capital. Value of hidden goodwill at the time of C's admission will be

(a) Rs. 26000

(b) Rs. 25000

(c) Rs. 20000

(d) None of the three.

54. A, B and C are partners, sharing profits in the ratio of 4:3:2. D is admitted for 2/9th share of profits and brings Rs. 30,000 as his capital and 10,000 for his share of goodwill. The new profit sharing ratio between partners will be 3:2:2:2 goodwill amount will be credited in the capital accounts of:

(a) A only

(b) A, B and C (Equally)

(c) A and B (Equally)

(d) A and C (Equally)

55. X, Y and Z were partners sharing profits in proportion to 5:3:2. Goodwill does not appear in the books, but it is agreed to be worth Rs. 1,00,000. X retires from the firm and Y and Z decide to share future profits equally. X's share of goodwill will be debited to Y's and Z's capital A/cs in the ratio.

(a) ½:½

(b) 2:3

(c) 3:2

(d) None of the three.

56. X Ltd. invited applications for 1,00,000 shares of Rs. 10 each at a discount of 6% discount per share will be -

(a) Rs. 1.00

(b) 0.80 Paisa

(c) 0.60 paisa

(d) None of the three.

57. A company makes an issue of 5000 equity shares of Rs. 100 each at 10% discount allowed at the time of allotment. The net amount is payable as follows:

	Rs.
On application and allotment	40
On first call	25
On final call	25

A shareholder holding 100 shares did not pay final call money. His shares were forfeited. Amount credited to Discount on issue of shares A/c will be

(a) Rs. 1,000

(b) Rs. 500

(c) Rs. 1,500

(d) None of the three.

58. 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.

59. In the trial balance of a joint stock company, the following balances are given

		Dr.	Cr.
		Rs.	Rs.
(i)	10% Mortgage Debentures (Payable after five years)		1,00,000
(ii)	Discount allowed on issue of debentures	2000	

Amount of discount written off per year will be

(a) Rs. 500

(b) Rs. 800

(c) Rs. 400

(d) None of the three.

60.

Called up share capital (46,000 shares 10 each)	Rs.	4,60,000
Calls in arrear	Rs.	7,500
Proposed dividend		5%

Amount of proposed dividend will be

(a) Rs. 22625

(b) Rs. 25000

(c) Rs. 23000

(d) None of the three.

SECTION – B : MERCANTILE LAWS (40 MARKS)

PART-I

61. Which of the following is correct?
    (a) A wagering agreement is void
    (b) A contingent contract is valid
    (c) A wagering agreement is void while a contingent contract is valid
    (d) None of the above

62. The following are the essential elements which need to co-exist in order to make a valid contract:
    (a) Offer & Acceptance.
    (b) Intention to create legal acceptance
    (c) Capacity of parties -Competency
    (d) All of the above

63. The rights of a principal are the following
    (a) Right to recover damages
    (b) Right to obtain an account of secret profits and recover them and resist a claim for remuneration
    (c) Right to resist agent's claim for indemnity against incurred liability
    (d) All of the above

64. An offer may be made to the following
    (a) A particular person
    (b) A particular group or body of person
    (c) The public at large i.e the whole world
    (d) All of the above

65. 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

66. Delivery of goods in case of transit made by handing over documents of title to goods is
    (a) Actual delivery
    (b) Constructive delivery
    (c) Symbolic delivery
    (d) All of the above

67. A void contract is a contract without any legal effect and cannot be enforced in a court of law. The following are instances of void contracts:
   (a) Agreements entered under mistake of fact
   (b) Agreements by way of wager.
   (c) Agreements made consideration.
   (d) All of the above
68. Necessary condition for existing goods is
   (a) They should be in existence at the contract of sale
   (b) They should be owned or possessed by the seller
   (c) Both of the above
   (d) None of the above
69. When the consent of a party is not free the contract is
   (a) Void
   (b) Voidable
   (c) Valid
   (d) Illegal
70. A voidable contract is one which
   (a) Can be enforced at the option of both aggrieved party
   (b) Can be enforced at the option of both the parties
   (c) Cannot be enforced in a court of law
   (d) Court prohibits.
71. When the consent of a party is obtained by fraud, the contract is
   (a) Valid
   (b) Void
   (c) Illegal
   (d) Voidable
72. The Sale of Goods Act, 1930 came into force on
   (a) 1st March, 1930
   (b) 1st October, 1932
   (c) 1st April, 1932
   (d) 1st June, 1932
73. Under which circumstances, the unpaid seller can exercise right of re-sale
   (a) When the goods are of perishable nature
   (b) When he gives notice to buyer.

(c) When he gives notice to the buyer of his intention to re-sale and the buyer does not within a reasonable time pay the price.

(d) Both (a) and (b)

74. If the buyer rejects the whole quantity of goods due to short delivery or excess delivery, the contract is treated as

(a) subsisting

(b) Cancelled

(c) Void

(d) invalid

75. Legally, a contract of sale includes

(a) sale

(b) Agreement to sell

(c) barter

(d) Both (a) and (b)

76. State whether the following statements are false or true

(a) Every partner cannot participate in the conduct of business

(b) Every partner is bound to attend diligently to his duties in the conduct of the business

(c) Every partner can have access to inspect and take a copy of the books of accounts of the firm

(d) Even in the absence of any contract between the partners a partner is entitled to receive remuneration for taking part in the business.

77. State which of the following statements are not correct?

(a) An unregistered firm can enforce by suit its dues from a Third party

(b) A partner of an unregistered firm cannot sue for his dues from the firm or from other partners.

(c) Neither the firm nor the partners when sued can claim a set-off

(d) Non registration of a firm does not affect the right of an Official Assignee Receiver or Court to realize the property of an insolvent partner.

78. A new partner can be admitted in the firm with the consent of

(a) All the partners

(b) Simple majority of partners

(c) Special majority of partners

(d) New partner only

79. On which of the following grounds, a partner may apply to the court for dissolution of the firm?
    (a) Insanity of a partner
    (b) Misconduct of a partner
    (c) Perpetual losses in business
    (d) All of the above

PART –II

80. Minor’s estates are liable to reimburse the supplier, who supplies him with ______
    (a) Necessaries
    (b) luxuries
    (c) Necessities
    (d) All the things
81. A contracts to pay B Rs.100000 if the latter's house is burnt to ashes. This is an example of ______
    (a) Contingent
    (b) Quasi-contract
    (c) Guarantee
    (d) bailment
82. 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) Mayor may not be distributed to its shareholder
    (c) Mayor may not be distributed to its board of directors, shareholders and other stakeholders
    (d) Are not distributable at all
83. An offer made to the public in general which anyone can accept and do the desired act is ______
    (a) General offer
    (b) Special offer
    (c) Cross offer
    (d) Counter offer
84. A agrees to sell his car to B at a price which B may be able to pay .This agreement is ______
    (a) void
    (b) valid
    (c) voidable

(d) contingent

85. 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

86. Consideration must move at the desire of the ______
    (a) Promisor
    (b) promisee
    (c) Any person
    (d) Promisee or promissory or any other person

87. Agreement for the creation of monopolies ______
    (a) Is allowed in the interest of economy
    (b) Is oppose to public policy and hence void
    (c) Is not detrimental to any nation
    (d) Is Impossible because of perfect competition in today's scenario

88. Implied contract, even if not in writing or express words is perfectly ______ if other conditions are satisfied
    (a) void
    (b) valid
    (c) voidable
    (d) illegal

89. The relationship of principal and agent may arise by ______
    (a) Express or implied agreement
    (b) Ratification
    (c) Operation of law
    (d) All of the above

90. There can be stranger to a consideration but not a stranger to a contract signifies that a consideration may move from ______
    (a) Promisee or any other person
    (b) Promisee
    (c) Promisor
    (d) An independent person

91. In case of sale the position of a buyer is that of ______
    (a) Owner of the goods

(b) Bailee of the goods
(c) Hirer of the goods
(d) None of the above

92. In India the age majority is regulated by ______
    (a) The Indian Majority Act, 1875
    (b) The Indian Minority Act, 1875
    (c) The Indian Contract Act, 1872
    (d) The Constitution of India

93. A new partner is held liable for all acts of the firm done
    (a) Before he become a partner
    (b) After he become a partner
    (c) Any time after even he ceases to be a partner and up to his death
    (d) Before or after he became a partner

94. A partner may retire with the consent of ______
    (a) Any partner
    (b) Some of the partner
    (c) None of the partner
    (d) All of the other partner

95. A person can be introduced as a partner in a firm with the consent of ______
    (a) All of the partner
    (b) Any partner
    (c) None of the partner
    (d) Some of the partner

96. Death of a partner has the effect of ______
    (a) Dissolving the firm
    (b) Result in continuance of the business of the firm
    (c) His heirs joining the firm
    (d) Computation of profits upto the date of death

97. If a minor elects to becomes partner after attaining majority, he will be liable for the debts of the firm _____
    (a) From the date of admission as a minor partner
    (b) from the date of attaining majority
    (c) from the date of his notice to the public that he elects to become partner
    (d) As decided by all other partner

98. Death of partner has the effect of ______

(a) Dissolving the firm

(b) Result in continuance of the business of the firm

(c) His heirs joining the firm

(d) Computation of profits upto the date of death

PART -III

99 A & B are the only two partner in a firm B was murdered by C who wanted to become a partner of the firm but B has raised objection to it A now wants to take D as a partner in the said firm D is father of C light of the situation answer which of the following is correct?

(a) The original partnership is dissolved.

(b) The original partnership is not dissolved and A&D can continue.

(c) A &D has to enter into fresh agreement and create a new partnership

(d) Both (a) and (c)

100. A B tyre Co.Ltd sold tyres to a dealer C, who sold those to A, a sub-dealer on the condition that those tyres would not be sold at a price lower than the list price fixed by A B tyre Co. Ltd and if the tyres were sold at a price lower than the list price a penalty of Rs. 2 for every tyre sold below the list price would be recovered as damages. A sold five tyres below the list price A B tyre Co. Ltd filed a suit against C Is AB tyre Co. Ltd. entitled to maintain the suit

(a) No since A B tyre Co. Ltd was not a party to the contract

(b) No since only 5 tyres are involved and the amount is insignificant.

(c) Yes as A B tyre Co. Ltd is the producer of the tyres

(d) Yes as A B tyre Co. Ltd sold the tyre to C who in turn sold to A

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. Which of the following statements is correct?
    (a) Employment and economic growth are studied in micro economics.
    (b) Micro economics deals with balance of trade
    (c) Economic condition of a section of the people is studied in Micro Economics
    (d) External value of money is dealt with in micro-economics
102. Identify the correct statement :
    (a) In capitalist economy people are not free to spend their income as they like
    (b) In socialist economy the right to work is guaranteed but the choice of occupation gets restricted
    (c) In socialist economy a relative inequality in income is an important feature.
    (d) In today's world only U.S.A. is a purely socialist country
103. When quantity demanded changes by larger percentage than does price, elasticity is termed as:
    (a) inelastic
    (b) perfectly elastic
    (c) elastic
    (d) perfectly inelastic
104. Which of the following statement is not correct?
    (a) GDP at market price = GNP at market price – Net income from abroad
    (b) GDP at factor cost = GDP at market price – net indirect taxes
    (c) NDP at factor cost = NDP at market price – net indirect taxes
    (d) NNP at factor cost = NNP at market price – net income from abroad
105. Identify the item which is not a factor payment
    (a) Free uniform to defense personnel
    (b) Salaries to the members of Parliament
    (c) Imputed rent of an owner occupied building
    (d) Scholarships given to scheduled caste students.
106. Money in dynamic sense:
    (a) Serves as encouragement to division of labour
    (b) Serves as smooth transformer of saving into investments
    (c) Serves as both a and b of the above
    (d) Serves neither as a or b of the above.

107. Which of the following is not a quantitative measure of credit control?

(a) Bank Rate Policy

(b) Open Market Operation

(c) Consumer Credit Regulation

(d) Variable Reserve Requirement

108. Integration of the domestic economy with the world economy is called:

(a) disinvestment

(b) privatization

(c) liberalisation

(d) globalisation

109. Which of the following is not an indirect tax reform:

(a) reducing the peak rate of custom duties

(b) rectifying anomalies like inverted duty structure

(c) the tax rate on foreign companies has also been reduced from 55% to 40%

(d) introduction of value added tax for achieving harmonized taxation regime

110. Which of the following statements is against Privatization?

(a) Privatization will help reducing the burden on exchequer

(b) It will help the profit making public sector units to modernize and diversity their business.

(c) It will help in making public sector units more competitive

(d) None of the above

111. Which of the following statements is incorrect:

(a) Workers employed in Sugar Mills face seasonal unemployment

(b) Due to introduction of new machinery, labour saving device etc. some workers tend to be replaced by machine is termed as structural unemployment

(c) Frictional unemployment is temporary phenomenon

(d) Disguised unemployment refers to a situation where removal of some workers will not affect the volume of total output

112. If the price of good A increases relative to the price of substitute B and C, the demand for:

(a) B will increase

(b) C will increase

(c) B and C will increase

(d) B and C will decrease

113. If income elasticity for the household for good A is 2 then it is a:

(a) necessity item

(b) inferior goods

(c) luxurious item

(d) comfortable item

114. FRBM Act Stands for :

(a) Foreign responsibility and Business Management

(b) Foreign Responsibility and Budget Management

(c) Fiscal Revenue and Budget Management

(d) Fiscal Responsibility and Budget Management

115. Which of the following statements is incorrect?

(a) Most of the big industrial units in India are sick

(b) The industrial pattern on the eve of independence was not balanced

(c) During the planning period, Indian Industrial structure has shifted in favour of basic and capital goods and intermediate sector.

(d) None of the above

116. If the elasticity of supply is zero then supply curve will be.

(a) Horizental

(b) Downward Sloping

(c) Upward sloping to the right

(d) Vertical

117. It is ____________ that deals with the problem of allocation of resources

(a) statistics

(b) macro-economic theory

(c) econometrics

(d) micro-economic theory

118. Lesser production of __________ would lead to lesser production in future

(a) Public goods

(b) Consumer goods

(c) Capital goods

(d) Agriculture goods

119. ____________ viewed economics as a science of dynamic growth and development

(a) Robbins

(b) Adam Smith

(c) Paul A. Samuelson

(d) Pigou

120. Bank rate was reduced (in stages) to ____________ per cent in April 2001

(a) 6.5

(b) 7.00

(c) 6.0

(d) 7.5

121. RBI makes advances to the Central and State Government repayable within ___________ from the date of advance.

(a) 60 days

(b) 45 days

(c) 90 days

(d) 75 days

122. At present there are _____________ Nationalised Banks in India

(a) 14

(b) 6

(c) 21

(d) 19

123. In ___________________ we remove tariff, subsidies on the flow of goods and services between countries.

(a) globalisation

(b) liberalisation

(c) privatisation

(d) disinvestment

124. In Fiscal deficit we add borrowings and other liabilities to the _______________

(a) Primary deficit

(b) Capital deficit

(c) Budget deficit

(d) Money deficit

125. When more money chases relatively too less quantity of goods, the resulting situation is called___________

(a) Stagnation

(b) Cost push

(c) Deflation

(d) Demand pull inflation

126. TRAI is regulatory authority for _____________ in India

(a) tourism

(b) technical Education

(c) transport

(d) telecom

127. When contribution to the production is almost zero/nil is called _________ unemployment

(a) disguised

(b) cyclical

(c) chronic

(d) structural

128. NABARD is the apex bank for _____________ credit in India

(a) combined sector

(b) industrial sector

(c) agriculture sector

(d) territory sector

129. International Monetary Fund commenced its operation in ______________

(a) April 1947

(b) March 1946

(c) April 1946

(d) March 1947

130. In perfect competition the firm's _________ above AVC has the identical shape of the firm's supply curve

(a) Marginal revenue curve

(b) Marginal cost curve

(c) Average cost curve

(d) None of the above

131. When ____________, we know that the firms must be producing at the minimum point of average cost curve and so there will be productive efficiency

(a) MC = MR

(b) MC = AC

(c) AC = AR

(d) AR = MR

132. According to the Planning Commission, a person is said to be below poverty line, if he is earning less than Rs.______________ per capita per month for rural area.

(a) 225

(b) 240

(c) 265

(d) 275

The following data gives the production possibilities frontier of an economy that produces two types of goods, guns and bread. Read the following table and answer questions 133 – 135.

Table 1 : Production Possibilities

Production possibilities	A	B	C	D	E	F	G	H
Guns	0	10	20	30	40	50	60	30
Bread	105	100	90	75	55	30	0	45

133. According to table 1, the opportunity cost of increasing gun's production from 20 to 30 units is equal to

(a) 10 units of bread

(b) 15 units of bread

(c) 25 units of bread

(d) 24 units of bread

134. Given the data in table 1, one moves successively from point A to point B, C, D, E and F, the opportunity cost of guns:

(a) Increases as more of guns are produced

(b) Decreases as more of guns are produced

(c) Remains constant as more of guns are produced

(d) Nothing can be said

135. Point D is efficient while point H (30 guns and 45 loaves of bread) is inefficient. Why?

(a) Point D is outside the PPF while point H is on the PPF

(b) Point D is inside the PPF while point H is on the PPF

(c) Point D is on the PPF while point H is inside the PPF

(d) Nothing can be said

136. What is Disinvestment?

(a) It refers to the disposal of Public Sectors equity in the market

(b) It refers to the transfer of assets from public to private ownership

(c) It means integrating the domestic economy with the world economy

(d) None of the above

137. Which of the following statements is incorrect regarding Disinvestment ?

(a) Government has not failed to raise the budget disinvestments in the capital market

(b) The procedure adopted for disinvestment has suffered from adhocism in the absense of a long term policy

(c) It means selling of Govt. Share in the PSU to other PSU or Private Sector or Banks

(d) It has been too insignificant to affect either the structure of management or the working environment of the PSU in India

A competitive firm sells his product at market price of Rs. 51 per unit. The fixed cost is Rs. 300 and variable cost for different level of production are shown in the following table 2. Use table No.2 to answer questions 138 – 141.

Table 2

Quantity	Variable cost	Fixed cost	Total Cost	AVC	ATC	MC
0	0					
10	470					
20	980					
30	1850					
40	3400					
50	5950					

138. When production is 30 units, the average variable cost is:

(a) 70.6

(b) 60.6

(c) 61.6

(d) 71.6

139. When production is 50 units, marginal cost is:

(a) 265

(b) 255

(c) 245

(d) 275

140. To maximize profit, the firm should produce

(a) 30 units

(b) 10 units

(c) 20 units

(d) 40 units

141. If the market price drops from Rs. 51 to Rs. 47; the firm should

(a) Close down

(b) produce 10 units

(c) Produce 30 units

(d) Produce 20 units

Read the following data and Answer Questions number 142-147.

X, Y and Z are three commodities where X and Y are complementary whereas X and Z are substitute.

A shop keeper sells commodity X at Rs. 20 per piece. At this price he is able to sell 100 pieces of X per month. After some time, he decreases the price of X to Rs. 10 per piece. Following the price decrease.

He is able to sell 150 pieces of X per month.

The demand for Y increases from 25 units to 50 units.

The demand for commodity Z decreases from 75 units to 50 units.

142. The price elasticity of demand when price of X decreases from Rs. 20 per piece to Rs. 10 per piece will be equal to:

(a) 0.6

(b) 1.6

(c) 0.5

(d) 1.5

143. The cross elasticity of demand for commodity Y when the price of X decreases from Rs. 20 per piece to Rs. 10 per piece will be equal to:

(a) –1.5

(b) +1.5

(c) +1

(d) –1

144. The cross elasticity of commodity Z when the price of X decreases from Rs. 20 per piece to Rs. 10 per piece will be equal to:

(a) + 1.66

(b) + 0.6

(c) – 1.66

(d) – 0.6

145. What can be said about the price elasticity of demand for commodity X?

(a) Demand is unit elastic

(b) Demand is highly elastic

(c) Demand is inelastic

(d) Demand is perfectly elastic

146. 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) 0.4

(c) 4.00

(d) -4.00

147. We can say that commodity X in economic sense is a / an

(a) Inferior foods

(b) Giffin Goods

(c) Normal Goods

(d) Luxury Goods.

148. Suppose the total cost of production commodity X is Rs. 1,25000. Out of this cost implicit cost is Rs. 35000 and normal profit is Rs. 25000. what will be explicit cost of commodity X?

(a) 90,000

(b) 65,000

(c) 60,000

(d) 1,00,000

149. Use table 3 to answer questions 149 – 150.

Table 3

Hours of Labour	**Total output**	**Marginal output**
0	––	––
1	350	350
2	––	230
3	670	––

What is the total output when 2 hrs of labour are employed

(a) 500

(b) 580

(c) 600

(d) 680

150. What is the marginal product if the third hour of labour is employed?

(a) 90

(b) 110

(c) 100

(d) 120

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. Unequal widths of classes in the frequency distribution do not cause any difficulty in the construction of

(a) Ogive

(b) Frequency Polygon

(c) Both

(d) None of these

152. The presence of extreme observations does not affect

(a) AM

(b) Median

(c) Mode

(d) Any of these

153. S.D. of first n natural numbers is

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

(b) $\sqrt{\frac{n(n-1)}{2}}$

(c) $\sqrt{\frac{n^2-1}{12}}$

(d) None of these

154. For any two numbers range is always

(a) Twice the SD

(b) Half the SD

(c) Square the SD

(d) None of these

155. G.M. is defined only when

(a) All observation have the same sign and none is zero.

(b) All observation have the different sign and none is zero

(c) All observation have same sign and one is zero

(d) All observation have the different sign and one is zero

156. The quickest method to find correlation between two variables is:

(a) Scatter diagram

(b) Method of concurrent deviation

(c) Method of Rank Correlation

(d) Method of Product moment Correlation

157. In rank correlation coefficient the association need not be linear

(a) False

(b) True

(c) Both

(d) None of these

158 If P (x/y) = p(x) then

(a) x is independent of y

(b) y is independent of x

(c) y is dependent of x

(d) Both (a) and (b)

159. For a binomial distribution mean and mode are not equal when q = 0.50

(a) True

(b) False

(c) Both

(d) None of these

160. The standard deviation is required to determine sample size for

(a) Estimating a mean

(b) Estimating a proportion

(c) Both

(d) None of these

161. If $\log_{\sqrt{3}}(x+1) = 2$ then x is equal to ______

(a) 1

(b) 3

(c) 2

(d) 0

162. $3^{1/4} \times 6^{3/4} \times 2^{5/4}$ is equal to

(a) 10

(b) 12

(c) 14

(d) 0

163. The number ________ has same ratio to 7/33 that 8/21 does to 4/9

(a) 2/11

(b) 3/11

(c) 2/21

(d) None of these

164. $\int \frac{1}{\sqrt{1+x}}$ is equal to

(a) $2(1+x)^{-1/2}$

(b) $(1+x)^{1/2}$

(c) $2(1+x)^{1/2}$

(d) None of these

165. The 8^{th} term of the series 4, 8, 16 .... is ______

(a) 128

(b) 256

(c) 64

(d) 512

166. The no. of permutation can be made out the letters of word "COMMERCE" is ________

(a) 5040

(b) 8!

(c) 6!

(d) None of these

167. The compound interest on Rs. 1000 for 10 years at 4% p.a. the interest being paid quarterly is _______

(a) 786

(b) 586

(c) 486

(d) 186

168. If SD = 40 and the sample size is 150 the standard error of mean is _______

(a) 2

(b) 5

(c) 0.5

(d) None of these

169. The price level of a country in a certain year has increased 20% over the base period. The Index number is ____________

(a) 20

(b) 120

(c) 220

(d) None of these

170. If a pair of dice is thrown, the probability that the sum is neither 7 nor 11 is ________

(a) 7/9

(b) 5/9

(c) 11/9

(d) 2

171. $\lim_{x \to 3} \frac{x^5 - 243}{x^2 - 9}$ is equal to

(a) 150

(b) 125/2

(c) 135/2

(d) 0

172. If f(x) = 2x+5 and g(x) = x^2+1 the fog = ?

(a) $2x^2 + 7$

(b) 2x + 1

(c) $x^2 + 5$

(d) None of these

173. The 20th term of the progression 1, 4, 7, 10 .... is

(a) 58

(b) 52

(c) 0

(d) None of these

174. Five value of K if line 2x+Ky-g=0 and 3x-4y+7=0 are parallel

(a) –8/3

(b) 2/3

(c) –4

(d) 3

175. The average marks scored by 50 students in a class were calculated to be 38. Later it was found, that marks of two students were wrongly copied as 34 and 23 instead of 43 and 32. Find correct average marks.

(a) 37.36

(b) 39.00

(c) 38.36

(d) None of these

176. $\frac{d}{dx}\frac{x}{\sqrt{x^2-1}}$ is equal to

(a) $-(x^2-1)^{-3/2}$

(b) $-(x^2+1)^{3/2}$

(c) $-(x^2+1)^{-3/2}$

(d) $(x^2-1)^{-3/2}$

177. How many words can be formed out of 5 different consonants and 4 different vowels if each word is to contain 3 consonants and 2 vowels

(a) 7000

(b) 720

(c) 7020

(d) 7200

178. If 5 = $\sqrt{x+\sqrt{x+\sqrt{x.......}}}\infty$ then value of x is

(a) 10

(b) 20

(c) 5

(d) ∞

179. The value of $\log_4 \log_3 81$ is equal to

(a) 1

(b) 0

(c) 3

(d) None of these

180. At what rate % will a sum double itself in 7 years if the interest is compounded annually.

(a) 7.0%

(b) 8.0%

(c) 10.41%

(d) 7.9%

181. Three numbers are in A.P. of whose sum is 15 and whose product is 105, then numbers are:

(a) 3, 5, 7

(b) 2, 5, 8

(c) 0, 5, 10

(d) None of these

182. The standard deviation of 100 and 150 items are 40,6 respectively; if mean of 250 item is 44, mean of 100 and 150 item are 50 and 5, then find S.D. for 250 items.

(a) 7.46

(b) 7.64

(c) 6.74

(d) 4.67

183. If r = 0.5, $\sum xy$ = 120, 6y = 8, $\sum x^2$ =0 then value of n is equal to ______

(a) 5

(b) 10

(c) 15

(d) 20

184. Two lines of regression are given by 5x+7y–22=0 and 6x+2y–22=0. If the variance of y is 15 find the standard deviation of x.

(a) $\sqrt{5}$

(b) $\sqrt{6}$

(c) $\sqrt{7}$

(d) $\sqrt{8}$

185. A card is drawn at random from a well shuffled pack of 52 cards. Find the probability of getting a two of heart or one of diamond.

(a) 1/26

(b) 2/51

(c) 2/26

(d) 1/52

186. If the probability of a defective balt is 0.1, find the standard deviation for the distribution of defective bolt in a total of 500.

(a) 7.6

(b) 7.5

(c) 6.5

(d) 6.7

187. If the AM of two numbers is 6 and GM is 6 then find the numbers.

(a) 6, 6

(b) 10, 8

(c) 10, 6

(d) 9, 2

188. Relation "Is Equal to" over the set of all natural numbers is explained as

(a) Reflexive

(b) Symmetric

(c) Transitive

(d) Equivalence

189. What must be added to each of the numbers 6, 15, 20 and 43 to make them proportional.

(a) 5

(b) 4

(c) 3

(d) 2

190. If $f(x+1)= 2x + 7$ then $f(0)$ is equal to

(a) 5

(b) 4

(c) 3

(d) 0

191. Find the equation of line passing through the point $(-2, 3)$ and having x-intercept 4 units.

(a) $2x + y - 4 = 0$

(b) $x + 2y - 4 = 0$

(c) $x + y - 4 = 0$

(d) $x - y - 4 = 0$

192. The compounded ratio of duplicate ratio of 3:5 and the sub triplicate ratio of 1:27 and reciprocal of 1:5 is equal to

(a) 3:5

(b) 1:2

(c) 3:25

(d) 9:25

193. Find the amount of annuity of payment of Rs. 7000 is made annually for 7 years at interest rate of 6% compounded annually

(a) 49,000

(b) 49,300

(c) 50,300

(d) 50,500

194. In a group of 40 children 16 like cricket but not movie and 26 like cricket. The number of children like movie but not cricket are

(a) 12

(b) 14

(c) 2

(d) None of these

195. If $\frac{x^n - 3^3}{x - 3} = 405$ then value of n is equal to

(a) 4

(b) 6

(c) 5

(d) 7

196. If the median of 5, 9, 11, 3, 4, x, 8 is 6, the value of x is equal to

(a) 6

(b) 5

(c) 4

(d) 3

197. Find the coefficient of correlation when its probable error is 0.2 and the number of pairs of item is 9.

(a) 0.505

(b) 0.332

(c) 0.414

(d) None of these

198. If 5:6 = 45:a find the value of a

(a) 54

(b) 45

(c) 15

(d) 0

199. $\int \frac{\log (\log x)}{x} dx$ is equal to

(a) log (log x) – 1 +K

(b) log(log x) + K

(c) $[\log(\log x) - 1)]$ + K

(d) None of these

200. The 4^{th} term of series whose sum to n terms is $5n^2+2n$ is

(a) 5n + 3

(b) 10n – 2

(c) 5n + 2

(d) 10n – 3

BOARD OF STUDIES

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT-6 / 2007

Time : 4 hours *Maximum Marks : 200*

The test is divided into four sections.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

PART-I

1. The expired portion of capital expenditure is shown in the financial statements
   - (a) As an income
   - (b) As an expense
   - (c) As an asset
   - (d) As a liability
2. Users of according information include
   - (a) Creditors
   - (b) Lenders
   - (c) Customers
   - (d) All the above
3. Accounting standards in Indian are issued by:
   - (a) Central Govt.
   - (b) State Govt.
   - (c) Institute of Chartered Accountants of India
   - (d) Reserve Bank of India

4. Cost of exceptional repairs of a non-recurring nature by way of overhauling of the entire plant is ____
   (a) Capital expenditure
   (b) Revenue expenditure
   (c) Deferred revenue expenditure
   (d) Capital lost
5. The total of the purchase day book is posted periodically to the debit of _______
   (a) Purchases A/c
   (b) Cash Book
   (c) Journal proper
   (d) None of these
6. Unexpired insurance is ______
   (a) Nominal account
   (b) Real account
   (c) Representative personal account
   (d) Both (a) and (b)
7. The accounting policies once adopted are not changed unless there is an urgent need for such change is based on
   (a) Money measurement concept
   (b) Accrual concept
   (c) Consistency
   (d) Conservation
8. Cash column in cash book has always ______
   (a) Dr. Balance
   (b) Cr. Balance
   (c) Overdraft
   (d) Both Dr and Cr.
9. Depletion method of depreciation is used in _____
   (a) Cattle, loose tools etc.
   (b) Mines and quarries
   (c) Machinery and Building
   (d) None of these
10. Goods purchased from A for Rs. 2000 passed through the sales book. The rectification of

this error will result in _______

(a) Decrease in Gross profit

(b) No effect on Gross profit

(c) Increase in Gross profit

(d) Increase in Sundry debitors

PART-II

11. The purpose of accommodation bill is _______

(a) To finance actual purchase or sale of goods.

(b) To facilitate trade transaction

(c) When both parties are in need of funds

(d) none of the above

12. Accounts receivable normally has _______ balance

(a) Debit

(b) Credit

(c) Unfavourable

(d) None of the above

13. Capital expenditure are recorded in the _______

(a) Balance Sheet

(b) Profit & Loss Account

(c) Trading Account

(d) Manufacturing account.

14. In case of Debit Balance the words _________ are written on the debit side.

(a) To balance b/d

(b) To balance c/d

(c) By balance b/d

(d) By balance c/d

15. Outstanding wages in trial balance is recorded in ________

(a) Trading account

(b) Profit & Loss account

(c) Balance sheet

(d) None of the three

16. Errors are ___________ mistakes
    (a) Intentional
    (b) Unintentional
    (c) Undetected
    (d) None of the three
17. ________ is not added in the total of Balance sheet
    (a) Fixed liability
    (b) Current liability
    (c) Contingent liability
    (d) None of the three
18. Dividend paid before the end of the financial year is known as ________
    (a) Interim dividend
    (b) Unclaimed dividend
    (c) Proposed dividend
    (d) None of the three
19. __________ Reserve is not shown in Balance Sheet
    (a) General Reserve
    (b) Capital Reserve
    (c) Secret Reserve
    (d) None of the three
20. Capital expenditure provide ________ benefit
    (a) Short period
    (b) Long period
    (c) Very short period
    (d) None of the three

PART – III

21. Suraj consigned goods costing Rs. 250,000 to Mohan on 1st Jan 2006 by incurring Rs. 20,000 on freight. Some goods were lost in transit. For remaining goods Mohan spent Rs. 15,000 to take the delivery including storage charges. During the quarter agent sold ¾ of the goods received by him for Rs. 3,00,000 and charged commission @ 10% on it. Suraj asked the details of goods lost, sold, expenses, commission and balance due to him along with the consignment stock from Mohan. As desired, agent sent the periodical details statement commonly known as
    (a) Account sales

(b) Summary Statement

(c) Account statement

(d) Statement of affairs.

22. A business man purchased goods for Rs. 25,00,000 and sold 80% of such goods during the accounting year ended 31st March, 2005. The market value of the remaining goods was Rs. 4,00,000. He valued the closing stock at cost. He violated the concept of

(a) Money measurement

(b) Conservatism

(c) Cost

(d) Periodicity

PART – IV

23. An item of Rs. 500 relating to prepaid rent account was omitted to be brought forward. The rectifying journal entry will be

(a)	Rent A/c Dr	500	
	To Cash		500
(b)	Prepaid rent A/c Dr.	500	
	To Cash		500
(c)	Prepaid rent A/c Dr.	500	
	To suspense		500
(d)	None of the three		

24.

Cash Sales	50,000
Cash Collected from debtors	1,30,000
Bad Debts during the year	5,000
Debitors at the beginning	10,000

Total sales will be ______

(a) Rs. 175,000

(b) Rs. 170,000

(c) Rs. 180,000

(d) Rs. 178,000

25. An asset is purchased for Rs. 25,000, depreciation is to be provided annually according to straight line method. Useful life of the asset is 10 years and the residual value is Rs. 5,000. Rate of depreciation will be ______

(a) 10%

(b) 8%

(c) 12%

(d) 15%

26.

	Rs.		Rs.
Opening Stock	5570	Purchases	13816
Closing Stock	8880	Sales	15248
Purchase return	390	Import charges	1650
Sales return	524	Salary & wages	1000

Above figures will show Gross Profit _______________

(a) Rs. 3,000

(b) Rs. 2,958

(c) Rs. 2,500

(d) Rs. 4,000

27. Stock worth Rs. 10,000 (cost price Rs. 7,500) taken by Mohan office clerk. Amount to be deducted from his salary in the subsequent month. Journal entry will be

(a) Dr Salary and Cr Purchases A/c Rs. 10,000

(b) Dr Mohan and Cr purchases Rs. 10,000

(c) Dr Salary and Cr Purchases Rs. 7500

(d) None of the above

28.

Cost of goods sold is	100,000
Opening Stock	5,000
Closing Stock	10,000

Amount of purchases will be _______

(a) 105,000

(b) 120,000

(c) 95,000

(d) 130,000

29. Rent has been paid for 11 months from April to February 2006 amounting Rs. 550,000./ The amount of outstanding rent shown in balance sheet will be

(a) Rs. 6,000

(b) Rs. 5,000

(c) Rs. 4,000

(d) None of the above.

30. Capital introduced by Mr. A on 01.04.05 Rs. 300,000, further capital introduced during the year was Rs. 50,000 in the mid of the year. Mr. A withdrew Rs. 2,000 on the first day of each month. Interest on drawings is charged @ 5%. Profit earned during the year was Rs. 20,000. Capital at the end of the year will be

(a) Rs. 3,45,350

(b) Rs. 3,95,000

(c) Rs. 3,46,000

(d) None of the three

31. A cheque of Rs. 1000 received from Ramesh was dishonoured and had been posted to the debit of sales return account. Rectifying Journal entry will be ___________

(a)	Sales return A/c	Dr	1000	
	To Ramesh			1000
(b)	Ramesh	Dr.	1000	
	To Sales return			1000
(c)	Sales return of	Dr.	1000	
	To suspense			1000

(d) None of the three

32. A purchased goods costing Rs. 42,500. B sold goods costing Rs. 40,000 at Rs. 50,000. Balance goods were taken over by A at Rs. 4,000. The profit on joint venture is

(a) Rs. 11,500

(b) Rs. 7,500

(c) Rs. 3,500

(d) Nil

33.

Cost of machine	135,000
Residual value	5,000

Useful life 10 years.

Company charged depreciation for the first 5 years on straight line method. Later on, it reviewed the useful lite and decided to take it as useful for another 8 years. In the 6^{th} year amount of depreciation will be

(a) Rs. 8000

(b) Rs. 8125

(c) Rs. 9000

(d) Rs. 8500

34. Mohan and Krishna are equal partners. They admitted Ram for ¼ share in future profits. New profit sharing ratio will be
   (a) 3:3:2
   (b) 3:2:1
   (c) 2:2:1
   (d) Can not be calculated.
35. Expenses incurred by the consignor on sending goods to consignee are Rs. 1000 for packing, Rs. 1500 on freight and Rs. 500 for insurance, while expenses incurred by the consignee on behalf of consignment are Rs. 300 on Octroi Rs. 800 Godown rent and Rs. 1000 selling expenses. Expenses amount to be excluded while calculating consignment stock will be
   (a) Rs. 1800
   (b) Rs. 2100
   (c) Rs. 2000
   (d) Rs. 2600
36. A, B and C are partners sharing profits in the ratio of 4:3:2 B retires. A and C decide to share profits in future in the ratio of 5:3. Gaining ratio between A and C will be ______
   (a) 13:11
   (b) 12:10
   (c) 10:12
   (d) None of the three
37. Virender Ltd. Forfeited 20 shares of Rs. 100 each (Rs. 60 called up) issued at par to Ram on which he had paid Rs. 20 per share. All the forfeited shares were reissued to Syam as Rs. 60 paid up for Rs. 45 per share. Amount transferred to capital reserve will be.
   (a) Rs. 150
   (b) Rs. 100
   (c) Rs. 75
   (d) Rs. 60
38. Consignee is entitled to get a commission of Rs. 25 per article sold plus one fourth of the amount by which gross sale proceeds less his total commission thereon exceeded a sum at the rate of Rs. 125 per articles sold. He sold 450 articles at Rs. 73,800 commission amount will be____
   (a) Rs. 12510
   (b) Rs. 10510
   (c) Rs. 10,000
   (d) Rs.11,000

39. Goods worth Rs. 500 given as charity should be credited to

(a) Sales account

(b) Purchases account

(c) Charity account

(d) None of the three

40. A company issued Rs. 100,000 15% Debentures at a discount of 5% redeemable after 10 years at a premium of 10%. Loss on issue of debentures will be:

(a) Rs. 15,000

(b) Rs. 12,000

(c) Rs. 10,000

(d) None of the three

41. A company can redeem its debentures by _____

(a) Lump sum payment

(b) Conversion

(c) Draw of lots

(d) All the three

42. Alok Ltd. forfeited 300 shares of Rs. 10 each fully called up held by Ram for non payment of allotment money of Rs. 3 per share and final call money of Rs. 4 per share. Out of these 250 shares were reissued to Syam for a total payment of Rs. 2000. Amount transferred to capital Reserve will be ______

(a) Rs. 200

(b) Rs. 250

(c) Rs. 300

(d) None of the three

43. A company issued debentures of the face value of Rs. 100,000 at discount of 6% on Jan 2005. These debentures are redeemable by annual drawings of Rs. 20,000 made on 31st December each year. Directors decided to write off discount based on the debentures outstanding each year. Discount written off in the fifth year will be _______

(a) Rs. 400

(b) Rs. 500

(c) Rs. 600

(d) None of the three

44. A, B and C are partners sharing profits in the ratio of 4:3:2 D is admitted for 1/3rd share in future profits. Sacrificing ratio will be

(a) 4:3:2

(b) 3:2:3

(c) 2:3:2

(d) None of the three

45. Can forfeited shares be reissued at a discount? If yes, what is the allowable maximum discount.

(a) 5%

(b) 10%

(c) 15%

(d) None of the above.

46. A and B are partners. A's capital is Rs. 10,000 and B's capital is Rs. 6,000 Interest is payable @ 6% P.A. B is entitled to a salary of Rs.300 per month. Profit for the current year before interest and salary to B is Rs. 8,000. Profit between A and B will be divided

(a) A Rs. 1720, B Rs. 1720

(b) A Rs. 2000, B Rs. 1440

(c) A Rs. 1440, B Rs. 2000

(d) None of the three

47. A, B and C entered into partnership on 1st April, 2005 to share profits and losses in the ratio of 4:3:3. A, however, personally guaranteed that C's share of profit after charging interest on capital @ 5% P.A. would not be less than Rs. 40,000 in any year. Capitals were as follows.

A Rs. 300,000 B Rs. 200,000 C Rs. 150,000

Profit for the year ended on 31st March 2006 amounted to Rs. 160,000. Sacrifice made by A for C will be ________

(a) Rs. 1750

(b) Rs. 1800

(c) Rs. 2000

(d) None of the above

48. A and B are partners sharing profits in the ratio of 3:2. C is admitted as a partner. The new profit sharing ratio among A, B and C is 5:3:2. Sacrificing ratio will be _______

(a) 1:1

(b) 3:2

(c) 2:3

(d) None of the above.

49. A company issues 50,000 equity shares of Rs. 100 each at a discount of 10% (allowed at the time of allotment) the net amount payable is as follows:

On application	20
On Allotment	20
On First Call	25
On Final Call	25

Shveti holding 100 shares did not pay final call money. His shares were forfeited. Amount credited to forfeited share a/c will be _______

(a) Rs. 6000

(b) Rs. 6500

(c) Rs. 5000

(d) None of the above.

50. A, B and C are partners with capitals of Rs. 100,000, Rs. 75,000 and Rs. 50,000 respectively. On C's retirement his share is acquired by A and B in the ratio of 6:4 respectively. Gaining ratio will be _________

(a) 3:2

(b) 2:2

(c) 2:3

(d) None of the above

51. On admission of a partner unrecorded investments worth Rs. 5000 and unrecorded liability towards suppliers for Rs. 1500 will be recorded in

(a) Revaluation A/c

(b) Capital Accounts

(c) Realisation A/c

(d) None of the three

52. Dr. balance as per cash book is Rs. 3000. Cheque issued but not presented for payment Rs. 500, Interest collected by Bank Rs. 400, Deposit by a Customer direct into his bank Rs. 250. Bank reconciliation statement will show balance as per Pass Book _______

(a) Rs. 4150

(b) Rs. 4000

(c) Rs. 4500

(d) None of the above.

53. Goodwill is to be calculated at one and half years purchase of average profit of last 5 years. The firm earned profit during the first 3 years as Rs. 20,000, 18,000 and 9,000 and

suffered losses of Rs. 2000 and 5000 in last 2 years. Goodwill amount will be _______

(a) Rs. 12,000

(b) Rs. 10,000

(c) Rs. 15,000

(d) None of the above.

54. A started business with Rs. 10,000 cash and Rs. 2,000 furniture. Sales amounted to Rs. 50,000 including Rs. 5,000 cash sale. Rs. 10,000 sales were outstanding at the end of the year. Cash balance will be ___________

(a) Rs. 50,000

(b) Rs. 45,000

(c) Rs. 40,000

(d) None of the three

55. Depreciation at 5% on office furniture of Rs. 8,000; at 10% on Plant and Machinery of Rs. 80,000; at 5% on Factory Building of Rs. 200,000. Total depreciation will be ______

(a) Rs. 18,000

(b) Rs. 18,400

(c) Rs. 20,000

(d) None of the above.

56. As old machinery appearing in the books at Rs. 5,000 is to be exchanged for a new machinery of Rs. 5,000. The old machinery has been valued at Rs. 800 for exchange purpose. Loss on exchange will be _________

(a) Rs. 4,000

(b) Rs. 4,200

(c) Rs. 4,500

(d) NIL

57. Goods of Rs. 600 (sales price) sent on sale on approval basis were included in the sales book. The profit included in the sales was 20% on cost. Stock with the party will increase closing stock by ________

(a) Rs. 600

(b) Rs. 500

(c) Rs. 400

(d) None of the three

58. General Reserve Account

Dividend Equalization Fund Account

Debenture Sinking Fund Account

Workmen Compensation Reserve Account

Above accounts are:

(a) Personal A/c

(b) Real A/c

(c) Nominal A/c

(d) Both A & B

59. Cheque of Rs. 700 received from Hariram in settlement of a debt of Rs. 720, was dishonoured and returned. Entry for dishonour will be _______

(a)	Hari Ram	Dr.	700	
	To Bank			700
(b)	Bank	Dr.	700	
	Discount	Dr.	20	
	To Hari Ram			720
(c)	Hari Ram	Dr.	720	
	To Bank			700
	To Discount			20
(d)	None of the above.			

60. Paid rent to land lord Rs. 2400, debited to Land Lord's A/c by Rs. 2004. Rectifying entry will be ________

(a)	Rent A/c	Dr.	2400	
	To Landlord			2400
(b)	Rent A/c	Dr.	2004	
	To Landlord			2004
(c)	Rent A/c	Dr.	2400	
	To Landlord			2004
	To Suspense			396
(d)	None of the three			

SECTION – B : MERCANTILE LAWS (40 MARKS)

PART –I

61. In which form of contract the property in goods passes to the buyer immediately
    (a) Agreement to sell
    (b) Hire purchase
    (c) Sale
    (d) Auction sale
62. Which of the following modes of delivery of goods is considered effective for a valid contract of sale
    (a) Actual delivery
    (b) Symbolic delivery
    (c) Constructive delivery
    (d) All of these
63. Goods which are in existence at the time of the contract of sale is known as:
    (a) Present goods
    (b) Existing goods
    (c) Specific goods
    (d) Future goods
64. The Right of Lien means
    (a) To refuse to deliver the goods
    (b) To take back delivery of goods
    (c) To hold goods until payment is made
    (d) None of these
65. The right of lien can be exercised
    (a) Only for the price
    (b) Only for the expenses
    (c) Either for the price and expenses
    (d) All of these
66. In case of breach of contract by the seller, the buyer has rights
    (a) For suit for damages
    (b) Suit for specific performance
    (c) Suit for breach of warranty
    (d) All of these

67. In case of perishable goods the unpaid seller can
   (a) Resell goods
   (b) Not resell goods
   (c) Resell after giving notice to the buyer
   (d) Resell goods without giving notice to the buyer
68. When the right to bid at an auction is expressly deserved the seller may
   (a) bid at the auction
   (b) not bid at the auction
   (c) be restrained to bid at an auction
   (d) be forced to bid at an auction
69. The Law of Partnership is contained in the
   (a) Chapter XI of the Indian Contract Act
   (b) Indian Partnership Act, 1930
   (c) Indian Partnership Act, 1934
   (d) Companies Act, 1956
70. In any partnership business, the number of partners should not exceed
   (a) 10
   (b) 20
   (c) 15
   (d) 25
71. The partnership agreement may be
   (a) Express or implied
   (b) Only written
   (c) Only oral
   (d) Only implied
72. In a Joint Hindu family business
   (a) a male member becomes a member by his birth
   (b) a female does not become its member by birth
   (c) a male member becomes a member by the permission of Karta
   (d) A male becomes member by operation of law.
73. Which is not appropriate regarding the kind of partner
   (a) Actual partner

(b) Sleeping partner

(c) Active partner

(d) Dummy partner

74. A partner may retire from a firm

(a) With consent of all other partners

(b) With the consent of main partner

(c) With the consent of sleeping partner

(d) No consent of any partner

75. Which is not true regarding the rights of a minor partner

(a) He has a right such share of the property and profits of the firm as may have been agreed upon.

(b) he has right to have access to and inspect and copy of books of the firm

(c) He has right to have access to and inspect and copy of any of accounts

(d) All of these

76. A partner may be expelled from partnership subject to which conditions

(a) The power of expulsion of a partner should be conferred by the contract between the partners

(b) The power should be exercised by majority of partners

(c) The power should be exercised in good faith

(d) all of these

77. An agreement to share earnings of smuggling business is :

(a) Valid

(b) Void

(c) Voidable

(d) Contingent

78. A party entitled to rescind the contract, loses the remedy when

(a) He has ratified the contract

(b) The third party has acquired right in good faith

(c) Contract is not separable

(d) All of these

79. Standing offer means

(a) After allowed to remain open

(b) After made to public in general

(c) When the offeree offers to qualified acceptance of the offer

(d) Offer made to a definite person

PART-II

80. In F.O.B. Contracts, F.O.B. stands for

(a) Free on Bill

(b) Free on Board

(c) Free on Boarded Ship

(d) Free on Bill of Lading

81. In case the goods are destroyed or damaged or lot by accident the loss will fall on _______

(a) The owner of the goods

(b) The buyer

(c) The owner and the buyer

(d) The third party

82. Where goods are sold by a person who is not the owner thereof, the buyer ______

(a) Acquires no better title to the goods than the seller had

(b) Acquires same title of the goods as the owner had

(c) No title of goods

(d) None of these

83. If there is breach of warranty, the aggrieved party can ________

(a) Only claim damages

(b) Treat the contract as repudiated

(c) Treat the Contract illegal

(d) All of these

84. If there is breach of contract of sale, the aggrieved party can _________

(a) File a suit for damages for non delivery of goods

(b) File suit for specific performance

(c) File suit for breach of warranty

(d) All of these

85. Only __________ can be subject matter of a sale

(a) existing goods

(b) future goods

(c) specific goods

(d) contingent goods

86. The delivery of goods and payment of price are ______
    (a) Concurrent conditions
    (b) Principal conditions
    (c) Mutual conditions
    (d) All of these
87. A contract of sale involves transfer of __________
    (a) Title of goods
    (b) Ownership
    (c) Liability
    (d) None of these
88. A warranty is a stipulation ____________
    (a) Essential to main purpose of contract of sale
    (b) Collateral to the main purpose of contract of sale
    (c) Secondary to the main purpose of contract of sale
    (d) None of these
89. The unpaid seller may exercise his right of stoppage in transit __________
    (a) By taking actual possession of the goods
    (b) By giving notice of his claim to the carrier
    (c) By giving notice of his claim to the bailee in whose possession the goods are
    (d) All of these
90. The unpaid seller's right of lien shall be lost ________
    (a) When the goods are delivered to a carrier
    (b) When the goods are delivered to a bailee
    (c) When seller waives his right of lien
    (d) All of these
91. The transit comes to an end
    (a) When buyer takes the delivery
    (b) When delivery is made to a ship
    (c) When there is part delivery of goods
    (d) All of these

92. The term seller includes
   (a) Actual seller
   (b) Any person who is in a position of seller
   (c) Consignor of goods
   (d) All of these
93. The seller of goods is deemed to be an unpaid seller _________
   (a) When the part of the price has not been paid
   (b) When the whole of the price has not been paid
   (c) When a bill of exchange has been dishonoured
   (d) All of these
94. Right of resale can be exercised
   (a) Where the goods are of perishable nature
   (b) When the seller expressly reserves a right of resale
   (c) After giving reasonable notice
   (d) All of these
95. C.I.F. contract is ___________
   (a) Contract for the sale of insured goods
   (b) Contract for sale of document
   (c) Contract for sale of goods
   (d) Contract for sale of specific goods
96. Partnership is the relation
   (a) Between persons
   (b) Between firms
   (c) Among numberless persons who have agreed to share the profits of a business carried on by them
   (d) Established by way of land of agency.
97. The court may not dissolve the firm in case of ___________
   (a) Insanity of a partner
   (b) Permanent incapabity of a partner
   (c) Misconduct of a partner
   (d) Retirement of a partner
98. In settling the accounts of a firm after dissolution ________
   (a) The good will must be included in the assets

(b) The good will must not be included in the assets

(c) The good will should be separated before settlement

(d) The goodwill should be distributed among all the partners

PART-III

99. A invited B to a Birthday party. B promised to attend and give A Rs. 500 as a present on his birthday. B failed to attend. What are remedies for A -

(a) A cannot recover any damages from B

(b) A can file suit for recovery of Rs. 500

(c) A can file a suit for breaking the promise

(d) A cannot file a suit for breaking the promise.

100. A owes C Rs. 10,000 but the debt is barred by the limitation Act. D signs a written promise to pay C Rs. 5000 on account of the debt. Choose the best alternative

(a) A promise to pay a time barred debt is not enforceable

(b) It is not a valid contract

(c) It is a voidable contract

(d) A promise to pay full amount of Rs. 10,000 is a valid contract

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. Find the correct match of the following:
   (a) Economics is a science of wealth – Alfred Marshall
   (b) "The range of our enquiry becomes restricted to that part of social welfare that can be brought directly or indirectly into relation with measuring Rod of money". – Hicks.
   (c) "Economics is the Science which studies human behaviour as a relationship between ends and scares means which have alternative uses." – Robbins
   (d) Economics as a Science of Dynamic Growth and Development. – A.C. Pigon

102. Which of the following falls under Micro Economics ?
   (a) National Income
   (b) General Price level
   (c) Factor Pricing.
   (d) National Saving and Investment

103. Which of the following steps relates only to deductive method in Economics?
   (a) Testing of Hypothesis
   (b) Collection of data
   (c) Classification of data
   (d) Perception of the problem

104. Broad Money refers to :
   (a) M_1
   (b) M_2
   (c) M_3
   (d) M_4

105. Monetary policy means:
   (a) policy relating to non-banking financial institution
   (b) policy relating to public revenue and public expenditure
   (c) policy relating to money and banking in a country
   (d) all of the above.

106. W.T.O. was established on :
   (a) 1st Jan 1991
   (b) 2nd March 1992
   (c) 1st Jan 1995
   (d) 2nd March 1997

107. When indifference curve is L shaped then two goods will be:
   (a) perfect substitute Goods

(b) substitute Goods

(c) perfect complementary goods

(d) complementary goods

108. If a point on a demand curve of any commodity lies on X Axis then price elasticity of demand of that commodity at that point will be

(a) Infinite

(b) More than zero

(c) Less than zero

(d) zero

109. Which of the following statement is incorrect ?

(a) Indian tax structure relies on a very narrow population base

(b) Direct taxes are differential, indirect taxes are progressive in nature

(c) The ratio of Direct taxes to indirect taxes which was 40:60 in 1951 declined to 20:80 in 1991

(d) The total tax revenue is highly insufficient to meet the expenditure requirement of the economy

110. Which of the following statements about central bank is incorrect?

(a) Central bank regulates currency in accordance with the requirements of business and the general public

(b) Central banks performs general banking and agency service for the state

(c) Central bank generally deals with the public and tries to encourage saving habits among people

(d) None of the above.

111. Structural unemployment results due to:

(a) a change caused by the introduction of new machines, labour saving devices and improvement in methods of production

(b) a change caused by recessionary and depressionary phases of the economy

(c) a change caused by high population growth, primitive state of technology, low capital formation and vicious circle of poverty etc.

(d) A change caused by a decline in demand for production in particular industry and consequent disinvestments and reduction in its manpower requirement

112. Which of the following statements is correct about under utilization of capacity of industries in India?

(a) The magnitude of under-utilisation varies from 20% to 60% in different industrial sectors

(b) The average under-utilization being in the region of 40% to 50%

(c) Over optimistic demand projection is one of the factors responsible for under utilization in industries

(d) All of the above

113. Marginal cost is defined as

(a) the change in output due to a one unit change in output

(b) total cost divided by output

(c) the change in total cost due to one unit change in output

(d) total revenue divided by the quantity of input

114. If as a result of a change in price, the quantity supplied of a good remains unchanged, we conclude that:

(a) elasticity of supply is perfectly inelastic

(b) elasticity of supply is relatively greater-elastic

(c) elasticity of supply is inelastic

(d) elasticity of supply is relatively less-elastic

115. One characteristic not typical of oligopolistic industry is:

(a) too much importance to non-price competition

(b) price leadership

(c) horizontal demand curve

(d) a small number of firms in the industry

116. Which of the following statements is incorrect about the benefits of value added tax?

(a) Overall tax burden will be rationalized

(b) There is a provision of self-assessment

(c) Price will in general fall

(d) There will be less transparency

117. Balance of services is the sum of all invisible service receipts and payment which could be ___________.

(a) zero

(b) positive

(c) negative

(d) zero, positive or negative

118. The cost of tax collection has increased from Rs. 543 crores in 1990-91 to more than __________ in 2004-05

(a) 1900 crore

(b) 2900 crore

(c) 3900 crore

(d) 1450 crore

119. If NNP figure is available at market prices we will ________ indirect taxes and ________

subsidies to the figure to get National Income of the economy.

(a) add, substract

(b) add, sivide

(c) substract, add

(d) substract, divide

120. At present CRR is _______ and SLR is ________ for entire net demand and time liabilities of the scheduled commercial banks.

(a) 10, 35

(b) 7, 30

(c) 5.5, 25

(d) 10, 25

121. India ranks _________ among the top ten debtor countries in the world (Global Development Finance 2005)

(a) seventh

(b) eighth

(c) ninth

(d) sixth

122. The National Highways now carry more than ________ percent of the total road traffic.

(a) 10

(b) 20

(c) 30

(d) 40

123. According to 1991 the sex ratio (females per 1000 males) was _________

(a) 929

(b) 729

(c) 927

(d) 933

124. The share of tertiary or services sector in GDP in 2005-06 was ___________

(a) 51.4 per cent

(b) 45.1 per cent

(c) 42.3 per cent

(d) 54.1 per cent

125. The Government established __________ in 1982 to finance rural projects at lower rate of interests.

(a) Regional Rural Banks

(b) Reserve Bank of India
(c) National Bank for Agriculture and Rural Development
(d) Co-operative Banks

126. The percentage of people working in Agriculture sector came down to around ______ per cent in 2004-05.
(a) 40
(b) 50
(c) 60
(d) 67

127. The 10th plan targeted a reduction in infant mortality rate (IMR) to _________ per 1000 by 2007
(a) 28
(b) 45
(c) 16.2
(d) 74

128. Employment Assurance Scheme and Jawahar Gram Sammridhi Yozana have been merged with ___________
(a) NFFWP
(b) SGRY
(c) SGSY
(d) IAY

129. Every ___________ person in the world is an Indian and every third poor person in the world is also an Indian
(a) Third
(b) Sixth
(c) Fourth
(d) Ninth

130. Till date, nearly __________ per cent of villages are not electrified
(a) 17
(b) 16
(c) 15
(d) 14

131. In a free market-economy, when consumer decrease their purchase of a good and the level of _______ exceeds _________ then prices tend to fall.
(a) prices, demand
(b) profits supply
(c) demand supply

(d) supply, demand

132. At present, the responsibility for the provision of finance for Agriculture, Trade and small industries has been handed over to

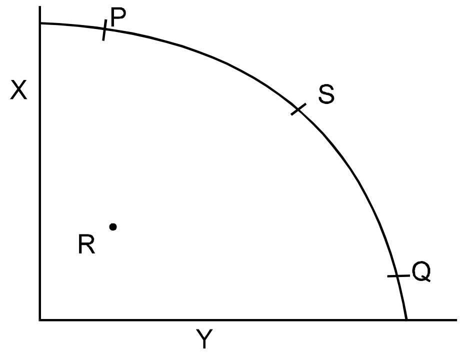
(a) SBI

(b) NABARD

(c) NABARD, SIDBI

(d) NABARD, EXIM and SIDBI

Figure given below gives the PPC for producing two types of commodities X and Y. Read the figure and answer questions 133-135



133. Which point in the above figure shows that the two commodities cannot be produced with given technology?

(a) P

(b) S

(c) Q

(d) None of the above

134. Which point in above figure shows that the resources are not being utilized fully?

(a) P

(b) Q

(c) S

(d) R

135. Which point or points in above figure show that outputs are being produced at least cost combination of resources?

(a) P

(b) Both P and Q

(c) Q

(d) Both R and S

Read the following paragraph and answer questions 136-137.

It is the outcome of the modern economic word. It came into force after 1991. Liberalisation and de-regulation of the economy are essential preconditions for successful implementation of this policy

136. What is privatization ?

(a) It refers to the disposal of public sectors equity in the market

(b) It refers to the transfer of assets from public to private sector ownership

(c) It means integrating the domestic economy with the world economy

(d) None of the above

137. Which of the following is false about disinvestments?

(a) As a result, the total realization of the government from various rounds of disinvestments has been much below the target

(b) The disinvestments was started in 1991-92

(c) Adequate efforts were not made to build up the much needed linkages between the public enterprises and the capital market

(d) None of the above

A competitive firm sells as much as of its product it chooses at a market price of Rs. 100 per unit. Its fixed cost is Rs. 300 and its variable costs (in rupees) for different levels of production are shown in the following table. Use table 1 to answer questions 138-141.

Table No.1

Quantity	Variable cost	Fixed Cost	Total Cost	Average Variable Cost	Average Total Cost	Marginal cost
0	0	–	–	–	–	–
5	270					
10	490					
15	720					
20	1000					
25	1370					
30	1870					
35	2540					
40	3420					
45	4550					
50	5970					

138. When production is 35 units, the average variable cost is

(a) Rs. 7.25

(b) Rs. 72.25

(c) Rs. 72.57

(d) Rs. 85.50

139. In the table marginal cost per unit that corresponds to 25 units of production is

(a) Rs. 3.50

(b) Rs. 74

(c) Rs. 450

(d) Rs. 370

140. To maximize output, the firm should produce

(a) 30

(b) 35

(c) 45

(d) 50

141. If the market price drops from Rs. 100 to Rs. 74, the firm short run response should be

(a) continue to produce the same number of units as before the drop in price

(b) produce 10 units

(c) produce 20 units

(d) produce 25 units

Read the following data and answer Questions Number 142-147

XYZ are three commodities where X and Y are complements whereas X and Z are substitute.

A shopkeeper sells commodity X at Rs. 40 per piece. At this price he is able to sell 100 commodity of X per month. After some time he decreases the price of X to Rs. 20. Following the price decrease :

He is able to sell 150 pieces of X per month

The demand for Y increases from 25 units to 50 units

The demand for commodity Z decreases from 150 to 75 units.

142. The price elasticity of demand when the price of X decreases Rs. 40 per piece to Rs. 20 per piece will be equal to:

(a) 1.5

(b) 1.0

(c) 1.66

(d) 0.6

143. The cross elasticity of monthly demand for Y when the price of X decrease from Rs. 40 to Rs. 20 is equal to:

(a) +1

(b) –1

(c) –1.5

(d) +1.5

144. The cross-elasticity of Z when the price of X decreases from 40 to 20 is equal to:

(a) –0.6

(b) +0.6

(c) –1

(d) +1

145. What can be said about price elasticity of demand for X?

(a) Demand is unit elastic

(b) Demand is highly elastic

(c) Demand is perfectly elastic

(d) Demand is inelastic

146. Suppose income of the residents of locality increase by 50% and the quantity of X commodity increases by 20%. What is income elasticity of demand for commodity X?

(a) 0.6

(b) 0.4

(c) 1.25

(d) 1.35

147. We can say that commodity X in economics is a/an

(a) luxury good

(b) inferior Good

(c) normal Good

(d) none of the above

148. If the total product cost for manufacturing of commodity is Rs. 1,50,000. Out of this implicit cost is Rs. 55,000 and normal profit is Rs. 25,000, what will be explicit cost:

(a) 95,000

(b) 1,25,000

(c) 80,000

(d) 70,000

Use Table No.3 to Answer Questions 149 – 150

UNIT OF LABOUR	TOTAL OUTPUT	MARGINAL OUTPUT
0	---	---
1	500	500
2	---	430
3	1290	---

149. What is the total output when 2 units of labour are employed?

(a) 690

(b) 930

(c) 830

(d) 680

150. What is the marginal out of the third unit of labour?

(a) 390

(b) 380

(c) 370

(d) 360

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. If one of the regression coefficient is greater than unity, then other is less than unity.
   (a) True
   (b) False
   (c) Both
   (d) None of these
152. The set of cubes of the natural number is
   (a) A finite set
   (b) An infinite set
   (c) As null set
   (d) None of these
153. Age of person is
   (a) An attribute
   (b) A discrete variable
   (c) A continuous variable
   (d) A variable
154. For open end classification, which of the following is the best measure of central tendency
   (a) AM
   (b) GM
   (c) Median
   (d) Mode
155. When an event is decomposable into a number of simple events, then it is called a compound event
   (a) True
   (b) False
   (c) Both
   (d) None of these
156. In which case Binomial distribution is not applicable if the value of variable is
   (a) 1.0
   (b) 2.0
   (c) 2.5
   (d) None of these
157. The number of suicides or death by heart attack in time t. This is example of
   (a) Binomial distribution
   (b) Poissoin distribution

(c) Probability distribution

(d) None of these

158. Businessman uses to find out the operation cost, profit per unit of article, output per man etc.

(a) AM

(b) GM

(c) Median

(d) Mode

159. To find coefficient of correlation by scatter diagram method is not suitable, if the number of observations is very large

(a) True

(b) False

(c) Both

(d) None of these

160. If an unbiased coin is tossed once, then the two events head and tail are

(a) Mutually exclusive

(b) Exhaustive

(c) Equally likely

(d) All these

161. The value of $\log_6 216\sqrt{6}$ is equal to

(a) 7/2

(b) 5/2

(c) 1

(d) None of these

162. For Equation $ax^2+bx+c=0$ the sum of roots are equal to _______

(a) ac

(b) – b/a

(c) c/a

(d) None of these

163. $\lim_{x\to 0} \frac{\log(1+x)}{x}$ is equal to ___________

(a) 0

(b) 1

(c) –1

(d) ∞

164. ______ terms will amount to 60 in the series 16+14+12 ……

(a) 4

(b) 3

(c) 5

(d) 11

165. The score of 10 students in a test with maximum marks 50 were as follows 28, 36, 34, 28, 48, 22, 35, 27, 19, 41 then variance is equal to ____________

(a) 69.16

(b) 59.16

(c) 49.61

(d) 79.61

166. A bag contain 20 discs numbered 1 to 20. A disc is drawn from the bag. The probability that the number on it is a multiple of 3 is _______

(a) 5/10

(b) 2/5

(c) 1/5

(d) 3/10

167. 7 distinct things are to be divided in 3 groups, consisting of 2, 2 and 3 things respectively, no. of ways this can be done is equal to __________

(a) 110

(b) 105

(c) 100

(d) None of these

168. If the value of a car gets depreciated by 20% per year, estimated value at the end of five year is ______ if its present value is Rs. 24,000.

(a) 7864.32

(b) 7684.23

(c) 8764.32

(d) 6789.32

169. The shape and location of a _________ changes as p changes for a given n or n changes for a given p.

(a) Poisson distribution

(b) Binomial distribution

(c) Probability distribution

(d) None of these

170. The median of the following items, 6, 10, 4, 3, 9 11, 22, 18 is ______________

(a) 10

(b) 9

(c) 9.5

(d) 10.5

171. Find the value of the constant λ so that the function given below is continuous at x = -1

$$f(x) = \left\{ \begin{array}{l} \dfrac{x^2 - 2x - 3}{x+1} \\ \lambda \end{array} \right\}, x \neq 1 \qquad \text{for } x = -1$$

(a) –3

(b) –2

(c) 0

(d) –4

172. $\dfrac{d}{dx}$ (x-1)(x-2) is equal to

(a) 2x-3

(b) 3x-2

(c) 1

(d) None of these

173. The value of $\sqrt{2+\sqrt{2+\sqrt{2}}}$ + ... ∞ is equal to

(a) -2

(b) 2

(c) $\sqrt{2}$

(d) 0

174. If, ratio of second to seventh of terms in an A.P. where first term is –7. Find d

(a) 10

(b) 42

(c) 12

(d) 13

175. In how many ways 5 gents and 5 ladies sit at a round table; if no two ladies are to sit together.

(a) 720

(b) 120

(c) 2,880

(d) 34,600

176. If $f(x) = x^3 + \frac{1}{x^3}$ then value of f(x) – f (1/x) is equal to

(a) 0

(b) 1

(c) $x^3 + \frac{1}{x^3}$

(d) None of these

177. The points A (7,3)and C (0,-4) are two opposite vertices of a rhombus ABCD. Find the equation of diagonal AC.

(a) $2x + 2y - 3 = 0$

(b) $x - y + 3 = 0$

(c) $y - x + 4 = 0$

(d) None of these

178. In a group of persons, average weight is 60 kg. If the average weight of males and females taken separately is 80 kg and 50 kg respectively, find the ratio of the number of males to that of females.

(a) 2:3

(b) 3:2

(c) 2:1

(d) 1:2

179. $\int \frac{dx}{\sqrt{x} + x}$ is equal to

(a) $2 \log (1+\sqrt{x}) + K$

(b) $\log (1+\sqrt{x}) + K$

(c) $\log \sqrt{x} + K$

(d) None of these

180. Find the sum of first twenty five terms of AP series whose nth term is $\left(\frac{n}{5}+2\right)$.

(a) 105

(b) 115

(c) 125

(d) 135

181. The difference between simple interest and compound interest on a certain sum for 3 years at 5% per annum is Rs. 76.25. Find the sum.

(a) 5,000

(b) 8,000

(c) 9,000

(d) 10,000

182. A bag contains Rs. 187 in the form of 1-rupee, 50P, and 10-P coins in the ratio of 3:4:5. Find the number of each type of coins.

(a) 30, 40, 50

(b) 102, 136, 170

(c) 60, 80, 100

(d) None of these

183. The relation 'Is a factor of' is the set of integers is symmetric relation.

(a) True

(b) False

(c) Both

(d) None of these

184. If one of the number is 3 less than twice the other number and sum of squares of the two numbers is 233. Find the numbers.

(a) 8, 13

(b) 11, 14

(c) 15, 18

(d) None of these

185. Find the present value of an ordinary annuity of 8 quarterly payments of Rs. 500 each, the rate of interest being 8% p.a. compound quarterly.

(a) 4275.00

(b) 4725.00

(c) 3662.50

(d) 3266.50

186. Out of numbers 1 to 120, one is related at random what is the probability that it is divisible by 8 or 10.

(a) 23/120

(b) 18/125

(c) 32/120

(d) None of these

187. 3% of a given lot of manufactured parts are defective what is the probability that in a sample of 4 items none will be defective.

(a) 0.585

(b) 0.885

(c) 0.558

(d) None of these

188. The marks obtained by10 students in an examinations were as follows:

70, 65, 68, 70, 75, 73, 80, 70, 83, 86. Find mean deviation about the mean

(a) 5.3

(b) 5.4

(c) 5.5

(d) 5.6

189. For a set of 100 observation taking assumed mean as 4, the sum of the deviations is –11 cm and the sum of squares of these deviations is 257 cm^2. Find the coefficient of variation.

(a) 41.13%

(b) 14.13%

(c) 25.13%

(d) 52.13%

190. The coefficient of rank correlation of marks obtained by 10 students in English and Economics was found to be 0.5 it was later discovered that the difference in ranks in the two subjects obtained by one student was wrongly taken as 3 instead of 7. Find correct coefficient of rank correlation.

(a) 0.514

(b) 0.26

(c) 0.15

(d) None of these

191. The mean of normal distribution is 500 and 16% of the values are greater than 600. What is the S.D. of the distribution.

(a) 50

(b) 100

(c) 150

(d) 200

192. A population comprises 3 numbers 2, 6, 4. Find all possible no. of samples of size two with replacement.

(a) 27

(b) 6

(c) 9

(d) None of these

193. A random sample of 100 article taken from a large batch of articles contains 15 defective articles. What is the estimates of the proportion of defective articles in the entire batch.

(a) 0.15

(b) 0.020

(c) 0.212

(d) None of these

194. How many numbers greater than 2000 can be formed with the digits 1, 2,3,4,5?

(a) 216

(b) 120

(c) 24

(d) 240

195. If 2x + 5y – 9=0 and 3x-y-5=0 are two regression equation, then find the value of mean of x and mean of y.

(a) 1,2

(b) 2,2

(c) 2,1

(d) 1,1

196. If A = {4,5}, B={2,3}, C={5,6} then AX B$\cap$C is

(a) {(2,5), (3,5)}

(b) {(4,2), (4,6)}

(c) {(4,3), (4,2)

(d) None of these

197. $\lim_{x\to 2}\dfrac{e^x - e^2}{x-2}$ is equal to

(a) e^2

(b) e

(c) 1

(d) 0

198. If 3 times of Ramesh's age 6 year ago be subtracted from twice his present age the result would be equal to his present age. Find Ramesh's age

(a) 15

(b) 9

(c) 16

(d) 8

199. The sum and product of the equation $3x^2-2x-6=0$ are

(a) 2/3, –2

(b) –2/3, 2

(c) 2, –2/3

(d) –2, –2/3

200. If $1176 = 2^p.3^q.7^r$ Find the value of p, q, r.

(a) 1, 2, 3

(b) 1, 3, 2

(c) 3, 1, 2

(d) 1, 3, 5

BOARD OF STUDIES

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT-7 / 2007

Time : 4 hours *Maximum Marks : 200*

The test is divided into four sections.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

PART –I

1. All the following are functions of accounting except
   (a) Decision making
   (b) Measurement
   (c) Forecasting
   (d) Ledger posting
2. Rs. 25,000 incurred on structural alterations to existing asset whereby its revenue earning capacity is increased is _______
   (a) Capital expenditure
   (b) Deferred revenue expenditure
   (c) Revenue expenditure
   (d) None of the above.
3. Debts written off as bad if recovered subsequently are
   (a) Credited to Bad Debt recovered A/c
   (b) Debited to Profit & Loss A/c
   (c) Credited to debtors A/c
   (d) None of the above.

4. The total of the sales return book is posted periodically to the debit of _____
   (a) Sales return Account
   (b) Cash book
   (c) Journal proper
   (d) None of the above.
5. Bills payable is ______
   (a) Real A/c
   (b) Nominal A/c
   (c) Personal A/c
   (d) Both (a) and (b)
6. Human assets have no place in accounting records is based on _____
   (a) Money measurement concept
   (b) Accrual concept
   (c) Consistency
   (d) Conservatism
7. Sales return book records _______
   (a) Credit sales return
   (b) Cash sales return
   (c) Both (a) and (b)
   (d) Purchase return
8. 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.
9. Consignment Account is
   (a) Real A/c
   (b) Personal A/c
   (c) Nominal A/c
   (d) None of the above
10. Parties to Bill of Exchange are
   (a) Drawer

(b) Drawee
(c) Payee
(d) All of the above

PART-II

11. Preliminary expenses are treated as ___________
    (a) Miscellaneous expenditure
    (b) Intangible asset
    (c) Current assets
    (d) Current liability
12. Proposed dividends are debited to
    (a) Trading A/c
    (b) Profit & Loss A/c
    (c) Profit & Loss Appropriation A/c
    (d) None of the above
13. Discount on issue of debentures is a _____________
    (a) Capital loss to be shown as goodwill
    (b) Capital loss to be written off over the tenure of the debentures
    (c) Capital loss to be written off from capital reserve
    (d) Revenue loss to be charged in the year of issue
14. Profit and loss on revaluation is shared among the partners in ________ ratio.
    (a) Old profit sharing ratio
    (b) new profit sharing ratio
    (c) Capital ratio
    (d) Equal ratio
15. Accounts payables normally has ___________ balance
    (a) Debit
    (b) Unfavourable
    (c) Credit
    (d) none of the above
16. Bank pass book is also known as _______
    (a) Bank book
    (b) Bank account

(c) bank column

(d) Bank statement

17. Depreciation on machinery in trial balance is recorded in ___________

(a) Trading A/c

(b) Profit & Loss A/c

(c) Balance Sheet

(d) None of the three

18. The balance of the petty cash is

(a) An expense

(b) An income

(c) An asset

(d) A liability

19. Fixed capital A/c is credited with _______

(a) Interest on capital

(b) Profit of the year

(c) Salary of the partner

(d) None of the above.

20. Interest on drawing is ______ for the business

(a) Expenditure

(b) Expense

(c) Gain

(d) None of the three

PART-III

21. Ramesh, the acceptor of the bill has to honour a bill on 31st March 2006. Due to financial crisis, he is unable to pay the amount of bill of Rs. 20,000. Therefore, he approaches Ram on 20th March 2006 for extension of the bill for further 3 months. Ram agrees to extend the credit period by drawing a new bill for Rs. 20,500 together with interest of Rs. 1000 in cash. In this case old bill of Rs. 20,000 will be considered as

(a) Discounted

(b) Dishonoured

(c) Cancelled

(d) Retired

22. M/s Kapoor Bros, which was registered in the year 2000, has been following straight line method (SLM) of depreciation. In the current year it changed its method from SLM to

written down value (WDV) method, since such change would result in the additional depreciation of Rs. 200 lakhs as a result of which the firm would qualify to be declared as a sick industrial unit. The auditor raised objection to this change in the method of depreciation.

Auditors objection is justified because -

(a) Change in the method of depreciation should be done only with the consent of the auditor.

(b) Depreciation method can be changed only from WDV to SLM and not Vice Versa.

(c) Change in the method of depreciation should be done only if it is required by some statute and change would result in appropriate presentation of financial statement.

(d) Method of depreciation cannot be changed under any circumstances.

PART-IV

23. A company purchased a plant for Rs. 5000 useful life of the plant is 10 years and residual value is Rs. 500. Rate of depreciation will be ____

(a) 9%

(b) 10%

(c) 15%

(d) 12½%

24.

Gross Profit	51,000
Carriage Out	5,800
Rent paid	6,400
Bad Debts	2,600
Apprentice premium (Cr.)	1,500
Printing & Stationery	1,000

Net profit of the firm will be

(a) Rs. 38900

(b) Rs. 36700

(c) Rs. 35000

(d) Rs. 40000

25. A started business with Rs. 10,000 cash and Rs. 2,000 furniture. Sales amounted to Rs. 50,000 including Rs. 5000 cash sale. Rs. 10,000 sales were outstanding at the end of the year. Purchases amounted to Rs. 30,000 including Rs. 10,000 cash purchase. Rs. 15,000 has been paid to creditors. Expenses paid during the year are Rs. 19,300. Cash balance at the end will be

(a) Rs. 6000

(b) Rs. 7000

(c) Rs. 5700

(d) Rs. 5000

26. On Jan 1, 2005 Ram Gopal invested Capital of Rs. 50,000. He withdrew Rs. 2,000 on the first day of each month interest on drawings is provided @ 10%. The amount of interest on drawings deducted from Capital will be

(a) Rs. 1300

(b) Rs. 1400

(c) Rs. 1500

(d) Rs. 1000

27. Received one bill from A Rs. 500 passed through B/P book. The rectifying entry will be -

		Rs.	Rs.	
(a)	A	Dr.	500	
	To B/P			500
(b)	B/R A/c	Dr.	500	
	To A			500
(c)	B/P A/c	Dr.	500	
	B/R A/c	Dr.	500	
	To A			1000

(d) None of the above.

28. Goods costing Rs. 7500 were sold at 25% profit on selling price. The sales will be of

(a) Rs. 10,000

(b) Rs. 9,000

(c) Rs. 8,000

(d) None of the three

29. Following figures have been taken from the books of a trader

Purchases	3,00,000
Purchase Returns	6,000
Sales	4,10,000
Sales Returns	10,000
Opening Stock	80,000
Carriage & Freight	12,000
Duty & Clearing Charges	4,000
Wages	8,000
Closing Stock	60,000

Gross profit will be

(a) Rs. 60,000

(b) Rs. 61,000

(c) Rs. 62,000

(d) Rs. 65,000

30. Trial Balance containing obvious errors given below

	Dr. (Rs.)	Cr. (Rs.)
Purchases	60,000	
Reserve Fund	20,000	
Sales		1,00,000
Purchase return	1,000	
Sales Return		2,000
Opening Stock	30,000	
Closing Stock		40,000
Sundry Expenses		20,000
Outstanding Expenses	2,000	
Cash at Bank	5,000	
Fixed Assets	50,000	
Debtors		80,000
Creditors		30,000
Capital	94,000	
Suspense A/c	10,000	
	2,72,000	**2,72,000**

Total of Corrected trial balance will be

(a) Rs. 2,40,000

(b) Rs. 2,47,000

(c) Rs. 2,50,000

(d) Rs. 2,38,000

31. Bank overdraft as per Cash book is Rs. 2500

Cheque deposited but not cleared Rs. 1000

Cheque issued but not cashed Rs. 1400

Bank overdraft as per Bank statement will be

(a) Rs. 2000

(b) Rs. 2100

(c) Rs. 2500

(d) Rs. 2200

32. Preliminary expenses in connection with flotation of a new company is

(a) Fixed asset

(b) Current asset

(c) Fictitious asset

(d) None of the three

33. Following are the details of position statement

	Rs.		*Rs.*
Closing Stock	40,000	Cash	3,000
Drawings	12,000	Bills receivable	5,000
Net Profit	18,000	Bills payable	3,000
Capital	70,000	Machinery	20,000
Debtors	40,000	Depreciation provision	4,000
Cash at Bank	8,000	Liabilities for expenses	3,000
Creditors	30,000		

Balance sheet total will be

(a) Rs. 1,16,000

(b) Rs. 1,15,000

(c) Rs. 1,20,000

(d) Rs. 1,25,000

34. Panna Lal sends 100 sewing machines on consignment to Ram Ji Lal. The cost of each machine is Rs. 150. Panna Lal spends Rs. 500 on packing and dispatch. Ram Ji Lal receives the consignment and informed that 90 machines have been sold at Rs. 180 each. Expenses paid by Ram Ji Lal are freight Rs. 500, carriage and octroi Rs. 200, Godown rent Rs. 100 and insurance Rs. 150. Ram Ji Lal is entitled to a commission of 7½% on sales. Profit on consignment will be

(a) Rs. 150

(b) Rs. 155

(c) Rs. 200

(d) Rs. 160

35. Bharti consigned to Bhawna 1500 Kg of flour costing 4500. She spent Rs. 307 as forwarding charges 5% of the consignment was lost in weighing and handling. Bhawna sold 1350 Kg of flour at Rs. 4 per kg. Her selling expenses being Rs. 550 and commission at 12½% on sales. Valuation of closing stock will be

(a) Rs. 253

(b) Rs. 250

(c) Rs. 350

(d) Rs. 275

36. Which of the following is not a current asset?

(a) Cash

(b) Stock

(c) Debtors

(d) Furniture and Fittings

37. Deepak Ltd. Forfeited 40 shares of 100 each (Rs. 60 called up) issued at par to Mukesh on which he had paid Rs. 20 per share. Out of these 30 shares were reissued to survey as Rs. 60 paid up for Rs. 45 per share. Amount transferred to capital reserve will be

(a) Rs. 150

(b) Rs. 100

(c) Rs. 200

(d) Rs. 120

38. The following information pertains to Quick Ltd.

		Rs.
(i)	Equity share capital called up	10,00,000
(ii)	Calls in arrear	40,000
(iii)	Calls in advance	25,000
(iv)	Proposed dividend	5%

The amount of dividend payable is

(a) Rs. 48,000

(b) Rs. 50,000

(c) Rs. 60,000

(d) Rs. 49,250

39. Which of the following is fixed asset?

(a) Plant and machinery

(b) Stock

(c) Debtors

(d) Cash

40. General Reserve at the time of admission of a new partner is transferred to

(a) P/L adjustment A/c

(b) Balance Sheet

(c) Capital Accounts of partners

(d) None of the three

41. A company purchased machinery for Rs. 20,000 on 1st January 2003 and followed the diminishing balance method @ 15%. At the end of 2006 it was decided to follow fixed Instalment method of depreciating the machine at Rs. 3000 per year from the very beginning and the necessary amount of unabsorbed depreciation of 2003 to 2005 to be adjusted in 2006. Adjusted amount will be

(a) 1282

(b) 1300

(c) 1400

(d) 1500

42. On 1st April, 2005 M/s Omega Bros. had a provision for bad debts of Rs. 6500. during 2005-2006 Rs. 4200 proved irrecoverable and it was desired to maintain the provision for bad debts @ 4% on debtors which stood at Rs. 195,000 before writing off bad debts. Amount of net provision debited to profit and loss A/c will be

(a) 7800

(b) 7500

(c) 5332

(d) 5000

43. Following figures have been taken from the books of a trader

Purchases	60,000
Purchase returns	10,000
Sales	80,000
Sales Return	10,000
Carriage out	1,000
Office Rent	1,000

Amount of Gross Profit will be

(a) 20000

(b) 10000

(c) 15000

(d) None of the three

44. The profits for the last four years are given as follows:

Year	Rs.
2000	40,000
2001	50,000

2002	60,000
2003	50,000

The value of goodwill on the basis of three years purchase of average profits based on last four years will be -

(a) 1,00,000

(b) 1,50,000

(c) 2,00,000

(d) None of three

45. Goods destroyed by fire Rs. 50,000 and Insurance company admitted 60% claim. This adjustment will be entered in

(a) Trading Account

(b) Profit & Loss Account

(c) Balance Sheet

(d) All the three

46. Following balances are given in trial balance

	Dr.	Cr.
6% Loan on (1.1.2005)		10,000
Interest on Loan	300	

Interest payable and outstanding will be:

(a) 600

(b) 300

(c) 500

(d) 700

47. Machinery bought on 1st July 2004 for Rs. 20,000 was sold on Dec. 31, 2007 for Rs. 15,000. Depreciation is charged @ 10% original cost. Accounting year closes on 31st Dec. each year. profit on sale will be

(a) 3,000

(b) 2,000

(c) 2,500

(d) 4,000

48. A boiler was purchased from abroad for Rs. 10,000, shipping and forwarding charges amounted to Rs. 200 , Import duty Rs. 7000 and expenses of installation amounted to Rs. 1000. It was depreciated for three years @ 10% on diminishing balance method

Balance of machinery A/c at the end of third year will be

(a) 14,580

(b) 15,000

(c) 14,000

(d) 15,500

49. Syam prepared a trial balance for his factory on 31st March, 2005. The debit total of trial balance was short by Rs. 500. He transferred the deficiency to suspense A/c. After a close examination be found that the purchase day book for Sept. 2005 was under cast by Rs. 500. Necessary Journal entry to rectify the error will be:

			Dr.	Cr
(a)	Purchases A/c	Dr.	500	
	To Cash A/c			500
(b)	Suspense A/c	Dr.	500	
	To Purchases A/c			500
(c)	Purchases A/c	Dr.	500	
	To Suspense			500

(d) None of the above

50. Which of the following errors will effect the trial balance.

(a) Repairs to building wrongly debited to Building A/c

(b) Total of purchase Journal is short by Rs. 1000

(c) Freight paid on purchase of new machinery debited to freight account.

(d) None of the above.

51. A's acceptance to B for Rs. 8,000 renewed at 3 month on the condition that Rs. 4,000 be paid in cash immediately and the remaining amount will carry interest @ 12% p.a. The amount of interest will be

(a) 120

(b) 100

(c) 80

(d) 160

52. A Limited Company purchased machine worth Rs. 1,15,000 from Indian Traders. Payment was made as to Rs. 10,000 by cross cheque and the remaining amount by issue of Equity Shares of the face value of Rs. 10 each fully paid at an issue price of Rs. 10.50 each. Amount of share premium will be

(a) 6,000

(b) 7,000

(c) 5,000

(d) 4,000

53. B sold 50 televisions at Rs. 15,000 per television. He was entitled to commission of Rs. 500 per television sold plus one fourth of the amount by which the gross sale proceeds less total commission there on exceeded a sum calculated at the rate of Rs. 12,500 per television sold. Amount of commission will be

(a) 45,000

(b) 50,000

(c) 40,000

(d) 35,000

54. On 16.06.05 X draws a bill on Y for Rs. 25,000 for 30 days. July 19th is a public holiday. The due date of the bill will be

(a) 19th July

(b) 18th July

(c) 20th July

(d) 16th July

55. A and B entered into a joint venture and agreed to share profits and losses in the ratio of 3:2. A Joint Bank A/c was opened where in A contributed Rs. 50,000 and B contributed Rs. 20,000. Their transactions were as follows:

	Rs.
Material Purchased	65,000
Wages paid	6,000
Administrative expenses paid by B	3,000
Selling expenses	6,170
Expenses paid by A	1,630
Sales	1,12,000

Remaining stock was taken by A for Rs. 6200. Joint venture profit will be

(a) 36,000

(b) 36,400

(c) 35,000

(d) 36,500

56. The expired portion of capital expenditure is

(a) Expense

(b) Income

(c) Asset

(d) Liability

57. Capital on January 1, 2004 15,200

Capital on January 1, 2004	15,200
Capital on January 1, 2005	16,900
Drawings made during the year	4,800
Additional Capital introduced during the year	2,000

Profit of the firm will be

(a) 4,500

(b) 4,000

(c) 4,800

(d) 5,000

58. In the bank reconciliation statement, when balance as per cash book is taken on the starting point, then interest collected by bank 500 and direct deposit by a customer into his bank Rs. 2500 will be:

(a) Added

(b) Subtracted

(c) Ignored

(d) None of the above

59. Recovery of bad debts is a

(a) Revenue receipt

(b) Capital receipt

(c) Capital expenditure

(d) Revenue expenditure

60. A draws a bill on B for Rs. 50,000 for mutual accommodation. A discounted the bill for Rs. 48,000 from bank and remitted Rs. 24,000 to B. On due date A will send to B.

(a) Rs. 25,000

(b) Rs. 24,000

(c) Rs. 23,000

(d) Rs. 26,000

SECTION – B : MERCANTILE LAWS (40 MARKS)

PART-I

61. An agreement to do an impossible Act is:
    (a) Void
    (b) Voidable
    (c) Illegal
    (d) None of these
62. A, B, and C jointly promised to pay Rs. 50,000 to D., Buyers performance of the contract, C dies. Here the contract
    (a) Becomes void on C's death
    (b) Should be performed by A and B along with C's legal representatives
    (c) Should be performed by A and B alone
    (d) Should be renewed between A, B, and D
63. In case of breach of contract, which of the following remedy is available to the aggrieved party?
    (a) Suit for rescission
    (b) Suit for damages
    (c) Suit for specific performance
    (d) All of these
64. Which is true statement in voidable contract, the injured party
    (a) Is entitled to recover compensation
    (b) Has a right to sue for damages
    (c) Has a right to rescinded the contract
    (d) All of these
65. A contract can be discharged by operation of law by
    (a) Death of promisor
    (b) By insolvency of promiser
    (c) By Lunacy of promiser
    (d) By death or insolvency of promiser
66. Which does not relate with seller's suits?
    (a) Suit for price
    (b) Suit for damages for non acceptance
    (c) Suit for repudiation of contract by the buyer before due date
    (d) Suit for taking back the goods
67. Future goods means goods to be manufactured or acquired by the seller.
    (a) Before making the contract of sale

(b) At the time of contract of sale

(c) After making the contract by sale

(d) All of these

68. Where seller refuses to deliver the goods the buyer

(a) The buyer many sue the seller for damages for non-delivery

(b) The buyer may not sue the seller

(c) The buyer may compel the seller to deliver the goods

(d) The buyer may not compel the seller to deliver the goods

69. Which of seller's right against the buyer in case of breach of contract is:

(a) Suit for price and damages for non-acceptance

(b) Suit for damages for non-acceptance

(c) Suit for price only

(d) Cannot sue for price and damages

70. Which of the statement is true in case of an auction sale

(a) The sale is complete when the auctioneer announces its completion by the fall of hammer

(b) The sale is complete after certain period

(c) The sale is complete after five hours

(d) The sale is complete after eight hours

71. Who cannot become a partner in partnership firm

(a) A competent person

(b) An unmarried woman

(c) Non-resident Indian

(d) Alien enemy

72. A Joint Hindu family arises

(a) From status decided by court

(b) As a result of an agreement

(c) By operation of law

(d) All of these

73. In partnership the liability of the partner is:

(a) Limited to share in partner ship firm

(b) Unlimited

(c) Decided by court

(d) Decided by other partners

74. The Sale of Goods Act, 1930 gives the remedies to a seller for breach of contract of sale.

Which is correct.

(a) Suit for price
(b) Suit for damages for non-acceptance
(c) Suit for damages for reputation of contract by the buyer before due date
(d) All of these

75. The term goods includes
(a) Stocks and shares
(b) Money
(c) Actionable claim
(d) All of these

76. The partnership agreement may be:
(a) Express or implied
(b) Only written
(c) Oral only
(d) Implied only

77. The term business includes -
(a) Every trade
(b) Every occupation
(c) Profession only
(d) All of these

78. Which is the true statement regarding the inclusion of minor in partnership firm
(a) A minor may be admitted to the benefits of partnership with the consent of all other partners.
(b) A minor may be admitted to the benefits of partnership with no consent of other partners
(c) A minor may be admitted to the benefits of partnership with the consent of his parents
(d) A minor may be admitted to the benefits of partnership with the guarantee of his parents

79. In case of partnership, registration of firm is:
(a) Compulsory
(b) Not necessary
(c) Compulsory if the court orders to do so
(d) Compulsory if the government thinks fit to do so

PART – II

80. There may be ____________ condition
    (a) Implied
    (b) Express
    (c) Implied and Express both
    (d) None of these
81. Under the doctrine of Covent Emptor the seller is _____________
    (a) Responsible for bad selection of goods by the buyer
    (b) Not responsible for the bad selection of goods by the buyer
    (c) Both of these
    (d) None of these
82. The unpaid seller loses the right of lien
    (a) Where seller waived the right of lien
    (b) By estoppel
    (c) Where the buyer obtains possession of goods
    (d) Any of the above
83. If the seller hands over the key to the buyer of warehouse containing the goods, the delivery is known as
    (a) Constructive delivery
    (b) Actual delivery
    (c) Symbolic delivery
    (d) No delivery
84. In a hire purchase agreement the hirer ___________
    (a) Has an option to buy the goods
    (b) Must buy the goods
    (c) Must return the goods
    (d) Is not given the possession of goods
85. In case of goods sold by sample, the goods should correspond with the sample otherwise ______
    (a) Buyer can reject the goods
    (b) Buyer cannot reject the goods
    (c) Contract is terminated
    (d) Seller is liable to punishment
86. Voluntary transfer of possession by one person to another is known as _________
    (a) Transfer

(b) Possession
(c) Delivery
(d) None of these

87. In a joint family business there should be _____________ members
(a) Maximum 20
(b) Unlimited
(c) No. of persons decided by the government
(d) Maximum 10

88. An unregistered firm _____________
(a) Cannot sue a third party
(b) The third party can sue the firm
(c) The partners cannot sue the firm
(d) A partner cannot sue to any other partner

89. Every partner has ____________
(a) A right to inspect the books of the firm
(b) No right to inspect the books of the firm
(c) A right with the consent of other partners to inspect the books
(d) A right to inspect the books with the consent of the Registrar

90. If claim on interest on capital is called, it is payable only out of
(a) Profit
(b) Turnover
(c) Capital
(d) Assets

91. In absence of specific agreement partner is entitled to interest at the rate of ____________ an advances made for the purpose of business of the firm
(a) 6%
(b) 10%
(c) 8%
(d) 12%

92. The partners cannot be expelled from the firm by ______________
(a) Majority of partners
(b) Court
(c) Government
(d) Two partners

93. A partner is
    (a) Not entitled to receive any remuneration
    (b) Entitled to receive remunerate with the consent of other partners
    (c) Entitled to receive remuneration by order of the court
    (d) Entitled to receive remuneration
94. Goodwill is _____________
    (a) Tangible asset
    (b) Liquid Asset
    (c) Fixed Asset
    (d) Intangible Asset
95. When a partner agrees to share his profits derived from the firm with a third person, that third person is known as ___________
    (a) Sleeping partner
    (b) Nominal Partner
    (c) Sub-Partner
    (d) No partner
96. On attaining majority the minor partner has to decide within ______ whether he shall continue in the firm or learn it.
    (a) 6 months
    (b) 12 months
    (c) 3 months
    (d) 1 month
97. A partner may retire from a firm ___________
    (a) With the consent of all other partners
    (b) With the consent by sleeping partner
    (c) With the consent of main partner
    (d) No consent of any partner
98. Where a partner in a firm is adjudicated insolvent
    (a) He ceases to be a partner
    (b) He does not cease to be a partner
    (c) He ceases to be a partner with the consent of all other partner
    (d) He ceases to be a partner by order of the court

PART – III

99. 'A', a man enfeebled by disease is induced by B's influence over him as his medical attendant, to agree to pay 'B' an unreasonable sum for his services. It is the case of

    (a) Undue Influence

    (b) Coercion

    (c) Fraud

    (d) Mistake

100. 'A' contracts to sing for 'B' at a concert for Rs. 5,000, which is paid in advance, 'A' is too ill to sing. Decide best

    (a) A must refund the advance of Rs. 5,000 to B

    (b) A is not liable to refund the many

    (c) 'B' should force 'A' to sing

    (d) 'A' is liable to refund only 50% of advance money to B

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. Who is the main exponent of Marginal utility analysis ?
    (a) Paul Samuelson
    (b) Hicks
    (c) Keynes
    (d) Marshall

102. Cardinal measure of utility is required in:
    (a) Marginal Utility theory
    (b) Indifference curve
    (c) Revealed preference
    (d) None

103. In case of inferior goods, income elasticity is :
    (a) zero
    (b) positive
    (c) negative
    (d) none

104. In case of Giffen goods, demand curve will slope :
    (a) upward
    (b) downward
    (c) horizontal
    (d) vertical

105. Cross elasticity of demand between tea and coffee is:
    (a) positive
    (b) negative
    (c) zero
    (d) infinity

106. If all inputs are trebled and the resultant output is doubled, this is a case of:
    (a) constant returns to scale
    (b) increasing returns to scale
    (c) diminishing returns to scale
    (d) negative returns to scale

107. Indifference curve is downward slopping _______
    (a) always
    (b) sometimes

(c) never
(d) none of these

108. Demand curved can be derived from:
(a) MU curve
(b) PCC
(c) Both
(d) None

109. The exception to law of demand are -
(a) Veblen goods
(b) Giffen goods
(c) both
(d) none

110. Under perfect competition price of the product :
(a) can be controlled by individual firm
(b) cannot be controlled by individual firm
(c) can be controlled within certain limit by individual firm
(d) none of the above

111. In the case of monopoly :
(a) MR curve cannot be defined
(b) AR curve cannot be defined
(c) the short run supply curve cannot be defined
(d) none of the above

112. In case of monopoly a firm in the short run can have -
(a) supernormal profits
(b) normal profits
(c) losses
(d) any of the above

113. The upper portion of the kinked demand curve is relatively -
(a) more inelastic
(b) more elastic
(c) less elastic
(d) inelastic

114. Price leadership is form of -
(a) monopolistic competition

(b) monopoly
(c) non-collusive Oligopoly
(d) perfect competition

115. Period in which supply cannot be increased is called -
(a) market period
(b) short run
(c) long run
(d) none of there

116. Price discrimination is not possible in the case of
(a) perfect competition
(b) monopoly
(c) monopolistic competition
(d) Nothing can be said

117. If the income elasticity is greater than one the commodity is -
(a) necessity
(b) luxury
(c) inferior goods
(d) none of these

118. Full capacity is utilized only when there is -
(a) Monopoly
(b) Perfect competition
(c) Price discrimination
(d) Oligopoly

119. The 'Diamond Water' controversy is explained by -
(a) total utility
(b) marginal utility
(c) price offered
(d) quantity supplied

120. Which among the following is the drawback of consumer surplus (as explained in marginal utility analysis)?
(a) it is highly hypothetical and imaginary
(b) it ignores the interdependence between the goods
(c) it can not be measured in terms of money because marginal utility of money changes
(d) all of the above

121. Which of the following is a function of money?
   (a) Medium of exchange
   (b) Store of value
   (c) Transfer of value
   (d) All the above

122. Increase in money supply will lead to:
   (a) Cost push inflation
   (b) Demand pull inflation
   (c) Structural inflation
   (d) None of the above

123. Which of the following is a commercial bank in India?
   (a) UTI
   (b) IFCI
   (c) IBRD
   (d) SEBI

124. Banks are regulated by:
   (a) Securities Exchange Board of India
   (b) Reserve Bank of India
   (c) Company Law Board
   (d) Registrar of Companies

125. Monetary policy is formulated by :
   (a) RBI
   (b) SEBI
   (c) CLB
   (d) Finance Ministry

126. In case RBI wants to increase rate of interest then it should :
   (a) sell securities
   (b) buy securities
   (c) hold securities
   (d) none of the above

127. Major commercial banks of India were nationalized in
   (a) 1969
   (b) 1970
   (c) 1971

(d) 1972

128. Commercial banks provide :
   (a) loans
   (b) agency services
   (c) both (a) & (b)
   (d) none of the above

129. Rationing of Credit takes place when :
   (a) demand for Credit is Zero
   (b) demand for Credit is higher than supply
   (c) demand for Credit is low
   (d) none of the above

130. Statutory liquidity Ratio in India is :
   (a) 15%
   (b) 20%
   (c) 25%
   (d) 30%

131. The cash reserve ratio is determined by :
   (a) Free play of market forces
   (b) Commercial banks
   (c) Monetary authority
   (d) None of the above

132. In India fiscal year starts from
   (a) 31st March
   (b) 31st April
   (c) 1st April
   (d) 1st March

133. Which budget in India is passed separately?
   (a) Defence
   (b) Airlines
   (c) Atomic energy
   (d) Railways

134. Revenue deficit in India is -
   (a) negative
   (b) positive

(c) zero
(d) none of the above

135. VAT is levied by
   (a) Central government
   (b) State governments
   (c) Local government
   (d) None of the above

136. Which of the following are sources of growth?
   (a) Natural resources
   (b) Human capital
   (c) Physical capital
   (d) All the above

137. Percentage of population living in rural areas is :
   (a) 25%
   (b) 50%
   (c) 75%
   (d) 90%

138. Total geographical area of India in thousand square kilometre is:
   (a) 205
   (b) 308
   (c) 400
   (d) 450

139. Consumer surplus means ________
   (a) the area inside the budget line
   (b) the area between the average revenue and marginal revenue curves
   (c) the difference between the maximum amount a person is willing to pay for a good and its market price
   (d) none of the above

140. A horizontal supply curve parallel to the quantity axis implies that the elasticity of the supply is:
   (a) zero
   (b) infinite
   (c) equal to one
   (d) greater than zero but less than one

141. Increase in population can be caused by -
   (a) high birth rate
   (b) low death rate
   (c) immigration
   (d) all the above

142. Which of the following pairs of goods in an example of substitutes ?
   (a) tea and sugar
   (b) tea and coffee
   (c) tea and ball pen
   (d) tea and shirt

143. A firm encounters its shut down point when :
   (a) average cost equal price at the profit maximising level of output
   (b) average variable cost equal price at the profit maximising level of output
   (c) average fixed cost equals price at the profit maximising level of output
   (d) None of the above

144. Manufacturing industries are a part of :
   (a) primary sector
   (b) secondary sector
   (c) tertiary sector
   (d) none of the above

145. Mark the correct statement -
   (a) India is a purely capitalist economy
   (b) India is a stagnant economy
   (c) India is a developing economy
   (d) India is a resources poor economy

146. Public sector in India suffers from :
   (a) over staffing
   (b) political interference
   (c) uncompetitiveness
   (d) all of the above

147. The Reserve Bank of India was set up in :
   (a) 1949
   (b) 1956
   (c) 1935

(d) 1901

148. Disinvestment programme started in India after -

    (a) 1986-87
    (b) 1988-89
    (c) 1991-92
    (d) 1995-96

149. Liberalisation process in India was initiated by -

    (a) Yashwant Singh
    (b) Manmohan Singh
    (c) Jaswant Singh
    (d) Both (a) & (b)

150. First plan was initiated in:

    (a) 1950
    (b) 1951
    (c) 1956
    (d) 1962

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. A good estimator posses the following property
    (a) Unbiasedness
    (b) Consistency
    (c) Efficiency
    (d) All these
152. Frequency density is used in the construction of
    (a) Histogram
    (b) Ogive
    (c) Frequency polygon
    (d) None of these
153. Mean may lead to fallacious conditions in the absence of original observations
    (a) True
    (b) False
    (c) Both
    (d) None of these
154. Quartile deviation can be affected by
    (a) Poisson distribution
    (b) Binomial distribution
    (c) Sampling fluctuations
    (d) None of these
155. The chart that was logarithm of the variable is known as
    (a) Line chart
    (b) Ratio chart
    (c) Multiple line chart
    (d) Component line chart
156. Which measure of dispersion has some desirable mathematical properties.
    (a) Standard deviation
    (b) Mean deviation
    (c) Quartile deviation
    (d) All these measure
157. The coefficient of correlation between two variables
    (a) Can have any unit
    (b) Is expressed as the product of units of two variable.

(c) Is a unit free measure

(d) None of these

158. If A and B are two mutually exclusive events then P(AUB) = P (A) + P (B)

(a) True

(b) False

(c) P(AUB) = P (A/B)

(d) None of these

159. A function f(x) is an even function if

(a) $-f(x) = f(x)$

(b) $f(-x) = f(x)$

(c) $f(-x) = -f(x)$

(d) None of these

160. In a circular test the condition must be satisfied

(a) $P_{01} \times P_{12} \times P_{20} = 1$

(b) $P_{02} \times P_{10} \times P_{20} = 1$

(c) $P_{10} \times P_{20} \times P_{21} = 1$

(d) None of these

161. If the same quantity is multiplied to all the values the mean shall ______ by the same amount.

(a) Add

(b) Subtract

(c) Multiply

(d) Divide

162. Probability of occurrence of A as well as B is denoted by _________

(a) P(AB)

(b) P(A+B)

(c) P (A/B)

(d) None of these

163. $\log_{64} 512$ is equal to

(a) 3

(b) 2

(c) 1

(d) 3/2

164. The fourth proportional to $(a^2 - ab + b^2)$, $(a^3 + b^3)$ and (a-b) is equal to _________

(a) $a^2 + b^2$

(b) $a^2 - b^2$

(c) 1

(d) None of these

165. The 100th term of series 4 + 0 – 4 –8 .... is _____

(a) –19400

(b) –292

(c) –150

(d) –100

166. Number of arrangement that can be made by word 'APPLE' is _______

(a) 50

(b) 40

(c) 60

(d) 120

167. A person lend _______ at simple interest in order of getting Rs. 645 at the end of 1½ years @5% p.a.

(a) Rs. 600

(b) Rs. 625

(c) Rs. 550

(d) Rs. 575

168. $\lim_{x \to 0} \log(1+x)^{1/x}$ is equal to

(a) 1

(b) 0

(c) e

(d) Does not exist

169. $\int_0^1 \log\left(\frac{1}{x} - 1\right)dx$ is equal to _______

(a) 1

(b) 0

(c) 2

(d) –1

170. A _______ estimate is a single number

(a) Point

(b) Interval

(c) Both

(d) None of these

171. Find the value of m if one of root is –3/2 of the equation $x^2+x-m=0$

(a) 1

(b) 0

(c) –3/4

(d) –2

172. Find two numbers such that mean proportional between them is 18 and third proportional to them is 144.

(a) 9, 36

(b) 29, 56

(c) 18, 72

(d) None of these

173. A man has only 20 paise coins and 25 paise coins in his purse. If he has 50 coins in all totalling Rs. 11.25, how many coins of each does he have

(a) 15, 35

(b) 25, 25

(c) 40, 10

(d) 30, 20

174. If a function in x is defined by $f(x) = \dfrac{x}{x^2+1}$, $X \in R$ then f(1/x) = ________

(a) f(x)

(b) f(–x)

(c) –f(x)

(d) 0

175. A line intersects x-axis at (–-2, 0) and cuts off an intercept of 3 from the positive side of y-axis. Write the equation. of line

(a) 2x – 3y + 3 = 0

(b) 2x – 2y-3 = 0

(c) 3x – 2y + 6 = 0

(d) None of these

176. $\lim_{x\to 0} \dfrac{x^2-4x+3}{x^2-6x+5}$ is equal to

(a) 1/5

(b) 3/5

(c) 1/2

(d) 0

177. Three horses A, B and C are in a race, A is twice as likely to win as B and B is twice as likely to win as C. What possibility of C winning the race.

(a) 1/7

(b) 3/7

(c) 2/5

(d) 2/7

178. The mean annual salary of all employees in a company is Rs. 25,000. The mean salary of male and female employees is Rs. 27,000 and Rs. 17,000 respectively. Find the percentage of males and females employed by the company.

(a) 60% and 40%

(b) 75% and 25%

(c) 70% and 30%

(d) 80% and 20%

179. For the series 13, 14, 7, 12, 9, 17, 8, 10, 6, 15, 18, 20, 21 calculate third decile

(a) 9.2

(b) 9.5

(c) 9.7

(d) None of these

180. After settlement the average weekly wage in a factory has increased from Rs. 8 to Rs. 12 and standard deviation has increased from 2 to 2.5. Find the coefficient of variation after the settlement.

(a) 25%

(b) 20.83%

(c) 24.04%

(d) 26.30%

181. If r = 0.8 then coefficient of correlation shall be

(a) 0.64

(b) 0.40

(c) 0.60

(d) 0.80

182. A class consists of 10 boys and 20 girls of which half the boys and half the girls have blue eyes. Find the probability that a student chosen random is a boy and has blue eyes.

(a) 1/6

(b) 3/5

(c) 1/2

(d) None of these

183. If x is a Poisson variate such that P(x=2) =9P(x=4) + 90P (x=6), find mean of x.

(a) m = 2

(b) m = 1

(c) m = ± 1

(d) m = −4

184. If sample mean is 20, population standard deviation is 3 and sample size is 64, find the interval estimate of the mean at confidence integral of 95%.

(a) [19.265, 20.735]

(b) [19.801, 17.735]

(c) [20.735, 25.834]

(d) None of these

185. A person invested money in bank paying 6% Compounded semi annually. If the person expects to receive Rs. 8000 in 6 years, what is the present value of investment.

(a) 5000

(b) 4611.03

(c) 5611.03

(d) None of these

186. Out of 6 teachers and four boys, a committee of eight is to be formed. In how many ways can this be done when there should not be less than four teachers in the committee.

(a) 45

(b) 55

(c) 30

(d) 50

187. Evaluate the value of $\int_0^3 (3x^2 + 5x + 2)\,dx$

(a) 55

(b) 57

(c) 55.5

(d) 56

188. Evaluate $\lim_{x \to 2} \left(\frac{1}{x-2} - \frac{1}{x^2 - 3x + 2} \right)$

(a) 1

(b) 3

(c) 2

(d) None of these

189. Find the second differential coefficient of $y = x^2 \log x$

(a) $x + 2x \log x$

(b) $3 + 2 \log x$

(c) $3 \log x$

(d) $2x \log x$

190. Compute the value of $\lim_{x \to 1} \left(\frac{x^2 + 3x + 2}{x^3 + 2x^2 - x + 1} \right)$

(a) 5

(b) 9

(c) 7

(d) 2

191. If $3^x = 2$, $5^y = 3$ and $2^z = 5$ find the value of multiply of x.y.z

(a) 0

(b) 1

(c) 2

(d) None of these

192. If $f(x) = |x + 1|$ and $g(x) = 3x^2 - 5$, find the value of gof = ?

(a) $3x^2 + 6x - 2$

(b) $2x^2 - 6x + 3$

(c) $| 3x^2 - 5 |$

(d) $x - 5$

193. Evaluate $\int_0^{\pi/2} \sqrt{1 + \cos x}\, dx$

(a) 0

(b) $\sqrt{2}$

(c) $\frac{-1}{\sqrt{2}}$

(d) 2

194. The mean of numbers 1, 7, 5, 3, 4, 4 is m. The numbers 3, 2, 4, 2, 3, 3, P have mean m-1 and median 1. Then mean of P and 1 is equal to _______

(a) 4.0

(b) 2.5

(c) 4.5

(d) 3.5

195. For a 10 year deposit, what interest rate payable annually is equivalent to 5% interest payable quarterly

(a) 5.1%

(b) 4.9%

(c) 6.0%

(d) None of these

196. the sum of first m terms of an AP is same as the sum of first n terms. Find the sum of first (m+n) terms:

(a) 100

(b) m+n

(c) 0

(d) m–n

197. The distance from the origin to the point of intersection of two straight lines having equation $3x - 2y = 6$ and $3x+2y = 18$ is

(a) 3 units

(b) 5 units

(c) 4 units

(d) 2 Units.

198. The relation "is father of" Over the set of family members is the relation

(a) Reflexive

(b) Symmetric

(c) Transitive

(d) None of these

199. If P= {1,2,3,4} : Q= {2,4,6} then $P \cup Q$

(a) {1,2,3,4,6}

(b) {1,4,6}

(c) {1,2,3,6}

(d) None of these

200. There are four hotels in a certain city. If 3 men check into hotels in a day, what is the probability they each are into a different hotels.

(a) 0.050

(b) 0.375

(c) 0.675

(d) 0.525

BOARD OF STUDIES

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT-8 / 2007

Time : 4 hours *Maximum Marks : 200*

The test is divided into four sections.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

PART-I

1. Loss leads to reduction in:
   (a) Liability
   (b) Capital
   (c) Income
   (d) None of the three
2. Financial position of the business is ascertained on the basis of :
   (a) Records prepared under bookkeeping process
   (b) Trial balance
   (c) Accounting report
   (d) None of the above.
3. The determination of expenses for an accounting period is based on the principle of:
   (a) Objectivity
   (b) Materiality
   (c) Matching
   (d) Periodicity

4. Rent payable to the landlord Rs. 5,000.00 is credited to
   (a) Cash account
   (b) Landlord account
   (c) Rent account
   (d) None of the above
5. Bad debts entry is passed in
   (a) Sales book
   (b) Cash book
   (c) Journal book
   (d) None of the these
6. Goods were sold on credit basis to XY Bros. for RS. 1,000. This will be recorded in
   (a) Cash book
   (b) Journal proper
   (c) Bills receivable book
   (d) Sales book
7. Compensation paid to retrenched employee is:
   (a) Capital expenditure
   (b) Revenue expenditure
   (c) Deferred revenue expenditure
   (d) Capital loss
8. Petty expenses paid in cash are recorded in:
   (a) Purchase book
   (b) Sales book
   (c) Petty cash book
   (d) Purchase return book
9. On April 1, 2005, a bill was drawn for two months. The due date of payment will fall on:
   (a) June 1, 2005
   (b) June 4, 2005
   (c) June 5, 2005
   (d) None of the above.
10. Current assets does not include:
   (a) Cash

(b) Stock

(c) Debtors

(d) Furniture & Fittings

PART-II

11. Rs. 5000.00 spent on maintenance of plant and machinery is:

    (a) Revenue expenditure

    (b) Capital expenditure

    (c) Deferred capital expenditure

    (d) None of the three above

12. Closing stock in trial balance is recorded in

    (a) Trading account

    (b) Profit & Loss account

    (c) Balance Sheet assets side

    (d) None of the three

13. Interest on capital will be paid to partners if provided for in the agreement but only from

    (a) Profit

    (b) Reserves

    (c) Accumulated profit

    (d) Goodwill

14. At the time of death of a partner, firm gets _______ from the insurance company against the joint life policy taken jointly for all the partners

    (a) Policy amount

    (b) Surrender value

    (c) Policy value for the death partner & surrender value for the rest

    (d) Surrender value for all the partners

15. Revaluation account is prepared at the time of _________

    (a) Admission of a partner

    (b) Retirement of a partner

    (c) Both (a) and (b)

    (d) None of the three

16. While preparing a Bank Reconciliation Statement, if you start with overdraft as per Cash Book, then interest debited in pass book but not yet in cash book with in the period is

    (a) Added

(b) Deducted

(c) Not required to be adjusted

(d) None of the above

17. Stock is ______

(a) Fixed assets

(b) Current assets

(c) Investments

(d) Intangible fixed assets

18. As per section 37 of Indian Partnership Act, 1932 the executors would be entitled as their choice to the interest calculated from date of death till the date of payment as the final amount due to the dead partner at _______ percentage per annum.

(a) 7

(b) 4

(c) 6

(d) 12

19. Fluctuating capital account is credited with

(a) Interest on capital

(b) Profit of the year

(c) Remuneration to the partners

(d) All of the above

20. If the incoming partner brings any additional amount in cash other than his capital contribution then it is termed as ________

(a) Capital

(b) Reserves

(c) Profit

(d) Premium for goodwill

PART-III

21. A businessman purchased goods Rs. 25,00,000 and sold 70% of such goods during the accounting year ended 31st March, 2005 the market value of the remaining goods was Rs. 5,00,000.00. He valued the closing stock at Rs. 5,00,000.00 and not Rs. 7,50,000.00 due to

(a) Money measurement

(b) Cost

(c) Conservatism

(d) Periodicity

22. A machine was purchased for Rs. 1,00,000.00 on 01.01.2006 and on 31.12.2006 its net realizable value was Rs. 1,50,000.00. Do you prefer to count this profit? If you count which of the following concepts will be violated.

(a) Realisation

(b) Conservatism

(c) Accrual

(d) Matching

PART-IV

23. The plant and machinery account of a firm had a debit balance of Rs. 1,45,800.00 on January 1, 2006. It was purchased on January 1, 2003. Firm has been following the practice of charging full years depreciation every year @ 10% on diminishing balance. The cost of machinery in 2003 will be:

(a) Rs. 2,00,000.00

(b) Rs. 2,25,000.00

(c) Rs. 1,90,000.00

(d) Rs. 2,50,000.00

24.

	Rs.		*Rs.*
Opening Stock	80,000.00	Purchases returns	6,000.00
Cash purchases	1,00,000.00	Sales returns	10,000.00
Credit purchases	2,00,000.00	Carriage inwards	12,000.00
Cash sales	1,60,000.00	Wages	12,000.00
Credit sales	2,50,000.00	Closing stock	60,000.00

Gross profit of the firm will be

(a) Rs. 62,000.00

(b) Rs. 75,000.00

(c) Rs. 80,000.00

(d) Rs. 60,000.00

25. Mohan started business with Rs. 10,000.00 cash and Rs. 2,000.00 furniture. Sales amounted to Rs. 50,000.00 including Rs. 5,000.00 cash sales. Rs. 10,000.00 sales were outstanding at the end of the year. Purchase amounted to Rs. 30,000.00 including Rs. 10,000.00 cash purchases Rs. 15,000.00 has been paid to creditors. Expenses paid during the year 19,300. Trial Balance total will be -

(a) Rs. 67,000.00

(b) Rs. 70,000.00

(c) Rs. 75,000.00

(d) Rs. 80,000.00

26. A cheque of Rs. 750 received for loss of stock by fire had been deposited in proprietor's private bank account. The rectifying journal entry will be:

(a)	Capital A/c	Dr.	750.00	
	To Loss of Stock			750.00
(b)	Loss of Stock	Dr.	750.00	
	To Bank A/c			750.00
(c)	Bank A/c	Dr.	750.00	
	To cash			750.00

(d) None of the above

27. A purchased a computer costing Rs. 10,000.00 repairing expenses Rs. 1,000.00 and miscellaneous expenses Rs. 500.00. He sold the computer at 20% margin on selling price. The sale value will be:

(a) Rs. 12,500.00

(b) Rs. 11,000.00

(c) Rs. 15,000.00

(d) Rs. 14,375.00

28. According to table A of the companies Act, Interest on calls in arrears is charged

(a) @ 4%

(b) @ 5%

(c) @ 6%

(d) None of these

29. A company can issue redeemable preference shares

(a) At par

(b) At premium

(c) At discount

(d) All of the three

30. A second hand car is purchased for Rs. 10,000.00 the amount of Rs. 1,000.00 is spent on its repairs, Rs. 500.00 is incurred to get the car registered in owner's name and Rs. 1200.00 is paid as dealer's commission. The amount debited to car amount will be:

(a) Rs. 10,000.00

(b) Rs. 10,500.00

(c) Rs. 11,500.00

(d) Rs. 12,700.00

31. Mr. Ram is a partner in a firm. He made drawings as follows:

July 1	200.00
August 1	200.00
September	300.00
November 1	50.00
February 1	100.00

If the rate of interest on drawings is 6% and accounts are closed on March, 31, the interest on drawings is:

(a) Rs. 29.75

(b) Rs. 35.00

(c) Rs. 30.00

(d) Rs. 40.00

32. A started business on Jan 1 with a capital of Rs. 40,000. On 31st Dec. his position was Creditors Rs. 4700, machinery Rs. 40,000, furniture Rs. 2,000, Debtors Rs. 1300, Cash Rs. 15,000.

He made drawings @ Rs. 200 per month and Rs. 1000 which he brought on 1st Oct. in the business as further capital. Business profit will be

(a) 15,000

(b) 16,000

(c) 14,000

(d) 17,000

33. In a joint venture between A and B, A spentd Rs. 3,000 on freight and also raised a loan from Bank of Rs. 50,000 at 18% P.A. repayable after one month B spend Rs. 5,000 as selling expenses and he also raised a loan from Bank of Rs. 150,000 at 18% repayable after two months. The total expenses of Joint Venture will be:

(a) 8,000

(b) 8,500

(c) 9,500

(d) 13,250

34. A boiler was purchased from abroad for Rs. 10,000. Shipping and forwarding charges amounted to Rs. 2,000. Import duty paid Rs. 7,000 and expenses of installation amounted to Rs. 1,000. Amount debited to boiler A/c will be

(a) 10,000

(b) 12,000

(c) 19,000

(d) 20,000

35. A of Kanpur consigned 300 calculators costing Rs. 250 each to B of Faridabad. He paid carriage and freight Rs. 1500 and transit insurance Rs. 900.00

A incurred the following expenses:

Unloading charges	Rs. 400
Octroi	Rs. 600
Carriage	Rs. 800
Godown rent	Rs. 500
Selling expenses	Rs. 320

200 calculators were sold @ Rs. 420 each. Value of closing stock will be -

(a) Rs. 26,400

(b) Rs. 26,000

(c) Rs. 25,000

(d) Rs. 27,000

36. The original cost of furniture is amounted to Rs. 80,000. It is decided to write off 10% on the diminishing balance of the asset each year. Balance of furniture account at the end of the fourth year will be:

(a) 52488

(b) 52000

(c) 50000

(d) 55000

37. Mohan consigned 50 cases at Rs. 350 each to B of Varanasi to sell it on consignment basis. Consignor paid Rs. 1,800 for freight and insurance. All the cases were sold for Rs. 28,000. Selling expenses paid by agent Rs. 900 and their commission to Rs. 1,000. Consignment profit will be

(a) 7,000

(b) 6,800

(c) 8,000

(d) None of the above

38. In the bank reconciliation statement when balance as per cash book is taken as the starting point then Bank charges debited by Bank Rs. 10, cheques paid in but dishonoured Rs. 200 and cheques paid in but not credited by bank in 950 will be –

(a) Added

(b) Substracted

(c) Ignored

(d) None of the three

39. Goods costing Rs. 7500 were sold at 25% profit on selling price. The amount of sales will be

(a) 8,000

(b) 10,000

(c) 9,000

(d) 11,000

40. A bill is drawn on 28 March, 2006 for one month after sight. Date of acceptance is 2nd April, 2006. The due date of the bill will be

(a) 1st March 2006

(b) 28th April 2006

(c) 5th May 2006

(d) 2nd May 2006

41. Interest Rs. 3,000 received on debenture redemption fund investment will be:

(a) Credited to profit and loss A/c

(b) Credited to debenture redemption fund A/c

(c) Credited to profit and loss appropriation A/c

(d) None of the above.

42. A and B are partners sharing profits in the ratio of 3:2. C is admitted as a new partner the new profit sharing ratio among A.B. and C is 5:3:2. Sacrificing ratio will be

(a) 1:1

(b) 2:1

(c) 1:3

(d) None of the three

43. A, B and C were in partnership. Sharing profits in the ratio of 4:2:1 respectively. A guaranteed that in no case C's share in profit should be less than Rs. 7,500. Profits for the year 2006 amounted to Rs. 31,500. A will get

(a) 15,000

(b) 18,000

(c) 16,000

(d) None of the three

44. A and B are partners sharing in the ratio of 3:2. C is admitted for 1/5th share and brings Rs. 15,000 as capital and necessary amount for his share of goodwill. The goodwill of the

entire firm is valued Rs. at 60,000. Goodwill brought by C will be

(a) Rs. 12,000

(b) Rs. 10,000

(c) Rs. 15,000

(d) None of the three

45. The firm earns a profit of Rs. 20,000 and has invested capital amounting to Rs. 150,000. In the same class of business normal rate of earning is 10%. Goodwill according to capitalization method will be

(a) Rs. 40,000

(b) Rs. 50,000

(c) Rs. 60,000

(d) None of the three

46. Credit purchase of stationery worth Rs. 10,000 by a stationery dealer will be recorded in

(a) Purchases book

(b) Sales book

(c) Cash book

(d) None of the three

47. Debentures issued as collateral security is

(a) Added in the total of liabilities

(b) Added in the total of assets

(c) Both A and B

(d) None of the three

48. Premium on redemption of debentures is recorded on the liability side under the heading.

(a) Secured loan

(b) Unsecured loan

(c) Current liabilities and provisions

(d) Name of the three

49. A company issues 100 debentures of Rs. 1000 each at 97 per cent. These are repayable out of profits by equal annual drawings over 5 years. Discount on issue of debentures will be written off in the ratio

(a) 5:4:3:2:1

(b) 4:3:2:1:1

(c) 3:3:4:2:1:1

(d) None of the three

50. Returns of cash sales is recorded in

(a) Sales return book

(b) Cash book

(c) Journal proper

(d) None of the three

51. Share premium is recorded in

(a) Profit & Loss account

(b) Profit & Loss appropriation account

(c) Balance sheet

(d) None of the above

52. V.K. Ltd. Forfeited 20 shares of Rs. 100 each (Rs. 60 called up) issued at par to Mohan on which he had paid Rs. 20 per share. Out of these 15 shares were reissued to Sohan as Rs. 60 paid up for Rs. 45 per share. Amount transferred to capital reserve will be

(a) Rs. 100

(b) Rs. 75

(c) Rs. 200

(d) Rs. 80

53. Z Ltd. Purchased plant and machinery for Rs. 2,00,000 payable as to Rs. 65,000.00 in cash and the balance by an issue of 6% debentures of Rs. 1,000 each at a discount of 10%. Discount amount will be

(a) Rs. 10,000

(b) Rs. 15,000

(c) Rs. 12,000

(d) None of the three

54. A company issued Rs. 1,00,000 15%, debentures as a discount of 5%, redeemable after 10 years at a premium of 10%. Loss on issue of debentures will be

(a) 10,000

(b) 15,000

(c) 12,000

(d) None of the three

55.

Opening debtors	20,000
Total sales	90,000
Cash sales	20,000
Cash received from debtors	20,000

Bad debts	3,000
Return inward	1,000
Bills received from customers	10,000

Debtors at end will be

(a) 56,000

(b) 70,000

(c) 60,000

(d) 65,000

56. Goods costing Rs. 10,00,000 sent out to consignee at cost + 25%. Invoice value of goods will be

(a) 10,00,000

(b) 12,50,000

(c) 12,00,000

(d) 12,25,000

57. 2000 shares of Rs. 100 each were issued to a promoters of the company for their legal services, rendered in the formation of the company. For this, company credited share capital A/c and debited.

(a) Goodwill A/c by Rs. 2,00,000

(b) Legal Services A/c by Rs. 2,00,000

(c) Formation expenses A/c Rs. 2,00,000

(d) Promoters expenses A/c Rs. 2,00,000

58. X Y Z and Company employs a team of ten workers who were paid Rs. 1000 each in the year ending Dec. 31, 2005. At the start of the year 2006 company raised salaries by 20%. The amount of salaries for the year ended 31st Dec. 2006, will be

(a) 11,000

(b) 10,000

(c) 12,000

(d) 13,000

59. Machinery costing Rs. 10,00,000 was purchased on 01.04.2006. The installation charges amounting Rs. 100,000 were incurred. The depreciation at 20% P.A. on straight time method for the year ended 31st March 2007 will be

(a) 2,20,000

(b) 2,00,000

(c) 2,10,000

(d) None of the above

60. Original cost Rs. 1,26,000, Salvage value – nil, Useful life- 6 years . Depreciation for the fourth year under sum of digits method will be
    (a) Rs. 18,000
    (b) Rs. 6,000
    (c) Rs. 12,000
    (d) Nil

SECTION – B : MERCANTILE LAWS (40 MARKS)

PART – I

61. The Indian Contract Act came into force on
    (a) First Sept, 1872
    (b) 23rd Nov., 1872
    (c) 26th Sept., 1872
    (d) 3rd Nov., 1872
62. The contract is defined in section -
    (a) 2 (e)
    (b) 2 (h)
    (c) 2 (b)
    (d) 2 (a)
63. An agreement enforceable by law is a
    (a) Contract
    (b) Obligation
    (c) Offer
    (d) Promise
64. Proposal when accepted becomes -
    (a) Acceptance
    (b) Agreement
    (c) Promise
    (d) Lawful Promise
65. Agreement is a -
    (a) Set of reciprocal promises
    (b) Acceptance of a proposal
    (c) Contract
    (d) Promise
66. Which of the following is true
    (a) All agreements are contract
    (b) All contracts are agreement
    (c) All promises are agreement
    (d) Set of promises are contracts
67. Existing goods are such goods as are inexistence -
    (a) At the time of contract of sale

(b) Before the time of contract of sale
(c) After the time of contract of sale
(d) All of these

68. Future goods means goods to be manufactured or acquired by the seller
(a) Before making the contract of sale
(b) At the time of contract of sale
(c) After making the contract of sale
(d) All of these

69. Which of the following is true, delivery means -
(a) Compulsory transfer of possession by one person to another person
(b) Voluntary transfer of possession by one person to another
(c) Mere person to of possession by one person to another person
(d) All of these

70. Which one is the example of document of title to goods -
(a) Bill of lading
(b) Dock-warrant
(c) Railway – Receipt
(d) All of these

71. The merchantile agents include
(a) Auctioneers
(b) Factors
(c) Brokers
(d) All of these

72. Insolvent means
(a) A person when he ceases to pay his debts in ordinary ease of business
(b) A person when he accepts to pay his debts before due date
(c) A person when he accepts to pay his debts as they become due
(d) All of these

73. Partnership is the relation
(a) Between persons
(b) Between firms
(c) Between companies
(d) Among numberless persons

74. The term business includes -
    (a) Every trade
    (b) Every occupation
    (c) Every profession
    (d) All of these
75. Which is true statement regarding the including of the minor in partnership firm?
    (a) A minor may be admitted to the benefits of partnership with the consent of all other partners
    (b) A minor may be admitted to the benefits of partnership with no consent of other partners
    (c) A minor may be admitted to the benefits of the consent of his partners
    (d) A minor may be admitted to the benefits of partnership with the guarantee of his parents
76. Which is correct ?
    (a) All the essential elements of a valid contract must be present in partnership agreement
    (b) No need of essential elements of a valid contract in a partnership contract
    (c) Only consideration should be present in partnership agreement
    (d) All of these
77. Which is odd in case of who may be partners?
    (a) Married woman
    (b) A competent person
    (c) An old man of 60 years
    (d) A registered company
78. Who can enter into a contract of partnership ?
    (a) Alien enemy
    (b) Person of unsound mind
    (c) A business firm
    (d) A member of registered company
79. A Joint Hindu Family arises
    (a) From status decided by court
    (b) As a result of an agreement
    (c) By operation of law
    (d) All of these

PART – II

80. A voidable agreement is -
    (a) Valid but not enforceable
    (b) enforceable at the option of one party
    (c) Enforceable at the option of both the parties
    (d) Not enforceable in court
81. A void agreement is -
    (a) Illegal contract
    (b) Not enforceable by law
    (c) Enforceable at the option by both the parties
    (d) Enforceable at the option of one party
82. An offer to be valid must
    (a) Be communicated to the person to whom it is made
    (b) Be communicated to the third party
    (c) Be communicated to the promisor
    (d) Be communicated to the promisee
83. A valid offer must be _________
    (a) Capable of creating legal relation
    (b) Capable of creating social relation
    (c) Capable of creating business relation
    (d) Capable of creating social and business relation
84. An acceptance must be __________
    (a) Absolute and unqualified
    (b) Conditional
    (c) Unconditional
    (d) Liable to be accepted by law
85. An offer may lapse by ___________.
    (a) Counter offer
    (b) Revocation
    (c) Rejection of offer by offeree
    (d) All of these
86. An agreement entered into by a minor's ________
    (a) Altogether void
    (b) Voidable
    (c) Illegal

(d) None of these

87. Consequences of coercion, fraud, misrepresentation makes the contract
    (a) Void
    (b) Voidable
    (c) Illegal
    (d) None of these

88. The term consideration is defined in section -
    (a) 2 (a)
    (b) 2 (g)
    (c) 2 (h)
    (d) 2 (d)

89. Caveat Emptor means ______
    (a) Let the buyer beware
    (b) let the seller beware
    (c) let the buyer and seller both beware
    (d) None of these

90. Express contract means ________
    (a) Which is made by words either spoken or written
    (b) Which is made by deeds
    (c) Which is made by both words and deeds
    (d) Which is made by promises

91. A valid offer must be _________
    (a) Capable by creating legal relation
    (b) Capable of creating social relation
    (c) Capable of creating business relation
    (d) Capable of creating social and business relation

92. Consideration must move at the desire of ________
    (a) promisor
    (b) promisee
    (c) any other person
    (d) any of these

93. Quantum meriut literally means
    (a) As much as is earned
    (b) According to the value of work done

(c) As much as no work done

(d) None of these

94. Existing goods are such goods as are in existence ______

(a) At the time of contract of sale

(b) Before the time of contract of sale

(c) After the time of contract of sale

(d) All of these

95. Contract for the sale of "future goods" is

(a) Sale

(b) Agreement to sale

(c) Void

(d) Auction sale

96. The property in goods means

(a) Passing of goods

(b) Custody of goods

(c) Ownership of goods

(d) Both (a) and (b)

97. The right of stoppage can be exercised by unpaid seller if _____

(a) The buyer has became insolvent

(b) The goods are in transit

(c) The seller must be unpaid

(d) All of these

98. A partner may be expelled from partnership subject to ______

(a) The power of expulsion of a partner should be conferred by the contract between two partners

(b) The power should be exercised by majority of partners.

(c) The power should be exercised in good faith

(d) All of these

PART – III

99. A agrees to pay a sum of money B if a certain ship does not return. The ship is sunk. A refuses to pay, what will be the advice to B.

(a) B cannot enforce the contract

(b) B can enforce the contract when the ship sinks

(c) B can sue for damage

(d) B can sue for not fulfilling the promise

100. A, B, and C enter into a partnership agreement under which 'C' is not liable for the losses. A filed a suit against A, B, and C. Examine the position of C

(a) C is liable to D only

(b) C is liable to D jointly with A and B also

(c) C is not liable to D

(d) C is not liable to D jointly with A and B.

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. Which one of the following is not a function of commercial banks?
   (a) Advancing loans
   (b) Accepting deposits
   (c) Issuing notes
   (d) Discounting bills of exchange

102. Currently, the value of SDR is fixed in terms of
   (a) gold
   (b) dollar
   (c) a basket of 16 currencies
   (d) a basket of 4 currencies

103. Population explosion occurs in ________ stage of the theory of demographic transition.
   (a) first
   (b) second
   (c) third
   (d) fourth

104. The selective regional planning approach aim at
   (a) selecting specific regions in a country for optimum development
   (b) providing equal investment in selected regions
   (c) equal development rates for all regions in selected sectors.
   (d) deliberate unequal development rates for the different regions of the economy.

105. The Tenth Plan aims to reduce poverty ratio to ______% by 2007.
   (a) 12.3
   (b) 19.3
   (c) 14.3
   (d) 18.3

106. Population growth rate in India was negative in
   (a) 1901-11
   (b) 1911-21
   (c) 1921-31
   (d) 1931-41

107. Which one of the following resources is the most crucial input in India's new agriculture, technology, responsible for the Green Revolution?
(a) Fertilizers
(b) HYV seeds
(c) Agricultural Machinery
(d) Irrigation

108. Which one of the following states has made the least progress in respect of consolidation of holdings ?
(a) Bihar
(b) Uttar Pradesh
(c) West Bengal
(d) Orissa

109. Location of sugar industry in India is influenced by :
(a) the market
(b) raw material
(c) labour and entrepreneurial factors
(d) none of the above

110. Employment in small industry sector has been :
(a) nearly 50% of total industrial employment
(b) half of the number of employment offered by modern industries
(c) about 10% of the total industrial employment
(d) only 20% of the total industrial employment

111. In July 1991, India devalued the rupee by about
(a) 10-12%
(b) 15-16%
(c) 18-20%
(d) 30-35%

112. The Foreign Trade Policy 2004-09 has :
(a) identified certian thrust areas for growth
(b) started “served from India” brand
(c) revamped Duty Free Export-Credit
(d) all of the above

113. Which one of the following offers the least liquidity?
(a) Treasury Bills
(b) Immovable property

(c) Bill of exchange

(d) Bearer cheques

114. The modified Gadgil formula is used to

(a) administer tax and non-tax revenue between states

(b) allocate central assistance to state plans

(c) decide upon grants-in-aid to states

(d) decide the allocation of centrally sponsored

115. Net National Income at market prices is equal to

(a) Gross National Income at market prices minus depreciation

(b) Net Domestic Product at factor price plus or minus earnings from abroad

(c) Gross Domestic Product minus indirect taxes and subsidies

(d) Gross National Product at factor price plus or minus depreciation

116. Which one of the following assumptions is not necessary for the cardinal utility theory ?

(a) Rationality of the consumer

(b) Constant marginal utility of money

(c) Perfectly competitive market

(d) Additivity of utility

117. Dumping involves

(a) selling at a price in another market which is lower than the price or cost in your home market

(b) price discrimination between the two markets

(c) surplus production at lower cast

(d) none of the above

118. The IC curve approach assumes :

(a) rationality

(b) consistency

(c) transitivity

(d) all of the above

119. 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

120. Demand deposits with banks are considered as money because they are:

(a) generally acceptable as a means of payment

(b) more liquid than cash

(c) held by the government

(d) managed efficiently by bank managers

121. Which one of the following measures has been accorded the highest priority by the government for checking the inflationary pressure on the economy since 1990:

(a) Revamping the public distribution system.

(b) Correcting the fiscal imbalance by reducing the fiscal deficit as a percentage of GDP

(c) Increasing imports

(d) Devaluation of the rupee

122. The basic aim of the lead bank scheme is that -

(a) big banks should try to open offices in each district

(b) there should be stiff competition among the various nationalized banks.

(c) individual bank should adopt particular districts for intensive development

(d) all the banks should make intensive efforts to mobilize deposits

123. Which one of the following taxes belong exclusive to the state government of India?

(a) Income tax

(b) Agricultural tax

(c) Excise tax

(d) Wealth tax

124. Which one of the following sources of Central revenue belongs to the category of indirect taxes?

(a) Corporation tax

(b) Customs

(c) Wealth tax

(d) Interest Receipts

125. The rapid increase of public debt of the Central Government since 1950-51 has been due to

(a) uncontrolled inflation

(b) mounting shares of state government from revenues raised by the central government

(c) mounting costs of financing public expenditure

(d) rising population

126. In the case of two perfect substitutes, the indifference curve will be :

(a) straight line

(b) L-shaped

(c) U-shaped

(d) C-shaped

127. Which one of the following is the major characteristic of foreign direct investment (FDI)?

(a) It is non-debt creating capital flow

(b) It is portfolio investment in stock market

(c) It is that investment which involves debt servicing

(d) It is investment made by foreign institutional investors in government securities

128. The objective of selective credit controls is mainly to :

(a) selectivily allocate credit to commercial banks

(b) selectively allocate credit among borrowers

(c) regulate the quantity of demand deposits created by commercial banks

(d) regulate the quantity of credit created by commercial banks

129. A consumer is at equilibrium when :

(a) slope of the price line is equal to indifference curve

(b) he saves 10% of his income

(c) borrows an amount equal to his income from the bank

(d) none of the above

130. Since 1990, savings of the household sector in India have been

(a) greater than the savings of the private corporate sector but less than the savings of the public sector

(b) less than the savings of the private corporate sector but more than savings of the public sector.

(c) greater than the savings of the private corporate sector as well as the savings of the public sector

(d) less than the savings of the private corporate sector as well as the savings of the public sector

131. The 'Hindu rate of growth'

(a) refers to growth of Hindu population

(b) is the term used by Raj Krishna to represent the nature of the growth of the Indian economy at around 3.5% per year

(c) is the term coined by Amartya Sen to represent the nature of the growth of the Indian economy at around 3.5% per year

(d) is the term coined by V.K.R.V. Rao to decide the nature of the growth of the Indian economy at around 4%

132. Disguised unemployment in India is maximum in :

(a) agricultural sector

(b) secondary sector
(c) tertiary sector
(d) none of the above

133. Unemployment rate in India is defined as the ratio of number of persons unemployed to total
   (a) Population
   (b) Population excluding children
   (c) Labour force
   (d) Population excluding the aged

134. The population of India living below the poverty line
   (a) is rising in relative and absolute terms
   (b) is falling in relative terms but rising in absolute terms
   (c) is falling in both relative and absolute terms
   (d) has not changed at all over the years

135. If the Indian economy aimed at an annual growth rate of 8 per cent in national income, assuming as incremental capital – output ratio of 3.5:1 what would be the required rate of investment as percent of national income?
   (a) 28.0
   (b) 24.5
   (c) 10.5
   (d) 3.5

136. Which one of the following denotes the size of an operational holding in India agriculture?
   (a) Owned Land
   (b) Owned Land + leased inland
   (c) Owned land + leased inland – Leased outland
   (d) Owned land – leased inland– leased outland

137. Which one of the following has NOT been a part of the land reforms programme in India?
   (a) Ceiling on holding
   (b) Consolidation of holdings
   (c) Agricultural holding tax
   (d) Zamindari abolition

138. In India, which one of the following is NOT a cooperative organization?
   (a) Primary land development banks
   (b) Central land development banks
   (c) Regional rural banks

(d) State cooperative banks

139. The marketable surplus in Indian Agriculture refers to annual -
   (a) Agricultural production + stocks of agricultural commodities
   (b) Agricultural production – annual consumption of agricultural commodities within the agricultural sector
   (c) Consumption of agricultural commodities within the agricultural sector + stocks of agricultural commodities
   (d) Agricultural production + annual consumption of agricultural commodities with in the agricultural sector

140. Which among the following is NOT a cause of sickness of industrial units in India?
   (a) Obsolescent technology
   (b) Labour problems
   (c) Faulty location
   (d) Lack of capital account convertibility

141. As against planned disinvestment of Rs.4000 crores, the actual realisation was ___
   (a) Rs.1400 crores
   (b) Rs.2765 crores
   (c) Rs.5000 crores
   (d) Rs.902 crores

142. The majority of Central Government enterprises belongs to the :
   (a) Public corporations
   (b) Public limited companies
   (c) Private Limited companies
   (d) Departmental organizations

143. Which one of the following DOES NOT come under the jurisdiction of state taxation?
   (a) Land Revenue
   (b) Taxes on agricultural income
   (c) Taxes on land and buildings
   (d) Personal income tax

144 Which one of the following agencies in India is responsible for computation of national income?
   (a) NCAER
   (b) CSO
   (c) NSS
   (d) RBI

145. What is the approximate share of the agricultural sector in the total employment in India?
   (a) 60 per cent
   (b) 50 per cent
   (c) 45 per cent
   (d) 40 per cent

146. According to the World Development Report-2006, the GINI index for India in 1999-00 was :
   (a) 0.33
   (b) 0.29
   (c) 0.53
   (d) 0.18

147. Over the plan era, the relative share of areas under foodgrains in gross cropped area in India has:
   (a) decreased
   (b) increased
   (c) remained the same
   (d) decreased initially and then increased

148. Which one of the following is NOT an important import item of India at present?
   (a) Petroleum oil
   (b) Edible oil
   (c) Fertilizers
   (d) News print

149. The total area under the demand curve of a good measures:
   (a) marginal utility
   (b) total utility
   (c) consumers surplus
   (d) producers' surplus

150. The incremental capital output ratio (ICOR) during the IX plan of India was
   (a) 5.02
   (b) 3.04
   (c) 4.53
   (d) 6.37

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

PART-I

151. The inverse ratio of 13:17 is

  (a) 17:13
  (b) $\sqrt{13}:\sqrt{17}$
  (c) $169:17^2$
  (d) None of these

152. The duplicate ratio of 5:7 is

  (a) 7:5
  (b) 15:21
  (c) $5^2:7^2$
  (d) None of these

153. The value of $3\times(32)^{1/5}$ is

  (a) 3
  (b) 15
  (c) 6
  (d) None of these

154. The value of $2\times(128)^{-1/7}$ is

  (a) 1
  (b) 2
  (c) 14
  (d) None of these

155. log (3×5×7) is equal to

  (a) log 3 × log 5 × log 7
  (b) log 3+ log 5 + log 7
  (c) log 3 – log 5 – log 7
  (d) 0

156. log (5/7) is equal to

  (a) $\frac{\log 5}{\log 7}$
  (b) log 5 + log 7
  (c) log 5 – log 7
  (d) None of these

157. The equation of the line passing through (5, 0) and (0, 5) is

(a) $x - y = 5$

(b) $x + y = 5$

(c) $5x + 5y = 1$

(d) None of these

158. The equation of the line parallel to the line joining (7,5) and (2,9) and passing through the point (3, –4) is

(a) $4x + 5y + 8=0$

(b) $4x - 5y + 8 = 0$

(c) $4x - 5y - 8 = 0$

(d) None of these

159. The equation $5x + 7(x - 3) - 4(x + 10) = 0$ is

(a) Quadratic equation

(b) Linear equation

(c) Cubic equation

(d) None of these

160. The equation $(x - a)(x - b) = 0$ is satisfied by

(a) $x = 0$

(b) $x = a, b$

(d) $x = -a, -b$

(d) None of these

161. The inequalities $x \geq 0, y \geq 0$ indicates

(a) First quadrant

(b) Second quadrant

(c) Third quadrant

(d) Fourth quadrant

162. Rs. 10,000 is invested at annual rate of interest of 10%. The amount after two years at annual compounding is

(a) Rs. 21100

(b) Rs. 12100

(c) Rs. 12110

(d) None of these

163. P(n,r) is equal to

(a) $\dfrac{\lfloor\underline{n}}{\lfloor\underline{r}\;\lfloor\underline{n-r}}$

(b) $\dfrac{\lfloor\underline{n-r}}{\lfloor\underline{r}}$

(c) $\dfrac{\lfloor\underline{n}}{\lfloor\underline{n-r}}$

(d) $\dfrac{\lfloor\underline{r}}{\lfloor\underline{n-r}}$

164. $\lfloor\underline{0} \times \lfloor\underline{6}$ is equal to

(a) 720

(b) 0

(c) 6

(d) –120

165. In how many ways can 8 persons sit at a round table for a meeting?

(a) 40320

(b) 64

(c) 5040

(d) 720

166. There are 7 routes from station X to station Y. In how many ways one may go from X to Y and return if for returning one makes a choice of any of the routes?

(a) 49

(b) 17

(c) 42

(d) 35

167. The sum of the series $1, \frac{1}{3}, \frac{1}{3^2}, \frac{1}{3^3}, \ldots\ldots$ to ∞ is

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

(b) $\frac{3}{2}$

(c) $\frac{1}{3}$

(d) None of these

168. The number of subsets of the set {2, 4, 6, 8} is

(a) 8

(b) 15

(c) 16

(d) 4

169. If A = {1, 3, 5, 7, 9}, B = {2, 4, 6, 8, 10} then $A \cap B$ is

(a) {0}

(b) ϕ

(c) {1,2,3,4,5,6,7,8,9,10}

(d) None of these

170. If A = {3, 5, 7} B = {0, 2, 4, 6} then $A \cup B$ is

(a) ϕ

(b) {0, 2, 3, 4, 5, 6, 7}

(c) {0}

(d) None of these

171. The sum of the series 1 + 2 + 3 + 4 + ….. + 100 is

(a) $\frac{100(101)}{2}$

(b) $\left[\frac{100(101)}{2}\right]^2$

(c) 100×101

(d) None of these

172. If A = {1, 2, 3, 4}, B = {5, 6, 7} then cardinal number of A X B is

(a) 4

(b) 7

(c) 12

(d) None of these

173. $\lim_{x \to 0} \frac{1}{x}$

(a) does not exist

(b) $+\infty$

(c) $-\infty$

(d) None of these

174. $\lim_{x \to 3} \frac{x^2 - 9}{x - 3}$

(a) Does not exist

(b) 6

(c) 1

(d) None of these

175. If f(x) = $\frac{x^2 - 25}{x - 5}$, then the value of f(x) at x = 5, i.e. f(15) is equal to

(a) 10

(b) Undefined

(c) 1

(d) None of these

176. If y = ax^3+bx^2+cx+d then $\frac{dy}{dx}$ is equal to

(a) $3ax^2 + 2bx + c$

(c) $\frac{ax^4}{4} + \frac{bx^3}{3} + \frac{cx^2}{2} + dx$

(c) 0

(d) None of these

177. If f(x) = $5x^a + 10a^x + 3a^a$ then $\frac{dy}{dx}$ is equal to

(a) $5ax^{a-1} + 10xa^{x-1} + 3a.a^{a-1}$

(b) $5ax^{a-1} + 10a^x \log a$

(c) $5x^a \log x + 10xa^{x-1}$

(d) None of these

178. $\int_0^1 10x^5 dx$ is equal to

(a) $\frac{5}{3}x^6$

(b) $\frac{3}{5}$

(c) $\frac{5}{3}$

(d) None of these

179. $\int \frac{\log x}{x} dx$ is equal to

(a) $\frac{1}{2}\log x + k$

(b) $\frac{1}{2}(\log x)^2 + k$

(c) $\frac{1}{2}x^2 + k$

(d) None of these

180. $\int 10\left(\frac{e^x + e^{-x}}{e^x - e^{-x}}\right)dx$ is equal to

(a) $10 \log\left|e^x - e^{-x}\right| + k$

(b) $10 \log\left|e^x + e^{-x}\right| + k$

(c) $\log\left(e^x - e^{-x}\right)$

(d) None of these

181. The value of $\frac{2^{16} \times 3^{10} \times 5^4}{2^{12} \times 3^6 \times 5^3}$ is equal to

(a) 2160
(b) 6480
(c) 648
(d) 3240

182. The value of $y^{a-m} \times y^{m-n} \times y^{n-a}$ is equal to

(a) 1
(b) 0
(c) –1
(d) y

183. The value of $\log(1+2+3+.......+n)$ is equal to

(a) log 1+ log 2 + …. + log n
(b) log n + long (n+1) – log 2
(c) 0
(d) 1

184. The roots of the equation $x^3 - 3x^2 + 2x = 0$ are

(a) 1, 2

(b) 0, 1

(c) 0, 1, 2

(d) 1, 2, 3

185. The roots of the equation $x^2 - x + 1 = 0$ are —

(a) Imaginary and unequal

(b) Real and unequal

(c) Real and equal

(d) Imaginary and equal

186. Interest earned on Rs. 3000 at 5% per year S.I. for three years is ______

(a) Rs. 540

(b) Rs. 450

(c) Rs. 45

(d) Rs. 54

187. The inequalities x < 0, y > 0 indicates ______

(a) Third quadrant

(b) First quadrant

(c) Second quadrant

(d) Fourth quadrant

188. $\dfrac{\lfloor\underline{0}\ \lfloor\underline{5}}{\lfloor\underline{2}}$ is equal to

(a) 60

(b) 0

(c) 120

(d) None of these

189. n_{C_r} is equal to

(a) $\dfrac{\lfloor\underline{n}}{\lfloor\underline{n-r}}$

(b) $\dfrac{\lfloor\underline{n}}{\lfloor\underline{r}\ \lfloor\underline{n-r}}$

(c) $\dfrac{\lfloor\underline{n}\ \lfloor\underline{r}}{\lfloor\underline{n-r}}$

(d) $\frac{\lfloor n \quad \lfloor n-r}{\lfloor r}$

190. The n^{th} term of the sequence 2, 4, 6, 8 ..... is ______

(a) 2^n

(b) 2n–1

(c) 2n + 1

(d) n

191. The sum of the series $1+\frac{1}{10}+\frac{1}{10^2}+.....$ to ∞ is ______

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

(b) $1\frac{1}{9}$

(c) ∞

(d) None of these

192. If a, b, c are in A.P., then 2b = _____

(a) a – c

(b) a + c

(c) $\frac{a+c}{2}$

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

193. If a, b, c are in G.P., the b^2 = _____

(a) ac

(b) –ac

(c) a+ b

(d) a – c

194. If A = {1, 3, 5} , B = {0, 2} then $A \cup B$ is ______

(a) {0, 1, 2, 3, 5}

(b) ϕ

(c) {1, 3, 5, 7, 9, 13}

(d) None of these

196. If A = {1, 2, 3, 4}, B = {5, 6, 7} then cardinal number of the set A×B is _____

(a) 7

(b) 1

(c) 12

(d) None of these

197. $\lim_{x \to a} \frac{1}{(x-a)^2}$ is equal to _______

(a) 0

(b) $+\infty$

(c) $-\infty$

(d) 1

198. $\lim_{x \to 3} \frac{x^2 - 5x + 6}{x - 3}$ is equal to _______

(a) –1

(b) $+\infty$

(c) 1

(d) Does not exist

199. $\lim_{x \to \infty} \frac{3x+5}{x^3+2}$ is equal to ______

(a) 0

(b) 1

(c) –1

(d) Does not exist

200. The function f(x) is continuous at x = a if $\lim_{x \to a^+} f(x) = \lim_{x \to a^-} f(x) =$ ___________

(a) f(–a)

(b) f(a)

(c) f(0)

(d) None of these

BOARD OF STUDIES

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT-9 / 2007

Time : 4 hours *Maximum Marks : 200*

The test is divided into four sections.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

PART-I

1. Rs. 1500 spent on repairs before using a second hand car purchased recently is a
   (a) Capital expenditure
   (b) Revenue expenditure
   (c) Deferred revenue expenditure
   (d) None of the three.
2. Commission received in advance is a
   (a) Personal account
   (b) Nominal account
   (c) Real account
   (d) None of the three.
3. All of the following have debit balance except
   (a) 6% debentures
   (b) Loan to contractor
   (c) Interest on debentures
   (d) Audit Fees

4. Double column cash book records
   (a) Only cash transactions
   (b) All transactions
   (c) Cash and bank transactions
   (d) Cash purchase and cash sale transactions
5. A bill has been drawn on August 10, 2006 payable after 3 months. The due date of the bill will be
   (a) Nov. 13
   (b) Nov. 10
   (c) Oct. 31
   (d) None of the above
6. Salary and wages is debited to
   (a) Trading Account
   (b) Profit and Loss Account
   (c) P/L Appropriation account
   (d) Balance Sheet
7. In a sole trade, income tax is recorded as
   (a) Drawings
   (b) Liabilities
   (c) Expenses
   (d) None of the three
8. Journal proper records
   (a) Credit purchases
   (b) Credit sales
   (c) Purchase of an asset on credit
   (d) Sales return
9. If the date of maturity of a bill is a public holiday, then bill will mature on
   (a) Next working day
   (b) Preceding working day
   (c) Holiday itself
   (d) Other agreed date
10. In case of consignment, abnormal loss is valued at
   (a) Cost price

(b) Invoice price

(c) Market price

(d) None of the three.

PART-II

11. Capital expenditures are recorded in the

    (a) Profit and loss account

    (b) Balance sheet

    (c) Trading account

    (d) Manufacturing account

12. Account payable normally has balance

    (a) Debit

    (b) Credit

    (c) Unfavourable

    (d) None of the three

13. Trial balance is a statement which shows the ______ or the ______ of all the accounts

    (a) Balances; Total and balances.

    (b) Opening Balances; Closing balances

    (c) Posted balances; Total of balances

    (d) Debt balance; Credit balance

14. Consignment account is

    (a) Personal account

    (b) Real account

    (c) Nominal account

    (d) None of the three

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

    (a) Credits

    (b) Debits

    (c) Either (a) or (b)

    (d) None of the three

16. Abnormal loss on consignment is credited to ______

    (a) Profit and loss account

    (b) Consignees' account

(c) Consignment account

(d) None of the three

17. Land and building is a

    (a) Current asset

    (b) Fixed asset

    (c) Fictitious asset

    (d) None of the three.

18. Drawings are deducted from

    (a) Sales

    (b) Purchases

    (c) Expenses

    (d) Capital

19. Closing stock of Rs. 19,000 in trial balance will be recorded in

    (a) Trading account

    (b) Profit and Loss account

    (c) Balance sheet

    (d) None of the above.

20. The amount of calls in arrear is deduced from ________ to arrive at _____________

    (a) Issued capital; called up capital

    (b) Called up capital; issued capital

    (c) Paid up capital; called up capital

    (d) Called up capital; paid up capital

PART - III

21. Sometimes directors pay dividend even before the year is closed and the payment is out of current year's profit. It is usually given on the debit side of trial balance and because it is an appropriation of profits, it is recorded on the debit side of profit and loss appropriation account. It is called -

    (a) Interim dividend

    (b) Final dividend

    (c) Unclaimed dividend

    (d) Proposed dividend.

22. X Ltd. purchased equipment from Y Ltd. for Rs. 50,000 on 1st April 2005 the freight and cartage of Rs. 2,000 is spent to bring the asset to the factory and Rs. 3,000 is incurred on installing the equipment to make it possible for the intended use. The market price of

machinery on 1st April, 2006 is Rs. 60,000 and the accountant of the company wants to disclose the machinery at Rs. 60,000 in financial statements. However, the auditor emphasizes that the machinery should be valued at Rs. 55,000

(a) Money measurement principle

(b) Historical cost concept

(c) Full disclosure principle

(d) Revenue recognition

PART-IV

23. A started business with Rs. 10,000 cash. Sales amounted to Rs. 50,000 including Rs. 5,000 cash sale. Rs. 10,000 sales were outstanding at the end of the year. Purchases amounted to Rs. 30,000 including Rs.10,000 cash purchase Rs. 15,000 has been paid to creditors. Salaries paid amounted to Rs. 3,000, Rent Rs. 2,400, Stationery Rs. 900. Drawings were 4,000. Miscellaneous expenses Rs. 1,000 and machines purchased Rs. 8,000. Cash balance will be

(a) Rs.15,000

(b) Rs15,500

(c) Rs.15,700

(d) None of the three

24. If sales revenue is Rs. 5,00,000, cost of goods sold is Rs.3,10,000. The gross profit is

(a) Rs. 1,90,000

(b) Rs. 2,00,000

(c) Rs. 3,10,000

(d) None of the three

25. Received a bill from Arun Rs. 5000 passed through bills payable book. The rectification entry will be

(a)	B/R A/c	Dr.	5000	
	To Arun			5000
(b)	Arun	Dr.	5000	
	To B/R A/c			5000
(c)	B/R A/c	Dr.	5000	
	B/P A/c	Dr.	5000	
	To Arun			10000

(d) None of the three

26. A machinery of Rs. 4,000 was sold for Rs. 5200. Depreciation provision to date was Rs. 500 and Commission paid to the selling agent was 420 and wages paid to workers for removing the machine was Rs. 150. Profit on sale of machinery will be

(a) Rs.1130

(b) Rs.1000

(c) Rs.1200

(d) None of the three.

27. Interest earned but not received, adjustment entry will be

(a) Accrued Interest Dr.
    To Customer

(b) Accrued interest Dr.
    To Interest

(c) Cash a/c Dr.
    To Interest

(d) None of the three

28. Goods of Rs. 600 (sales price) sent on sale on approval basis were included in sales book. The profit included in the sales was at 20% on cost. Closing stock will increase by

(a) Rs.500

(b) Rs.600

(c) Rs.480

(d) None of the three

29. A manager gets 5% commission on net profit after charging such commission. Gross profit Rs. 48000 and expenses of indirect nature other than manager's commission are Rs. 6000. Commission amount will be

(a) Rs.2000

(b) Rs.1800

(c) Rs.2200

(d) None of the three

30. What shall be the commission of the manager in the above question if the rate of commission is 5% on net profit before charging such commission. Commission amount will be

(a) Rs.2100

(b) Rs.1800

(c) Rs.1500

(d) None of the three

31. X sells goods at cost plus 60%. Total sales were of Rs. 16,000 cost price of goods will be

(a) Rs.10000

(b) Rs.9000

(c) Rs.15000

(d) None of the three

32. A trader sells goods at a profit of 25% on sale. In a particular month, he sold goods costing Rs. 34,200. Rate of profit on cost will be -

(a) $33\frac{1}{3}\%$

(b) 30%

(c) 35%

(d) None of the three

33. A manager gets 5% commission on sales. Cost price of goods sold is 40,000 which he sells at a margin of 20% on sale. Commission will be

(a) Rs.2500

(b) Rs.2400

(c) Rs.2000

(d) None of the three

34. Following balances have been taken from the books of VED & Co.

General expenses	800	Discount allowed	200
Rent paid	3710	Opening stock	16500
Electric charges	190	Sales	63500
Carriage inward	850	Purchases	46850
Return outwards	110	Wages	2500
Salaries	1110	Sales Return	450
		Closing Stock	18210

Net profit of the business will be ____

(a) Rs.8660

(b) Rs.8600

(c) Rs.8500

(d) Rs.9000

35. Capital introduced in the beginning by Ram Rs. 20,000; Further capital introduced during the year Rs. 2000; Drawings Rs. 250 per month and closing capital is Rs. 12750. Amount of Profit or Loss for the year will be

(a) Loss Rs. 6250

(b) Loss Rs. 6000

(c) Profit Rs. 2000

(d) Information is in sufficient for any comment

36. Overdraft as per Cash Book Rs. 4500

(1) Cheques sent for collection but not credited by Bank Rs.6,225

(2) Cheque drawn but not presented for payment Rs.10,250

Overdraft as per Pass Book will be

(a) Rs.475

(b) Rs.750

(c) Rs.500

(d) None of the three

37. G's trial balance contains the following information –

Bad debts Rs. 4000; Provision for Bad debts Rs. 5000; Sundry debtors Rs. 25000

It is desired to create a provision for Bad debts at 10% on Sundry debtors at the end of the year. Sundry debtors will appear in the balance sheet at

(a) Rs.21000

(b) Rs.22500

(c) Rs.22000

(d) None of the three

38. An inexperienced book-keeper has drawn up a trial balance for the year ended 30th June, 2006.

	Dr. *Rs.*	*Cr.* *Rs.*
Provision for Doubtful Debts	200	
Bank overdraft	1654	
Capital	-	4591
Creditors	-	1637
Debtors	2983	
Discount received	252	
Discount allowed	-	733
Drawings	1200	
Office furniture	2155	
General expenses	-	829
Purchases	10923	
Return inward	-	330
Rent and Rates	314	
Salaries	2520	
Sales	-	16882
Stock	2418	
Stationary	1175	

Provision for Depreciation on furniture	364	
Total	**26,158**	**25002**

Corrected trial balance will be

(a) Rs.25580

(b) Rs.25000

(c) Rs.24000

(d) None of the three

39.

	Rs.
Balance as per adjusted cash book	274
(i) Cheques not yet presented	730
(ii) Cheques deposited not yet recorded by bank	477

Balance as per Pass Book will be

(a) Rs.527

(b) Rs.525

(c) Rs.500

(d) None of the three.

40. R owed Rs. 1000 to S. On 1st Oct., 2004, R accepted a bill drawn by S for the amount for 3 months. S got the bill discounted with his bank for Rs. 900 before the due date, R approached S for renewal of the bill. S agreed on the conditions that Rs. 500 to be paid immediately together with interest on the remaining amount at 12% p.a. for 3 months and for the balance R accepted a new bill for 3 months. Later on, R became insolvent and 40% of the amount could be recovered from his estate. Bad debt amount will be

(a) Rs. 400

(b) Rs. 300

(c) Rs. 250

(d) None of the three

41. A of Allahabad sent on consignment to B of Bareilly 1000 transistors costing Rs. 80 each. A paid freight amounting to Rs. 1,000 and cartage Rs. 45. B received only 900 sets as 100 sets were destroyed in transit. B incurred an expenditure of Rs. 1000 on account of clearing charges and cartage. Amount of abnormal loss will be

(a) Rs. 8104.50

(b) Rs. 8000

(c) Rs. 8100

(d) None of the three

42. Amit of Delhi sent 200 chairs @ Rs. 300 per chair to Sumit of Chandigarh. Amit paid

freight of Rs. 500 and Rs. 200 as insurance in transit. Sumit paid Rs. 100 as Cartage and Rs. 300 as godown rent. At the end of the year, 150 chairs were sold. The selling price of each chair in Chandigarh was Rs. 350. Value of stock unsold will be

(a) Rs.15000

(b) Rs.15200

(c) Rs.16000

(d) None of the three.

43. C of Calcutta and D of Delhi entered into a joint venture for the purpose of buying and selling second-hand motor cars. C to make purchases and D to effect sales. A sum of Rs. 1,00,000 was sent by D to C for this joint venture. C purchases 10 cars for Rs. 80,000 and spent Rs. 43500 for their reconditioning and dispatched them to Delhi. His other expenses were. 2½% purchase commission and miscellaneous expenses Rs. 250. D spent Rs. 7500 as railway freight and Rs. 3750 an Octroi at the time of taking delivery. He sold all the cars for Rs. 188500. His expenses were Insurance Rs. 1500; Garage rent Rs. 2500; Brokerage Rs. 6850 and other expenses Rs. 4500. Profit of venture on will be

(a) Rs.36150

(b) Rs.36000

(c) Rs.35000

(d) None of the three

44. A, B and C are partners sharing profits in the ratio of 5:4:1. C is given a guarantee that his share of profit in any given year would not be less than Rs. 5,000. Deficiency if any would be borne by A and B equally. The Profits for the year 2006 amounted to Rs. 40,000. The amount of C's deficiency to be shared by A and B will be

(a) Rs.500 each.

(b) Rs.400 each

(c) Rs.600 each

(d) None of the three.

45. Raja, Roopa and Mala Sharing profits and losses equally have fixed capitals of Rs.1,20,000, Rs.90,000 and Rs.60,000 respectively. For the year 2006, interest on capital was credited to them @ 6% instead of 5%. Adjusting entry will be

(a)	Raja's Current A/c	Dr.	300	
	To Mala's Current A/c			300
(b)	Raja's Capital A/c	Dr.	300	
	To Mala's Capital A/c			300
(c)	Mala's Current A/c	Dr.	300	
	To Raja's Current A/c			300

(d) None of the three.

46. A, B and C are partners sharing profits/losses at 3:2:1. D was admitted in the firm as a new partner with 1/6th share. New profit/loss sharing ratio will be

(a) 15:10:5:6

(b) 10:15:6:5

(c) 5:6:15:10

(d) None of the three.

47. A and B are partners sharing profits in the ratio of 4:1. A surrenders ¼ of his share and B surrenders ½ of his share in favour of C, a new partner. Sacrificing ratio of A and B will be ____

(a) 2:1

(b) 1:2

(c) 1:1

(d) None of the three

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

2002	40,000	Profit
2003	20,000	Loss
2004	10,000	Profit
2005	60,000	Profit
2006	80,000	Profit

Goodwill amount will be

(a) Rs.1,02,000

(b) Rs.1,00,000

(c) Rs.1,05,000

(d) None of the three

49.

(i)	Actual average profit	Rs.	72,000
(ii)	Normal rate of return		10%
(iii)	Assets	Rs.	9,70,000
(iv)	Current Liabilities	Rs.	4,00,000

Goodwill according to capitalization method will be

(a) Rs. 1,50,000

(b) Rs. 1,40,000

(c) Rs. 1,60,000

(d) None of the three

50. A, B and C are partners, sharing profits in the ratio of 4:3:2. D is admitted for $2/9^{th}$ share of profit and brings Rs. 30,000 or his capital and Rs. 10,000 for his share of goodwill. The new profit sharing ratio will be 2:2:2:2.

Goodwill amount will be shared by

(a) A, B and C

(b) A and B

(c) A only

(d) None of the three

51. The capitals of A and B after all adjustments and revaluations are Rs. 24,000 and Rs.16,000 respectively. They admitted C as a new partner with $1/5^{th}$ share in the profits. Capital to be brought by C will be

(a) Rs.10,000

(b) Rs.15,000

(c) Rs.12,000

(d) None of the three

52. X and Y are partners in a firm sharing profits in the ratio of 3:2 with capitals of Rs. 1,20,000 and Rs. 54,000 respectively. They admitted Z as a partner with Rs. 75,000 for $1/3^{rd}$ share in the profits of the firm. Adjust the capitals of the partners according to Z's capital and his share in the business. What cash will be paid off to X?

(a) Rs.30,000

(b) Rs.25,000

(c) Rs.28,000

(d) None of the three

53. A Ltd. forfeited 400 shares of Anil of Rs. 10 each fully called up for non payment of final call of Rs. 2 per share and reissued to Sunil as fully paid for Rs. 10 per share. Amount transferred to Capital Reserve will be

(a) Rs.3200

(b) Rs.3000

(c) Rs.2800

(d) None of the three

54. D Ltd. forfeited 800 shares of Rs. 10 each fully called up, on which the holder has paid only application money of Rs. 3 per share. Out of these 500 shares were reissued as Rs. 11 per share fully paid up. Capital Reserve will be credited by

(a) Rs. 1500

(b) Rs. 1800

(c) Rs. 2000

(d) None of the three

55. X Ltd. purchased the business of Y Ltd. for Rs. 90,000 payable in fully paid shares of Rs. 10 each at a discount of 10%. No. of shares given to vendors will be

    (a) 9000 shares

    (b) 8000 shares

    (c) 7000 shares

    (d) None of the three.

56. A company purchased an established business for Rs.4,00,000 payable Rs. 1,30,000 in cash and the balance by 12% debentures of Rs. 100 each at discount of 10%. Discount on issue of debentures will be

    (a) Rs.25000

    (b) Rs.30000

    (c) Rs.32000

    (d) None of the three.

57. Issued 2000, 12% Debentures of Rs. 100 each at a discount of 2% redeemable at a premium of 5%. Loss on issue of debentures will be

    (a) Rs.14000

    (b) Rs.12000

    (c) Rs.10000

    (d) None of the three

58. (i) 1,00,000 Equity shares of 10 each fully called up.

(ii)	Calls in arrears	Rs.	10,000
(iii)	Calls in advance	Rs.	5,000
(iv)	Proposed dividend		15%

    Dividend payable will be

    (a) Rs.1,48,500

    (b) Rs.1,50,000

    (c) Rs.1,45,000

    (d) None of the three

59. The paid up capital of the company consisted of 3000 6% preference shares of Rs. 100 each and 40,000 equity shares of Rs. 10 each. Interim dividend on equity shares was paid during the year at 75 paisa per share last year at 75 paise per share. Last year's profit is Rs. 31,000; Current Year's profit Rs. 52,000; The following appropriations were passed at the annual general meeting of the company

    (i) To pay the years dividend on preference shares.

(ii) To pay final dividend on equity shares at 50 paise per share

(iii) To transfer Rs. 5,000 to General reserve.

The balance of Profit and Loss appropriation A/c to be transferred to Balance Sheet will be

(a) Rs.40,000

(b) Rs.12,000

(c) Rs.15,000

(d) None of the three.

60. On 1st January 2004, Badri of Kanpur consigned 100 cases, cost price Rs. 7,500, at a proforma invoice price of 25% profit on sales to his agent Anil of Allahabad. Balance of Goods sent on consignment A/c transferred to General Trading A/c will be

(a) Rs.7500

(b) Rs.10000

(c) Rs.8000

(d) None of the three

SECTION – B : MERCANTILE LAWS (40 MARKS)

PART-I

61. Which of example is the case of Undue influence, where one party is in a position to influence the will of other party?
    (a) Agreement between one trader with other trader
    (b) Doctor and patient
    (c) Father with his son
    (d) Employer and his employee
62. Which is the example of wagering agreement?
    (a) To purchase a lottery ticket
    (b) Speculative trading in stock exchange
    (c) Horse – race
    (d) All of these
63. Which of the following statement is true?
    (a) If there is no consideration, there is no consideration.
    (b) Past consideration is no consideration in India
    (c) Consideration must result in a benefit to both the parties.
    (d) Consideration must be adequate
64. Which of the following statement is false?
    (a) a stranger to a contract cannot sue
    (b) a verbal promise to pay a time barred debt is valid
    (c) Completed gifts need no consideration
    (d) No consideration is necessary to create an agency
65. An agreement is not said to be a contract when it is entered into by
    (a) Minor
    (b) a person of unsound mind
    (c) foreign enemy
    (d) all of these
66. Which of the following statement is true?
    (a) A threat to commit suicide does not amount to coercion
    (b) Undue influence involves use of physical pressure
    (c) Ignorance of law is no excuse
    (d) Silence always amounts to fraud

67. Which of the example is the case of contracts need not be performed?
   (a) a party substitutes a new contract for the old
   (b) when the parties to a contract agree to rescind it
   (c) when the parties to a contract agree to alter it.
   (d) All of these
68. On the valid performance of the contractual obligation by the parties the contract is:
   (a) is discharged
   (b) becomes void
   (c) become unenforceable
   (d) None of these
69. Contract of sale means
   (a) A contract between one person to another for exchange of property in goods
   (b) A contract between buyer and seller for exchange of property in goods
   (c) a contract between buyer and seller intending to exchange property in goods for a price
   (d) All of these
70. Which of the following sentence is true ?
   (a) There should be immediate delivery of goods
   (b) There should be immediate payment of price
   (c) There may be delivery of goods and payment of price on to be made at some future date.
   (d) All of these
71. Where there is an agreement to sell specific goods and goods subsequently perish before risk passes to the buyer, the agreement becomes
   (a) Void
   (b) Voidable
   (c) Illegal
   (d) None of these
72. Which is not the subject matter of contract of sale ?
   (a) Goods
   (b) Price
   (c) Immovable property
   (d) Shares and stocks of companies

73. Where the goods are sold by sample as well as by description the implied condition is that the bulk of the goods supplied must correspond with

(a) Sample only

(b) The description only

(c) Sample and description both

(d) Sample, description and fair price

74. In the case the goods correspond with the sample but do not tally with the description the buyer has right to

(a) repudiate the contract

(b) sue for damages caused to him

(c) declare the contract as illegal

(d) declare the contract as void

75. A stipulation essential to the main purpose of the contract is:

(a) Conditions

(b) Warranties

(c) Conditions and warranties both

(d) None of these

76. A Joint Hindu Family arises

(a) From status decided by court

(b) As the result of an agreement

(c) By operation of law

(d) All of these

77. In partnership a new partner can be admitted

(a) Only with the consent of all the partners

(b) No consent of all the partners

(c) With the consent of two third majority of partners

(d) With the consent of two partners

78. Goodwill is

(a) The value of reputation which the firm establishes overtime

(b) The value of reputation which the firm earns due to integrity, efficient service to the customers

(c) The value of reputation earned by the firm due to quality of its products, industry etc.

(d) All of these

79. Which is appropriate that partner is liable for all acts of the firm done while he is a partner -
   (a) Jointly with all other partners
   (b) Severally
   (c) Not liable
   (d) None of these

PART–II

80. A contract dependant on the happening of future uncertain event, is a _______
   (a) Uncertain contract
   (b) Contingent contract
   (c) Void contract
   (d) Voidable contract
81. A contingent contract depending on the happening of future uncertain event can be enforced when the event.
   (a) happens
   (b) Becomes impossible
   (c) Does not happen
   (d) Either of these
82. For the purpose of entering into a contract, a minor is a person who has not completed the age of _______
   (a) 20 years
   (b) 21 years
   (c) 18 years
   (d) 25 years
83. A contract with the minor which is beneficial for him is ________
   (a) Void abinitio
   (b) Viodable
   (c) Valid
   (d) Illegal
84. If a creditor does not file a suit against the buyer for recovery of the price within three years the debt becomes ______
   (a) Time-barred and hence irrecoverable
   (b) Time barred but recoverable
   (c) No time-barred
   (d) None of these

85. Delivery means _____
    (a) Compulsory transfer of possession by one person to another person
    (b) Voluntary transfer of possession by one person to another
    (c) Mere transfer of possession by one person to another person
    (d) All of these
86. The general principle of regarding the transfer of title is that ______
    (a) The seller can transfer to the buyer of goods a better title than he himself has
    (b) The seller cannot transfer to the buyer of goods a better title than he himself has
    (c) The seller can transfer to the buyer of goods no title than the himself has
    (d) None of these
87. When the owner is estopped for the conduct from denying the sellers authority to sell, the transfer will get _____
    (a) A good title as against the true owner
    (b) A better title as against the true owner
    (c) No title as against the true owner
    (d) None of these
88. When an unpaid seller who had exercised the right of lien resells the goods, the buyer acquires ________
    (a) A good title to the goods as against the original buyer
    (b) Better title as against the true buyer
    (c) No title as against the true owner
    (d) None of these
89. When the time of sending the goods has not been fixed by the parties the seller must send them within ______
    (a) Reasonable time
    (b) One month of the contract
    (c) Two months of the contract
    (d) Before making the contract
90. The expenses of putting the goods into a deliverable state must be bone by ______
    (a) The buyer
    (b) The seller
    (c) The buyer and seller both
    (d) The third party
91. The seller of goods is deemed to be an unpaid seller when ______
    (a) The whole of price has not been paid

(b) The same part of price has not been paid
(c) Half part of price has not been paid
(d) 25% of price has not been paid

92. The unpaid seller has against the goods
(a) Rights of lien
(b) Right of stoppage in transit
(c) Right of resale
(d) All of these

93. The term goods under sale of goods Act, 1930 does not include _________
(a) Goodwill and money
(b) Stocks and shares
(c) Harvested crops
(d) Any movable property

94. A contract for sale of future goods is ________
(a) Sale
(b) Agreement to sell
(c) Hire purchase agreement
(d) Quasi Contract

95. A stipulation in a contract of sale of goods where violation by seller gives a right of recision to buyer, is called _______
(a) Guarantee
(b) Warrantee
(c) Condition
(d) Term

96. 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

97. A stipulation which is collaterals to the main purpose of contract gives the buyer only right to claim the damages, is known as ______
(a) Condition
(b) Guarantee
(c) Warranty
(d) Agreement to sell

98. The number of partners in firm carrying an banking business should not exceed

(a) 20 persons

(b) 15 persons

(c) 10 persons

(d) 30 persons

PART-III

99. A enters into a contract with B for the sale of goods to be delivered at a future date decide which type of case is this:

(a) It is a case of wagering agreement

(b) it is a case of future consideration

(c) It is a case of contingent contract

(d) It is impossible agreement to be performed

100. A entered into a contract with B for the supply of certain things manufactured by 'C'. 'C' did not manufacture those goods what is your advise:–

(a) A is discharged from his obligation

(b) A is not discharged from his obligation and is liable to 'B' for damages

(c) B can say to A to get manufactured the goods from other party

(d) Contract becomes void.

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. Which of the following curve cannot be u-shaped?
   (a) Average total cost
   (b) Average variable cost
   (c) Average fixed cost
   (d) Marginal cost
102. The meaning of the word 'Economic' is most closely connected with the word :
   (a) Extravagant
   (b) Scarce
   (c) Unlimited
   (d) Restricted
103. The average fixed cost :
   (a) remains the same whatever the level of output
   (b) increase as output increases
   (c) diminishes as output increases
   (d) all of the above
104. Average variable cost curve :
   (a) slopes downwards at first and then upwards
   (b) slopes upwards, the remains constant and the falls
   (c) slopes downwards
   (d) none of the above
105. If a firm produces zero output in the short period :
   (a) its total cost will be zero
   (b) its variable cost will be positive
   (c) its fixed cost will be positive
   (d) its average cost will be zero
106. The average total cost of producing 50 units is Rs. 250 and total fixed cost is Rs.1000. What is the average fixed cost of producing 100 units?
   (a) Rs.10
   (b) Rs.30
   (c) Rs.20
   (d) Rs.5
107. The MC curve cuts the AVC and ATC curves
   (a) at different points
   (b) at the falling parts of the each curve

(c) at their respective minimas
(d) all the rising parts of each curve

108. Demand curve in most cases slopes
(a) downward towards right
(b) vertical and parallel to Y-axis
(c) upward towards left
(d) horizontal and parallel to X-axis

109. The concept of elasticity of demand was developed by :
(a) Alfred Marshall
(b) Edwin Camon
(c) Paul Samuelson
(d) Fredric Bonham

110. Price elasticity of demand is defined as
(a) $\frac{\text{Change in quantity demanded}}{\text{Change in price}}$
(b) $\frac{\text{Proportionate change in quantity demanded}}{\text{Change in price}}$
(c) $\frac{\text{Change in quantity demanded}}{\text{Proportionate change in price}}$
(d) $\frac{\text{Proportionate change in quantity demanded}}{\text{Proportionate change in price}}$

111. Under marginal utility analysis, utility is assumed to be a
(a) cardinal concept
(b) ordinal concept
(c) indeterminate concept
(d) none of the above

112. The utility may be defined as
(a) the power of commodity to satisfy wants
(b) the usefulness of a commodity
(c) the desire for a commodity
(d) none of the above

113. Marginal utility of a commodity depends on its quantity and is
(a) inversely proportional to its quantity
(b) not proportional to its quantity

(c) independent of its quantity
(d) none of the above

114. Consumer's surplus is the highest in the case of
(a) necessities
(b) comforts
(c) luxuries
(d) capital goods

115. Consumer stops purchasing the additional units of the commodity when -
(a) marginal utility starts declining
(b) marginal utility become zero
(c) marginal utility is equal to marginal utility of money
(d) total utility is increasing

116. Indifference curve approach assumes
(a) consumer has full knowledge of all relevant information
(b) all commodities are homogenous and divisible
(c) prices of commodities remain the same throughout the analysis
(d) all of the above.

117. The 'substitution effect' takes place due to change in
(a) income of the consumer
(b) prices of the commodity
(c) relative prices of the commodities
(d) all of the above

118. Under income effect, consumer
(a) moves along the original indifference curve
(b) moves to higher or lower indifference curve
(c) always purchases higher quantities of both the commodities
(d) none of the above.

119. In a perfect competitive market :
(a) firm is the price-giver and industry the price taker
(b) firm is the price taker and industry the price giver
(c) both are the price takers
(d) none of the above

120. One of the essential conditions of perfect competition is -
(a) product differentiation

(b) multiplicity of prices for identical product at any one time.
(c) many sellers and few buyers
(d) only one price for identical goods at any one time

121. Under the perfect competition a firm will be in Equilibrium when :
(a) MC = MR
(b) MC cuts the MR from below
(c) MC is rising when it cuts the MR
(d) All of the above

122. Which of the following influence most the price level in the very short-run period?
(a) demand
(b) supply
(c) cost
(d) production

123. Long-run normal prices is that which is likely to prevail
(a) all the times
(b) in market period
(c) in short-run period
(d) in long-run period

124. A perfectly competitive firm producer has control over
(a) price
(b) production as well as price
(c) control over production, price and consumers
(d) none of the above

125. By imperfect monopoly, we mean
(a) It is possible to substitute the monopolized product with another monopolized product
(b) Entry of new firms is possible to produce the same product
(c) The amount of output produced is very small
(d) None of the above

126. The demand curve facing an industrial firm under monopoly is a/an -
(a) horizontal straight line
(b) indeterminate
(c) downward sloping
(d) upward sloping

127. The degree of monopoly power is measured in terms of difference between

(a) Marginal cost and the price
(b) Average cost and average revenue
(c) Marginal cost and average cost
(d) Marginal revenue and average cost

128. A monopoly producer usually earns ______ even in the long run
(a) super normal profits
(b) only normal profits
(c) losses
(d) none of the above

129. Price discrimination is not possible :
(a) under monopoly situation
(b) under any market form
(c) under monopolistic competition
(d) under perfect competition

130. Discriminating monopoly is possible if two markets have :
(a) rising cost curves
(b) rising and declining cost curves
(c) different elasticities of demand
(d) equal elasticities of demand

131. Consumer's surplus left with the consumer under price discrimination is :
(a) maximum
(b) minimum
(c) zero
(d) not predictable

132. A firm under monopolistic competition advertises :
(a) to compete successfully with the rival firms
(b) to lower cost of production
(c) to increase sales and profit
(d) because it cannot raise price

133. In short run, a firm in monopolistic competition
(a) always earns profits
(b) incurs losses
(c) earns normal profit only
(d) may earn normal profit, super normal profit or incur losses

134. In long-run, all firms in monopolistic competition
   (a) earn super normal profits
   (b) earn normal profits
   (c) incur losses
   (d) may earn super normal profit, normal profit or in incur losses

135. Differentiated oligopoly is one where there are
   (a) many sellers producing homogeneous product
   (b) few sellers producing homogenous product
   (c) many sellers producing differentiated product
   (d) few sellers producing differentiated product

136. Per capita income among the following is highest in :
   (a) Orrisa
   (b) Assam
   (c) Manipur
   (d) Kerala

137. Which one of the following is not a cause of poverty in India?
   (a) abundant population
   (b) abundant natural resources
   (c) abundant inequalities to distribution of income
   (d) abundant surplus manpower in agriculture

138. The most important remedy to the problem of poverty in India is :
   (a) changes in the ownership pattern
   (b) higher productivity
   (c) re-distribution of income through fiscal, pricing and other measures
   (d) all of the above

139. Which is the central bank of India?
   (a) The State Bank of India
   (b) The U.N.O.
   (c) The World Bank
   (d) The Reserve Bank of India

140. Growth rate of population can be measured by
   (a) division of death rate by birth rate
   (b) multiplication of death rate by birth rate
   (c) addition of death rate and birth rate

(d) subtraction of death rate from birth rate

141. Infant mortality rate refers to :

(a) the number of children dying before reaching the school going age

(b) the number of children dying before reaching 3 years of age

(c) the proportion of children dying within a year of their birth

(d) none of the above

142. Density of population indicates the

(a) Capital -land ratio

(b) Land -output ratio

(c) Land -labour ratio

(d) the number of person per square kilometre

143. Occupational structure refers to the

(a) number of people living in a country

(b) size of working force in a country

(c) distribution of working force among the different occupations

(d) occupations available in a country

144. The first All India population census was conducted in the year :

(a) 1865

(b) 1870

(c) 1872

(d) 1882

145. According to the 2001 census, the population of India was :

(a) 100 crore

(b) 101 crore

(c) 102 crore

(d) 103 crore

146. According to 2001 census, density of population per square kilometer in India was

(a) 225

(b) 280

(c) 324

(d) 330

147. The real determinant of the size of market in a country is the

(a) income of its population

(b) geographical area

(c) size of its population

(d) income of the government

148. The occupational structure of India's labour force since 1951 has

(a) changed significantly

(b) remained more or less static

(c) moved against services and in favour of agriculture

(d) shown trends which cannot be titled in any pattern.

149. The percentage of Indian population below the poverty line in 1999-2000 was

(a) 55

(b) 26

(c) 32

(d) 40

150. As per 2001 census, Kerala has _____ females for 1000 males

(a) 933

(b) 1006

(c) 1036

(d) 1058

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. If y = 5 x^x, then $\frac{dy}{dx}$ is equal to _____

(a) $5x^x(1-\log x)$

(b) $5x^{x-1}$

(c) $5x^x(1+\log x)$

(d) None of these

152. If $y = e^{ax^3+bx^2+ex+d}$, then $\frac{dy}{dx}$ is _______

(a) $(3ax^2+2bx+c)y$

(b) $3ax^2+2bx+c$

(c) $e^{ax^3+bx^2+cx+d}$

(d) None of these

153. $\int\left(x-\frac{1}{x}\right)^2 dx$ is equal to ____

(a) $\frac{x^3}{3}+2x-\frac{1}{x}+c_1$

(b) $\frac{x^3}{3}-2x-\frac{1}{x}+c_1$

(c) $\frac{x^3}{3}+2x+\frac{1}{x}+c_1$

(d) None of these

154. The best method to collect data, in case of a natural calamity is ________

(a) Telephone interview

(b) Indirect interview

(c) Personal interview

(d) All these

155. If the A.M. and G.M. of two observations are 5 and 4 respectively, then the two observations are ________

(a) 8, 2

(b) 7, 3

(c) 6, 4

(d) 5, 5

156. For the numbers 1, 2, 3 ……, n standard deviation is ______

(a) $\sqrt{\dfrac{n^2+1}{12}}$

(b) $\sqrt{\dfrac{n^2-1}{12}}$

(c) $\dfrac{\sqrt{n^2-1}}{12}$

(d) None of these

157. For a group of 8 students, the sum of squares of differences in ranks for Economics and English marks was 50. The value of rank correlation coefficient is ________.

(a) 0.40

(b) 0.50

(c) 0.30

(d) None of these

158. A number is selected from the numbers 1, 2, 3, 4 ….., 25. The probability for it to be divisible by 4 or 7 is ____.

(a) $\dfrac{3}{25}$

(b) $\dfrac{9}{25}$

(c) $\dfrac{1}{25}$

(d) None of these

159. If 15 days are selected at random, then the probability of getting two Fridays are _________

(a) 0.13

(b) 0.19

(c) 0.29

(d) 0.39

160. A company estimates the mean life of a drug under typical weather conditions. A simple random sample of 81 bottles yields the following information

Sample mean = 23 months

Population variance = 6.25 $(\text{months})^2$

The interval estimate with a confidence level of 90% is ____________

(a) [22.543, 23.457]

(b) [22.6421, 23.5481]

(c) [22.451, 22.523]

(d) None of these

161. The value of $5^{-1}(5^4)^{1/4}$ is ______

(a) 1

(b) 5

(c) 0

(d) None of these

162. The value of $3(256)^{-1/8}$ is _______

(a) $\frac{2}{3}$

(b) $\frac{3}{2}$

(c) 3

(d) None of these

163. The value of $(243)^{\frac{1}{5}}\ (128)^{\frac{1}{7}}$ is _______

(a) 1

(b) 6

(c) 2

(d) 3

164. log $(1^2+2^2+3^2)$ is equal to ___________

(a) $\log 1^2 + \log 2^2 + \log 3^2$

(b) log 2 + log 7

(c) log 2 – log 7

(d) None of these

165. $\log (3 \times 5 \times 7)^2$ is equal to __________

(a) 2(log 3 + log 5 + log 7)

(b) log (2×3×5×7)

(c) 2(log 3 – log 5 – log 7)

(d) None of these

166. The solution of the equation $x^3 - 5x^2 + 6x = 0$ is _________

(a) 2, 3

(b) 0, –2, –3

(c) 0, 2, 3

(d) None of these

167. The equation $y^3 - 7y + 6 = 0$ is satisfied by _________

(a) 1, 2, –3

(b) 1, 2, 3

(c) –1, –2, 3

(d) 1, –2, 3

168. The equation $x^3 - x^2 - 12x = 0$ is satisfied by _____

(a) 1, 4, –3

(b) 0, 4, –3

(c) 0, –4, 3

(d) None of these

169. The solution of the equation (x-3) (x-5) (x-7) = 0 is ______

(a) 3, 5 7

(b) –3, –5, –7

(c) 3, –5, –7

(d) –3, –5, 7

170. The roots of the equation $x^2 - 18x + 81 = 0$ are __________

(a) Imaginary and unequal

(b) Real and unequal

(c) Real and equal

(d) None of these

171. The roots of the equation $2^{3-y} + 2^{y-2} - 3 = 0$ are _________

(a) –2, –3

(b) 2, 3

(c) 4, 8

(d) None of these

172. If one root of the quadratic equation is $2 + \sqrt{3}$, the equation is ______

(a) $x^2 - 4x + 1 = 0$

(a) $x^2 + 4x + 1 = 0$

(c) $x^2 - 4x - 1 = 0$

(d) None of these

173. The inequalities x < 0, y > 0 represents _____
   (a) First quadrant
   (b) Second quadrant
   (c) Third quadrant
   (d) Fourth quadrant
174. The inequalities x > 0, y < 0 represents _________
   (a) First quadrant
   (b) Second quadrant
   (c) Third quadrant
   (d) Fourth quadrant
175. Simple interest on Rs. 50,000 for three years at interest rate of 5.5% p.a. is _______
   (a) Rs. 8250
   (b) Rs. 825
   (c) Rs. 8520
   (d) None of these
176. Rs. 1000 is invested at annual rate of interest of 10% p.a. The amount after two years if compounding is done annually, is ______
   (a) Rs. 121
   (b) Rs. 1210
   (c) Rs. 2110
   (d) None of these
177. Rs. 2,000 is invested at annual rate of interest of 10% p.a. The amount after two years if compounding is done half yearly, is ________
   (a) Rs.2431
   (b) Rs.243.10
   (c) Rs.2341
   (d0 None of these
178. Rs. 3,000 is invested at annual rate of interest of 10% p.a. The amount after two years if compounding is done quarterly, is ________
   (a) Rs. 3556.20
   (b) Rs. 3565
   (c) Rs. 3655.20
   (d) None of these

179. Rs. 4,000 is invested at annual rate of interest of 10% p.a. The amount after two years if compounding is done monthly, is ___________

(a) Rs. 4881.16

(b) Rs. 4818.16

(b) Rs. 4888.16

(d) None of these

180 $\lfloor\underline{0} \times \lfloor\underline{7} \times \lfloor\underline{2}$ is equal to _______

(a) 10080

(b) 0

(c) 5040

(d) None of these

181. If $\lfloor\underline{n+1} = 20\lfloor\underline{n-1}$, then value of n is

(a) 6

(b) 5

(c) 4

(d) None of these

182. The value of 11_{P_9} is equal to

(a) $\dfrac{\lfloor\underline{11}}{\lfloor\underline{9}\ \lfloor\underline{2}}$

(b) $\dfrac{\lfloor\underline{11}}{\lfloor\underline{2}}$

(c) $\dfrac{\lfloor\underline{11}\ \lfloor\underline{2}}{\lfloor\underline{9}}$

(d) None of these

183. In how many different ways can seven persons stand in a line for a group photograph?

(a) 5040

(b) 720

(c) 120

(d) 27

184. In how many ways can 11 persons sit at a round table?

(a) $\lfloor\underline{11}$

(b) $\lfloor\underline{10}$

(c) 11

(d) 10

185. There are 5 books on Physics, 3 on Chemistry and 2 on Mathematics. In how many ways can these be placed on a shelf if the books on the same subject are to be together?

(a) 8640

(b) 1440

(c) 4320

(d) None of these

186. How many different numbers can be formed by using any four out of six digits 1, 2, 3, 4, 5, 6, no digit being repeated in any number?

(a) 60

(b) 120

(c) 30

(d) 15

187. How many five digit numbers can be formed out of digits 1, 2, 4, 5, 6, 7, 8, if no digit is repeated in any number?

(a) 2520

(b) 840

(c) 1680

(d) None of these

188. A Committee of 7 persons is to be formed out of 11. The number of ways of forming such as committee is ________

(a) 660

(b) 330

(c) 300

(d) None of these

189. How many different arrangements are possible from the letters of the word CALCULATOR?

(a) 453600

(b) 50400

(c) 45360

(d) None of these

190. A man has 7 friends. In how many ways can he invite one or more of his friends?

(a) 127

(b) 256

(c) 255

(d) None of these

191. There are 7 boys and 3 girls. The number of ways, in which a committee of 6 can be formed from them, if the committee is to include at least 2 girls, is ______

(a) 140

(b) 105

(c) 35

(d) None of these

192. ${}^5C_1 + {}^5C_2 + {}^5C_3 + {}^5C_4 + {}^5C_5$ is equal to _______

(a) 30

(b) 31

(c) 32

(d) 25

193. The 20^{th} term of the A.P. 1, 3, 5, 7, ….. is

(a) 39

(b) 37

(c) 35

(d) None of these

194. The sum 1+2+3+4…..+70 is equal to _______

(a) 2484

(b) 2485

(c) 2486

(d) None of these

195. The Arithmetic mean between 5 and 13 is _______

(a) 9

(b) 10

(c) 8

(d) None of these

196. The sum 1+3+5+7+…. + 99 is equal to _______

(a) 2499

(b) 2501

(c) 9801

(d) None of these

197. The sum $1^2 + 2^2 + 3^2 + 4^2 + ... + 10^2$ is equal to

(a) 385

(b) 386

(c) 384

(d) None of these

198. The sum $1^3+2^3+3^3+...+20^3$ is equal to

(a) 4410
(b) 4410000
(c) 44100
(d) None of these

199. The eleventh term of the G.P. $\frac{1}{2}$, 1, 2, 2^2, ... is

(a) 512
(b) 256
(c) 1024
(d) None of these

200. The sum of the series 1+2+4+8+ .... to 10 term is

(a) 1024
(b) 1023
(c) 1025
(d) None of these

BOARD OF STUDIES

THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA

COMMON PROFICIENCY TEST

Model Test Paper – BOS/CPT-10 / 2007

Time : 4 hours *Maximum Marks : 200*

The test is divided into four sections.

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 MARKS)

PART-I

1. Rings and pistons of an engine were changed at a cost of Rs. 5000 to increase fuel efficiency is:
   (a) Capital expenditure
   (b) Revenue expenditure
   (c) Deferred revenue expenditure
   (d) Name of the above.
2. Which of the following is nominal account
   (a) Debtors account
   (b) Loan account
   (c) Provision for Bad debts
   (d) Bank overdraft
3. Unexpired portion of Capital expenditure is shown in
   (a) Trading account
   (b) Profit and loss a/c
   (c) Balance sheet
   (d) None of the above
4. According to money measurement concept, currency transactions and events are

recorded in the books of accounts

(a) In the ruling currency of the country in which transaction takes place.

(b) In the ruling currency of the country in which books of accounts are prepared

(c) In the currency set by ministry of finance

(d) In the currency set by Govt.

5. Profit leads to increase in

(a) Assets

(b) Capitals

(c) Both (a) and (b)

(d) Neither (a) and (b)

6. Which of the following account will have credit balance?

(a) Debentures A/c

(b) Carriage inward

(c) Prepared insurance

(d) Bills receivable

7. Insurance unexpired account is a

(a) Real account

(b) Nominal account

(c) Personal account

(d) None of the three

8. Three column cash book records

(a) Only cash transactions

(b) All transactions

(c) Cash, Bank and discount transactions

(d) Cash purchases and cash sale transactions

9. The value of an asset after reducing depreciation from the historical cost is known as

(a) Fair value

(b) Book value

(c) Market value

(d) Net realizable value

10. Trial Balance is prepared according to

(a) Total method

(b) Balance method

(c) Total and Balance both

(d) All the three.

PART-II

11. The parties to joint venture is called

    (a) Partners

    (b) Principal and agent

    (c) Friends

    (d) Co-ventures

12. Owner of the consignment stock is

    (a) Consignee

    (b) Consignor

    (c) Debtors

    (d) None

13. Profit or loss on revaluation is shared among the partners in

    (a) Old profit sharing ratio

    (b) New profit sharing ratio

    (c) Capital ratio

    (d) Equal ratio

14. In case of admission of a partner, the first account prepared is

    (a) Revaluation account

    (b) Realisation account

    (c) Profit and loss adjustment account

    (d) Bank account

15. After the death of a partner, amount payable is received by

    (a) Government

    (b) Firm

    (c) Executor of the death partner

    (d) None of the three.

16. A company purchased a plant for Rs. 5000. The useful life of the plant is 10 years and the residual value is Rs. 500. SLM rate of depreciation will be

    (a) 9%

    (b) 8%

(c) 10%

(d) None of the three

17. When preparing a Bank Reconciliation Statement, if you start with credit balance as per Pass Book, then cheque deposited in the bank but not credited within the period are

    (a) Added

    (b) Deducted

    (c) Not required to be adjusted

    (d) None of the above.

18. The balance of the petty cash is

    (a) An expense

    (b) Income

    (c) An asset

    (d) Liability

19. If del credere commission is allowed for bad debt, consignee will debit the bad debt amount to

    (a) General Trading A/c

    (b) Debtors A/c

    (c) Consignor A/c

    (d) Commission earned A/c

20. Outgoing partner is compensated for parting with firm's future profits in favour of remaining partners. The remaining partners contribute to such compensation amount in

    (a) Capital ratio

    (b) Sacrificing ratio

    (c) Gaining ratio

    (d) Profit sharing ratio

PART-III

21. Sometimes, in case of admission of a partner, all partners may agree to show the assets and liabilities in the new balance sheet at their old figures even when they agree to reveal them. For this purpose, the A/c which is prepared is divided into two parts. In the first part decrease in asset, increase in reserves and increase in liability is debited and increase in asset, decrease in reserve and decrease in liability is credited. The profit or loss on revaluation in the first part is transferred to old partners capital accounts in the old profit sharing ratio. In the second part entries are reversed. Balance of the second part is transferred to the capital a/c of all partners (including the new partner) in their new profit sharing ratio. Thus, if there is profit in the first part, there will be loss of the same amount in the second part. This A/c is prepared only when it is mentioned that assets

and liabilities other than cash not to be altered in new balance sheet. The account is known as

(a) Memorandum Revaluation A/c

(b) Revaluation A/c

(c) Profit & Loss Adjustment A/c

(d) None of the above.

22. A businessman purchased goods for Rs. 25,00,000 and sold 80% of such goods during the accounting year ended 31st March 2006. The market value of the remaining goods was Rs. 4,00,000. He valued closing stock at cost. He violated the concept of

(a) Money measurement

(b) Conservatism

(c) Cost

(d) Periodicity

PART-IV

23. From the following figures prepare balance sheet of the Mr. X as on Dec. 31, 2006.

	Rs.		*Rs.*
Goodwill	70000	Debtors	35000
Plant & Machinery	60000	Furniture	10000
Investments	25000	Bills payable	10000
Outstanding expenses	5000	Bills Receivable	9000
		Cash	6000
Closing stock	25000	Drawings	12000
Creditors	45000	Capital	155000
Net Profit	22000		
Bank overdraft	15,000		

Balance sheet total will be

(a) Rs. 240000

(b) Rs. 250000

(c) Rs. 230000

(d) None of the three

24. Cost of goods sold Rs. 19,000

Closing Stock Rs. 6,000

Sales Rs. 30,000

Gross Profit will be

(a) Rs. 10,000

(b) Rs. 11,000

(c) Rs. 5,000

(d) None of the three

25.

	Rs.		*Rs.*
Salaries	4,000	General expenses	5,100
Interest on overdraft	200	Advertisement	5,000
Office expenses	5,000	Gross profit	35,000
Rent paid	2,000	Commission received	4,000
		Capital	50,000

Amount of net profit will be

(a) Rs.17700

(b) Rs.17000

(c) Rs.15000

(d) None of the three.

26. Trial Balance shows the following balance

	Dr.	Cr.
Capital	-	50,000
Income tax	10,000	
Income tax advance payment	1,600	
Interest on advance payment of tax		40

Capital a/c balance will be

(a) Rs. 38,440

(b) Rs. 38,000

(c) Rs. 40,000

(d) None of the three

27.

		Rs.
Jan 1, 2006	Provision for doubtful debts A/c	990
Dec. 31, 2006	Bad Debts	1,850
Dec. 3, 2006	Debtors	30,000

Information

(i) Make a provision for bad debts 5% on debtors.

(ii) Make a provision for discount on debtors 2%.

Provision for discount on debtors will be

(a) Rs. 570

(b) Rs. 500

(c) Rs. 750

(d) None of the three

28. Rs. 50,000 claim for workman's compensation under dispute is a

(a) Current liability

(b) Contingent liability

(c) Fixed liability

(d) None of the three

29.

Loan @ 9%	10,000
Interest on loan	600

Outstanding interest on loan will be

(a) Rs. 300

(b) Rs. 250

(c) Rs. 350

(d) None of the three

30. Included in the sales were sale of goods of Rs. 5000 on "Sale on approval" basis for which consent of the customer was not received upto Dec. 31st. Goods sent on approval included profits at 25% on cost. Stock on approval will be

(a) Rs. 4500

(b) Rs. 5000

(c) Rs. 4000

(d) None of the three

31. On 1st Jan. 2006 Loose Tools A/c showed the balance of Rs. 4320. On 31st Dec. 2006 loose tools were revalued at Rs. 4680

During the year loose tools were purchased for Rs. 1440. Depreciation on loose tools will be

(a) Rs. 1080

(b) Rs. 1200

(c) Rs. 1000

(d) None of the three

32.

Loan A/c credit balance on Dec. 31, 2006	15,000
Loan paid on June 30,2006	4,000
Loan paid on Sept. 30, 2006	5,000
Interest on loan is to be charged	9% p.a.

Interest amount will be

(a) Rs. 1867.50

(b) Rs. 1800

(c) Rs. 2000

(d) None of the three

33. B/R from Mr. A of Rs. 1000 was posted to the credit of Bills payable A/c and also credited to the account of Mr. A. Rectifying entry will be

(a) B/P 1000

To A 1000

(b) B/R 1000

To A 1000

(c) Bills Payable A/c Dr. 1000

Bills Receivable A/c Dr. 1000

To Suspense 2000

(d) None of the three

34. An item of purchase of Rs. 151 was entered in the Purchase Book as Rs. 15 and posted to Suppliers A/c on Rs. 51 rectifying entry will be

(a) Purchase A/c Dr. 136

To Suppliers A/c 100

To Suspense A/c 36

(b) Purchases A/c Dr. 136

To Suppliers 136

(c) Purchase A/c Dr. 136

To Suppliers 136

(d) None of the three

35. The accountant of the firm M/s ABC is unable to tally the following trial balance.

S. No.	*Account heads*	*Debit (Rs.)*	*Credit (Rs.)*
1.	Sales		12,500
2.	Purchases	10,000	
3.	Miscellaneous expenses	______	2,500
	Total	10,000	15,000

The above difference in trial balance is due to

(a) wrong placing of sales account

(b) Incorrect totalling.

(c) wrong placing of miscellaneous expenses account

(d) Wrong placing of all accounts.

36. Sita and Gita are partnes haring profits and losses in the ratio of 3:2 having the capital of Rs.80,000 and Rs.50,000 respectively. They are entitled to 9% p.a. interest on capital before distributing the profits. During the year firm earned Rs.7,800 after allowing interest on capital. Profits apportioned among Sita and Gita is:

(a) Rs. 4,680 and 3,120

(b) Rs. 4,800 and 3,000

(c) Rs. 5,000 and 2,800

(d) None of the above.

37.

Balance as per Cash Book on 31.03.2006	Rs. 10,000
Cheque issued and presented on 4th April	Rs. 2,300
Cheque sent to bank but not credited	Rs. 2,000
B/P paid by Bank not entered in cash Book	Rs. 800

Balance on per pass book will be

(a) Rs.9500

(b) Rs.9000

(c) Rs.9800

(d) None of the three.

38.

Bank overdraft as per cash book on 31st Dec. 2006	Rs. 10,500
Cheque sent for collection but not collected	Rs. 8,250
Cheque issued but not presented for payment	Rs. 12,000

Balance as per pass book overdraft will be

(a) Rs.6750

(b) Rs.6500

(c) Rs.6000

(d) None of the three

39. Ram, the manager, is entitled to get a commission of Rs. 25 per article sold plus ¼th of the amount by which the gross sales proceeds less total commission there on exceed a sum at the rate of Rs. 125 per article sold. Ram sold 450 articles at Rs. 73800.

commission amount will be -

(a) Rs.12500

(b) Rs.12510

(c) Rs.12000

(d) None of the three

40. Vimal of Kanpur consigned to his agent Nirmal of Allahabad 100 machines at Rs. 500 each. He paid the following expenses packing charges Rs. 20 per machine, forwarding charges Rs. 400 and freight Rs. 600

    Nirmal received the consignment and paid Rs. 600 for cartage and octroi. He also paid Rs. 500 for godown charges. He sold 60 machines @ 700 per machine. He was entitled to a commission of 6%. Profit on consignment will be

    (a) 6820

    (b) 6800

    (c) 6000

    (d) None of the three

41. PARIKH & CO. of Nagpur consigned D of Delhi 1000 Kgs. of Oil @ Rs. 13 per Kg. Consignor spent Rs. 750 on cartage, Insurance and freight. On the way due to leakage 50 kg. of oil was spoiled (Normal loss) D spent Rs. 500 on Octroi and carriage. His selling expenses were Rs. 400 on 800 Kg. of oil sold. Value of consignment stock will be

    (a) Rs.2250

    (b) Rs.2000

    (c) Rs.2200

    (d) None of the three

42. Cost of machine Rs.1,35,000. Residual value Rs.5,000. Useful life 10 years the company charged depreciation for the first 5 years on straight line method. Later on, it reviewed the useful life and decided to take it as useful for another 8 years. Depreciation amount for 6^{th} year will be.

    (a) Rs.8125

    (b) Rs.8000

    (c) Rs.8200

    (d) None of the three

43. Ram and Laxman are partners. Their opening capital was Rs. 12000 and Rs. 6000. 6% interest will be calculated on capital and drawings. Profit before adjustment of interest was Rs. 635. Drawings were as follows.

Ram	**Rs.**	**Laxman**	**Rs.**
July 1	200	June 1	100

Aug 1	200	July 1	100
Sept. 1	300	Sept. 1	50
Nov. 1	50	Oct. 1	200
Feb. 1	100	Dec. 1	100

Annual accounts are closed on March 31. Divisible profit will be

(a) Rs.5324

(b) Rs.5200

(c) Rs.5400

(d) None of the three

44. A and B enter into a joint venture sharing profit and losses in the ratio of 2:1:. A purchased goods costing Rs. 2,00,000. B sold the goods for Rs. 2,50,000. A is entitled to get 1% commission purchase and B is entitled to get 5% commission on sales. The profit on venture will be

(a) Rs.35500

(b) Rs.35000

(c) Rs.36000

(d) None of the three

45. Capital introduced in the beginning by Shyam Rs. 12,000; Further capital introduced during the year Rs. 4,000. He made drawings of Rs. 3000 and closing capital is Rs. 16430. The amount of profit or loss for the year will be

(a) Rs.3000

(b) Rs.3430

(c) Rs.3500

(d) None of the three

46. A and B are partners, sharing profits in the ratio 5:3. They admit C with 1/5 share in profits, which he acquires equally from both i.e. 1/10 from A and 1/10 from B. Now profit sharing ratio will be

(a) 21:11:8

(b) 11:21:8

(c) 8:11:21

(d) None of the three

47. A and B are partners in a firm sharing profits and losses in the ratio of 3:2. A new partner C is admitted. A surrenders $1/5^{th}$ share of his profit in favour of C and B surrenders $2/5^{th}$ share of his profit in favour of C. New profit sharing ratio will be

(a) 12:6:7

(b) 12:5:6

(c) 12:4:5

(d) None of the three

48. The profits of a firm for the last 5 years were as follows:

Year ended 31st March	**Profits (Rs.)**
1999	43,000
2000	50,000
2001	52,000
2002	65,000
2003	85,000

Goodwill is to be calculated on the basis of two years purchase of weighted average profits. The weights to be used are

1999	2000	2001	2002	2003
1	2	3	4	5

Goodwill amount will be

(a) Rs.1,31,200

(b) Rs.1,30,000

(c) Rs.1,32,000

(d) None of the three

49. Ramesh and Suresh are partners sharing profits in the ratio of 2/3 and 1/3. Their capitals on Dec. 31, 2004 were Rs. 1,02,900 and Rs. 73,500 respectively. Mohan was admitted as a new partner on Jan. 1, 2005 for 1/5 share. He contributes 15210 as goodwill. He brings his capital in profit sharing ratio. Capital amount will be.

(a) Rs.47902.50

(b) Rs.47000

(c) Rs.45000

(d) None of the three

50. Goods purchased Rs. 3,00,000; sales Rs. 2,70,000. If margin 20% on sales then closing stock will be

(a) Rs.84000

(b) Rs.80000

(c) Rs.75000

(d) None of the three

51. A's acceptance to B for Rs. 2500 discharged by a cash payment of Rs. 1000 and a new

bill for the balance plus Rs. 50 for interest. The amount of the new bill will be

(a) Rs.2550

(b) Rs.1550

(c) Rs.1500

(d) None of the three

52. Ramesh, an employee got a salary Rs. 10,000 and withdrew goods of Rs. 7,000 (cost price Rs. 6,000) for personal use and got salary Rs. 6000. The excess payment will be

(a) Rs. 2000

(b) Rs. 3000

(c) Rs. 4000

(d) None of the three

53. Mr. A receives a bill from B for Rs. 30,000 on 01.01.06 for 3 months. On 04.02.06. Mr. A got the bill discounted at 12%. The amount of discount will be

(a) Rs. 900

(b) Rs. 300

(c) Rs. 600

(d) Rs. 650

54. Chandra Ltd. issued 15,000 equity shares of 100 each at a discount of 5%. Payments were made as - on application Rs. 25; on allotment Rs. 35 and Rs. 35 on first and final call. Applications for 14000 shares were received and all were accepted. All the money was duly received except the first and final call on 200 shares cash book Balance will be

(a) Rs.13,23,000

(b) Rs.13,00,000

(c) Rs.12,00,000

(d) None of the three

55. X Ltd. forfeited 100 shares of Rs. 10 each issued at a discount of 10% to Ravi on which he had paid Rs. 2.50 per share on application and Rs. 2.50 per share on allotment. But on which he had not paid Rs. 2 on first call share capital in case of forfeiture will be debited by

(a) Rs. 800

(b) Rs. 600

(c) Rs. 700

(d) None of the three

56. B Ltd. forfeited 500 shares of Rs. 10 each fully called up for non payment of first call of Rs. 2 per share. All these shares were reissued as fully paid for Rs. 8 per share. Amount

transferred to capital reserve will be

(a) Rs.3000

(b) Rs.1800

(c) Rs.1500

(d) None of the three

57. The Promising Co. Ltd. took over assets of Rs. 3,50,000 and liabilities of Rs. 30,000 of X Ltd. for a purchase consideration of Rs. 3,30,000. The Promising Co. Ltd. paid the purchase consideration by issuing 12% debentures of Rs. 100 each at 10% premium. No. of Debentures issued will be

(a) 3000 Debentures

(b) 3100 Debentures

(c) 2800 Debentures

(d) None of the three

58. A Company issued 2000, 12% debentures of Rs. 100 each at par but redeemable at 5% premium. Loss on issue of debentures will be

(a) Rs.10,000

(b) Rs.12,000

(c) Rs.11,000

(d) None of the three

59. On 1st Jan. 2001, a Limited Co. issued 14% Rs. 1,00,000 debentures at a discount of 6% repayable at the end of 5 years. Amount of discount to be written off every year will be

(a) Rs.1200

(b) Rs.1000

(c) Rs.1500

(d) None of the three

60. The Company issued debentures of the face value of Rs. 1,00,000 at a discount of 6%. On 1st January 2004. These debentures are redeemable by annual drawings of Rs. 20,000 made on 31st Dec. each year. The Directors decided to write off discount based on the debentures outstanding each year. Discount to be written off in the fifth year will be.

(a) Rs.400

(b) Rs.500

(c) Rs.800

(d) None of the three

SECTION – B : MERCANTILE LAWS (40 MARKS)

PART-I

61. Which does not came into the category of delivery?
    (a) Actual
    (b) Symbolic
    (c) Constructive
    (d) Perpetual
62. Which is not true in case of a finder of goods?
    (a) He can sell goods if the owner cannot be found
    (b) If the owner is found find he refuses to pay lawful charges
    (c) He can sell the goods if the goods are of perishing nature
    (d) he cannot sell the goods in any condition
63. In C.I.F. Contracts, C.I.F. stands for:
    (a) Cost, Identify and freight
    (b) Colour, Insurance and Freight
    (c) Cost, Insurance and Freight
    (d) Calculation, Insurance and Freight
64. Which does not relate the term delivery of goods?
    (a) Actual delivery
    (b) Symbolic delivery
    (c) Constructive delivery
    (d) Specific delivery
65. Which is true regarding the expulsion of a partner?
    (a) The expulsion must be in the interest of the partnership
    (b) The partner to be expelled is served with notice
    (c) He should be given an opportunity of being heard
    (d) All of these
66. Which of the following is an essential feature of partnership?
    (a) Registration
    (b) Partnership deed
    (c) Test of mutual agency
    (d) Separate legal entity
67. A agrees to pay one crore to B if the brings an earth a star from sky. This is a
    (a) Contingent contract

(b) Quasi contract
(c) Implied contract
(d) Wagering conduct

68. A party entitled to rescind the contract, loses the remedy where
(a) He has ratified the contract
(b) Third party has acquired right in good faith
(c) Contract is not separable
(d) All of these

69. Agreement of uncertain meaning is
(a) Valid
(b) Void
(c) Voidable
(d) Illegal

70. Where the consent of both the parties is given by mistake, the contract is:
(a) Void
(b) Valid
(c) Voidable
(d) Illegal

71. A contract made by mistake about same foreign law is
(a) Void
(b) Valid
(c) Voidable
(d) Illegal

72. A agrees to pay Rs. 5000 to B if it rains and B promises to pay a like amount to A if it does not rain, the agreement is called.
(a) Quasi Contract
(b) Contingent contract
(c) Wagering agreement
(d) Voidable contract

73. In case of illegal agreements, the Collateral agreements are:
(a) Voidable
(b) Void
(c) Valid
(d) None of these

74. Consideration must move at the desire of the
   (a) Promisor
   (b) promisee
   (c) Any person
   (d) Third party
75. Which partner does not take active part in the business
   (a) Minor partner
   (b) Sub partner
   (c) Dormant partner
   (d) Estopped partner
76. Contingent contract is
   (a) illegal
   (b) valid
   (c) voidable
   (d) void
77. A partnership at will is one
   (a) duration not fixed
   (b) duration fixed
   (c) dissolved at any time
   (d) can be dissolved on the happening of an event
78. On dissolution the partners remain liable to till
   (a) Accounts are settled
   (b) partners dues are paid off
   (c) Public notice is given
   (d) The registrar strikes off the name.
79. Every partner has the right
   (a) to take part in the business of the firm
   (b) to share exclusive profits
   (c) to use the property of the firm for personal purpose
   (d) none of these

PART-II

80. A partner can retire on ________
   (a) at the age of superannuation
   (b) at the low ebb of capital a/c

(c) In accordance with the partnership deed

(d) On nominee becoming a partner

81. Each of the partner is _______

(a) Principals as well as agent

(b) Only agents of the firm

(c) Only representative of the firm

(d) Only co-partners of the firm

82. Registration of firm is ______

(a) Compulsory

(b) Optional

(c) Occassional

(d) none of these

83. The resconstitution of firm takes place in case _______

(a) Admission of partner

(b) Retirement of a partner

(c) Death of a partner

(d) All of the above

84. A partnership firm is dissolved where ______

(a) All partners have become insolvent

(b) Firms business has become unlawful

(c) The fixed term has expired

(d) None of these

85. It is not a right of partner ________

(a) To take part in business

(b) To take access to accounts book

(c) To share profits

(d) To receive renumeration

86. It is not included in the implied authority of a partner _______

(a) To buy or sell goods on account

(b) To borrow many for the purposes of firm

(c) To enter into partnership on behalf of firm

(d) To engage a lawyer to defend actions against firm.

87. After retirement from firm, _______ partner is not liable by holding out

(a) Active partner

(b) Sleeping partner
(c) Representative of deceased partner
(d) Both (B) and (C)

88. ______ does not relate the dissolution of firm
(a) dissolution by agreement
(b) compulsory dissolution
(c) dissolution in the happening of certain contingency
(d) dissolution by leaving insolvent partner

89. _____ is the case of misconduct
(a) Gambling by a partner on stock exchange
(b) Fraudulent breach of trust by a partner
(c) Persistent refusal by a partner to attend to the business
(d) All of these

90. Contingent contract is _______
(a) Illegal
(b) Valid
(c) Voidable
(d) Void

91. A voidable contract __________
(a) Can be enforced at the option of aggrieved party
(b) Can be enforced at the option of both the parties
(c) Cannot be enforced in a court of law
(d) Is prohibited by court.

92. There can be a stranger to a ___________
(a) Contract
(b) Consideration
(c) Agreement
(d) Promise

93. A minor is liable for ___________ supplied to him
(a) Necessaries
(b) Luxuries
(c) Necessities
(d) All the things

94. Threat to commit suicide amounts to _________
   (a) Coercion
   (b) offence under the Indian Penal Code
   (c) Undue influence
   (d) Fraud
95. An agreement the object of which is unlawful is ___________
   (a) Valid
   (b) Void
   (c) Voidable
   (d) None of these
96. _____________ can perform the contract
   (a) Promise alone
   (b) Legal representative of promisor
   (c) Agent of the promisor
   (d) All of these
97. Consideration may be ____________
   (a) Past
   (b) Present
   (c) Future
   (d) All of these
98. Moral pressure is involved in the case of ______________
   (a) Coercion
   (b) Undue influence
   (c) Misrepresentation
   (d) Fraud

PART-III

99. A sells to B a horse which A knows to be unsound. B is A's daughter. Choose the best alternative
   (a) The relation between A and B would make it A/s duty to tell B if the horse is unsound.
   (b) If A is silent, silence will not be equivalent to speech
   (c) Here it is not duty of A to tell the horse's defect
   (d) A is not bound to tell the defect as the rule of caveat Emptor applies

100. M, a minor aged 17, broke right arm in a cricket match. He engaged a physician to set it. Does the physician have a valid claim for his services. Choose the best alternative.

(a) The Physician cannot claim for his services due to contract with minor which is void

(b) The physician has a valid claim for his services which are included in the "Necessaries"

(c) The physician has no claim for minor's "necessaries" and minor will be personally liable

(d) The physician can claim for his services from minor's parents.

SECTION – C : GENERAL ECONOMICS (50 MARKS)

101. The LAC curve
    - (a) falls when the LMC curve falls
    - (b) rises when the LMC curve rises
    - (c) goes through the lowest point of the LMC curve
    - (d) falls when LMC < LAC and rises when LMC > LAC

102. At shut down point :
    - (a) price is equal to AVC
    - (b) total revenue is equal to TVC
    - (c) total loss of the firm is equal to TFC
    - (d) all of the above

103. If as a result of change in price, the quantity supplied of the good remains unchanged, we say elasticity of supply is:
    - (a) zero
    - (b) between zero and one
    - (c) infinite
    - (d) between one and infinity

104. The conditions of long-period equilibrium for the firm operative under perfect competition are:
    - (1) MC = MR
    - (2) AR = MR
    - (3) AC = AR
    - (4) AC = MC .
    - (a) (1) only
    - (b) (1) and (2) only
    - (c) (1), (2) and (3) only
    - (d) (1), (2), (3) and (4)

105. In a perfect competitive market
    - (a) firm is the price–giver and industry the price take
    - (b) firm is the price taker and industry the price giver
    - (c) both are the price – takers
    - (d) none of the above

106. If the price of Pepsi decreases relative to the price of Coke and 7-Up, the demand for:
    - (a) Coke will rise
    - (b) 7-Up will decrease

(c) Coke and 7-Up will increase

(d) Coke and 7-Up will decrease

107. The difference between the price a consumer is willing to pay and the price he actually pays is called -

(a) excess price

(b) excess demand

(c) consumer surplus

(d) exploitation

108. 'Excess Capacity' is the essential characteristic of the firm in the market form of :

(a) monopoly

(b) perfect competition

(c) monopolistic competition

(d) oligopoly

109. 'Personal disposable' 'income' refers to :

(a) the income of the person after all personal taxes are deducted

(b) total income earned by the person

(c) personal taxes paid to the government

(d) personal and indirect taxes paid to the government

110. National income of a country is also known as :

(a) Gross National Product at market prices

(b) Net National Product at factor cost

(c) Gross Domestic Product at factor cost

(d) Net Domestic Product at Market prices

111. The indifference curve approach does not assume :

(a) Rationality on the parts of consumers

(b) Ordinal measurement of satisfaction

(c) Consistent consumption pattern behaviour of consumers

(d) Cardinal measurement of utility

112. 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

113. 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

114. The main objective of fiscal policy in developing countries is to:

(1) promote economic growth

(2) mobilise resources for economic growth

(3) ensure economic growth and distribution

(4) increase employment opportunities

(a) only 1 and 2 are correct

(b) only 2 and 3 are correct

(c) only 2 and 4 are correct

(d) 1, 2, 3 and 4 are correct

115. Budgetary deficit can be expressed as:

(a) the excess of pubic expenditure over public revenue

(b) the sum of deficit on revenue account and deficit on capital account

(c) that portion of government expenditure which is financed through the sale of 91 days Treasury Bills and drawing down of cash balances

(d) all of the above

116. A Government budget is defined as:

(a) a description of the fiscal policies of the government and the financial plans

(b) a financial plan describing estimated receipts and proposed expenditures and disbursement under various heads

(c) neither of the above

(d) both (a) and (b) above

117. ________ depicts complete picture of consumer's tastes and preferences

(a) Budget line

(b) Average cost curve

(c) Indifference map

(d) Marginal revenue curve

118 .Human Development Index (HDI) is a composite index of :

(a) Health, literacy and employment

(b) National income, size of population and general price level

(c) National income, per capita income and per capita consumption

(d) Physical resources, monetary resources and population size

119. The task of national income estimation to India is entrusted to the
   (a) Indian Statistical Institute
   (b) National Sample Survey Organization
   (c) Central Statistical organization
   (d) National Accounts Organisation
120. The marginal farmer in India is defined as a cultivator who :
   (a) does not own any land
   (b) workers on a land holding of less than one hectare
   (c) works on a land holding for wages
   (d) keeps shifting between agriculture and non-agriculture jobs
121. The main objective of the Regional Rural Bank is to
   (a) provide Credit and other facilities to small and marginal farmers, agricultural labours and artisans in rural areas
   (b) provide credit to the common people in rural areas
   (c) take over the functions of Agricultural Refinance Corporation of India
   (d) supplement scheduled commercial banks
122. At present, the area covered by forests as a percentage of total land area in India lies within a range of
   (a) 11% to 15%
   (b) 16% to 20%
   (c) 21% to 25%
   (d) 26% to 30%
123. The second plan's programme of industrialisation was based on the ______ model
   (a) The Britishers in India
   (b) V.V. Bhatt
   (c) P.C. Mahalanobis
   (d) Vera Anstey
124. An inferior commodity is one which is consumed in smaller quantities when the income of consumer :
   (a) becomes nil
   (b) remains the same
   (c) falls
   (d) rises

125. Which of the following equation is correct?

(a) $MRTS_{XY} = \frac{P_Y}{P_X}$

(b) $MRTS_X = \frac{P_X}{P_Y}$

(c) $MRTS_{YX} = \frac{P_Y}{P_X}$

(d) None of the above

126. The marginal cost curve intersects the average cost curve when average cost is:

(a) maximum

(b) minimum

(c) raising

(d) falling

127. If the demand curve confronting an individual firm is perfectly elastic, then :

(a) the firm is a price taker

(b) the firm cannot influence the price

(c) the firms marginal revenue curve coincides with its average revenue curve

(d) all of the above

128. In long run equilibrium the pure monopolist can make pure profits because of

(a) blocked entry

(b) the high price he charges

(c) the low LAC costs

(d) advertising

129. Which of the following statements in not true about a discriminating monopolist?

(a) He operates in more than one market

(b) He makes more profit because he discriminates

(c) He maximizes his profits in each market

(d) He charges different prices in each market

130. In both the Chamberlin and kinked demand curve models, the oligopolists

(a) recognize their independence

(b) do not collude

(c) tend to keep prices constant

(d) all of the above

131. The demand for a factor of production is said to be a derived demand because
   (a) it is a function of the profitability of an enterprise
   (b) it depends on the supply of complementary factors
   (c) its stems from the demand for the final product
   (d) it arises out of means being scarce in relation to wants.

132. Positive income elasticity implies that as income rises, demand for the commodity
   (a) rises
   (b) falls
   (c) remains unchanged
   (d) becomes zero

133. A Central Bank differs from a commercial bank in that :
   (a) It has no branches
   (b) It is the banker of the government
   (c) It deals with general public
   (d) None of the above

134. Open market operations by a Central bank involve :
   (a) sale and purchase of government securities
   (b) increase and decrease of discount rate
   (c) changing the reserve ratio up and down
   (d) raising or lowering of the margin requirements

135. Which one of the following is the most profitable but least liquid asset of a commercial bank?
   (a) Loans and advances
   (b) Money at call and short notice
   (c) Bills discounted and purchased
   (d) Investment in government securities.

136. CENVAT stands for :
   (a) Common Entity Value Added Tax
   (b) Corporate Entity Value Added Tax
   (c) Central Value Added Tax
   (d) None of the above

137. Export led growth strategy does not include :
   (a) outward oriented growth
   (b) export promotion
   (c) import restrictions

(d) emphasising comparative advantage

138. The known reserves of iron are in India as a percentage of world deposits are _____
   (a) 6.6
   (b) 7.6
   (c) 10
   (d) 12
139. Occupational structure refers to the
   (a) number of workers living in a country
   (b) size of working population in the industrial sector
   (c) distribution of working population among different occupations
   (d) nature of different occupations in the economy
140. The 'year of Great Divide' with regard to population growth in India is :
   (a) 1911
   (b) 1921
   (c) 1947
   (d) 1971
141. FIEO stands for :
   (a) Foreign Import Export Organisation
   (b) Federation of Import Export Organisation
   (c) Forum of Indian Export Organisation
   (d) Federation of Indian Export Organisation
142. The Tenth Five Year Plan (2002-207) outlines a strategy to achieve a GDP growth rate of
   (a) 6 per cent
   (b) 8 per cent
   (c) 10 per cent
   (d) 12 per cent
143. The major cause of unemployment in India is :
   (a) underdevelopment
   (b) defective manpower planning
   (c) rapid population growth
   (d) all of the above
144. The largest share of foreign aid in India has been used in the programme of :
   (a) agriculture development
   (b) industrial development

(c) education

(d) health

145. Before financial reforms, the banking system was characterised by all of the following except :

(a) administered interest rate structure

(b) quantitative restrictions on credit flow

(c) high revenue requirements

(d) keeping very less lendable resources for the priority sector

146. The important cash crop encouraged by the Britisher's was

(a) Opium

(b) Indigo

(c) Cotton

(d) All of these

147. Economic development has retarded in India mainly due to :

(a) overgrowing service sector

(b) westernised social attitudes

(c) poor infrastructural facilities

(d) modern agrarian system

148. India is termed as a developing economy because of her :

(a) initiative for determined planned economic development

(b) rapid population growth

(c) predominant agrarian set-up

(d) slow Industrial Progress

149. The percentage of people working in agriculture sector is ________.

(a) 60 per cent

(b) 80 per cent

(c) 55 per cent

(d) 50 per cent

150. Tenth plan aims at reducing the Maternal Mortality Rate (MMR) to ______ per live births by 2007

(a) 5

(b) 2

(c) 1

(d) 3

SECTION – D : QUANTITATIVE APTITUDE (50 MARKS)

151. The sum of the series $\frac{1}{3}+\frac{1}{3^2}+\frac{1}{3^3}+\frac{1}{3^4}+......$ to ∞ is

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

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

(c) $\frac{1}{6}$

(d) None of these

152. The sum of the series $1+10^{-1}+10^{-2}+10^{-3}....$ to ∞ is

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

(b) $\frac{1}{10}$

(c) $\frac{10}{9}$

(d) None of these

153. The sum of the series $1-1+1-1+1-1+......$ to 100 terms is equal to

(a) 1

(b) –1

(c) 0

(d) 50

154. The sum of the series $1-1+1-1+1-1+......$to 101 terms is

(a) 1

(b) –1

(c) 0

(d) 100

155. If A = {1, 3, 5, 7, ……}, B={2, 4, 6, 8, ……..} then $A \cup B$ is equal to

(a) Set of all natural members

(b) Set of all integers

(c) Set of all numbers

(d) Set of functions

156. If A = {1, 3, 5, 7, ……}, B= {2, 4, 6, 8, ……..} then $A \cap B$ is equal to

(a) Set of all integers

(b) Set of all positive integers

(c) ϕ

(d) None of these

157. The set of squares of positive integers is

(a) A finite set

(b) Null set

(c) An infinite set

(d) None of these

158. If A = {1, 2, 3, 4, 5} and B = {6, 7, 8} then cardinal number of AXB is:

(a) 15

(b) 5

(c) 3

(d) 8

159. If B is any set then $B \cap B$ is

(a) Null Set

(b) B

(c) Whole set

(d) None of these

160. If B is any set then $B \cup B$ is

(a) B

(b) Null set

(c) Whole set

(d) None of these

161. The number of subsets of the set A = {1, 2, 3, 4, 5, 6, 7, 8} is

(a) 36

(b) 128

(c) 256

(d) None of these

162. If f(x) = $\frac{x^2-25}{x-5}$, f(5) is

(a) 1

(b) 0

(c) 10

(d) Undefined

163. If f(x) = $\left(\frac{x^2-4}{x-2}\right)$, then f(2) is

(a) 0

(b) 2

(c) 4

(d) 1

164. If f(x) = $\frac{5}{x}$, then f(0) is

(a) $+\infty$

(b) $-\infty$

(c) 5

(d) Undefined

165. If f(x) = $\frac{x^2-1}{x-1}$, $x \neq 1$, f(1) = A

For what value of A, f(x) is continuous at x = 1?

(a) 1

(b) 2

(c) 0

(d) None of these

166. $\lim_{x \to 0+} \frac{1}{x}$ is

(a) $+\infty$

(b) $-\infty$

(c) Does not exist

(d) None of these

167. $\lim_{x \to 0-} \frac{1}{x}$ is

(a) $+\infty$

(b) $-\infty$

(c) Does not exist

(d) None of these

168. $\lim_{x \to 0-} \frac{x^2 - 25}{x - 5}$ is equal to

(a) does not exist

(b) 1

(c) 10

(d) 0

169. Let f(x) = $\frac{x^2 - 6x + 9}{x - 3}$, $x \neq 3$, f(3) = 0 then f(x) is

(a) Continuous at x = 3

(b) Discontinuous at x = 3

(c) Discontinuous for all x

(d) None of these

170. $\lim_{n \to \infty} \frac{1 + 2 + 3 + ... + n}{n^2}$ is equal to

(a) 1

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

(c) 0

(d) None of these

171. $\lim_{n \to \infty} \frac{1^2 + 2^2 + 3^2 + ... + n^2}{n^3}$ is equal to

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

(b) 0

(c) 1

(d) None of these

172. $\lim_{n\to\infty} \frac{1^3+2^3+3^3+.....+n^3}{n^4}$ is equal to

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

(b) 1

(c) 0

(d) None of these

173. If f(x) = 5x, when x > 0

= –5x, when x < 0

Then f(x) is

(a) Discontinuous at x = 0

(b) Discontinuous for all x

(c) Continuous at x = 0

(d) None of these

174. If y = $x^5+e^{2x}+\log 3x$ then $\frac{dy}{dx}$ is

(a) $5x^4+2e^{2x}+\frac{1}{x}$

(b) $x^5+e^{2x}+\frac{1}{3x}$

(c) $5x^4+e^{2x}+\frac{1}{3x}$

(d) None of these

175. If f(x) = $a^{3x}+4x^9+10$ then $\frac{dy}{dx}$ is

(a) $a^{3x}+36x^9+10x$

(b) $3a^{3x}\log a+36x^8$

(c) $3a^{3x}\log a+36x^8+10x$

(d) None of these

176. If x = at^2, y = 2 at then $\frac{dy}{dx}$ is equal to

(a) $\frac{1}{t}$

(b) 2 at

(c) 2a

(d) $\frac{a}{t}$

177. If $x^2 + y^2 = a^2$, then $\frac{dy}{dx}$ at (–2, 2) is

(a) 2

(b) 2

(c) 1

(d) 3

178. If $y = 2x^2 + 3x + 10$ then $\frac{dy}{dx}$ at (0,0) is

(a) 10

(b) 0

(c) 3

(d) None of these

179. The gradient of the curve $y = x^3 - x^2$ at (0, 0) is

(a) 1

(b) 0

(c) –1

(d) None of these

180. The value of $\int (6x^5 + 3e^{2x} + 5)dx$ is equal to

(a) $x^6 + \frac{3}{2}e^{2x} + 5x + k$

(b) $30x^4 + 6e^{2x}$

(c) $x^6 + \frac{3}{2}e^{ex}$

(d) None of these

181. The value of $\int \left(x - \frac{1}{x} \right)^2 dx$ is

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

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

(c) $\frac{x^2}{2}+k$

(d) None of these

182. The value of $\int (5x^{e^x}+10)dx$ is equal to

(a) $5xe^x - 5e^x + 10x + c$

(b) $5xe^x + 5e^x + 5x + c$

(c) $xe^x - 5e^x + 10x + c$

(d) None of these

183. The value of $\int \frac{dx}{x(x^2-1)}$ is equal to

(a) $\frac{1}{2}\log\left(1+\frac{1}{x^2}\right)$

(b) $\frac{1}{2}\log\left(1-\frac{1}{x^2}\right)+k$

(c) $\log\left(1-\frac{1}{x^2}\right)$

(d) None of these

184. The value of the integral $\int \frac{1}{x\log x}$ is

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

(b) log (x log x) (c)

(c) log (log x) + c,

(d) None of these

185. The value of $\int_0^1 \frac{\sqrt{x}}{\sqrt{x}+\sqrt{1-x}}\,dx$ is

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

(b) 1

(c) 2

(d) 0

186. The value of $\int_0^1 (2x+5)dx$ is

(a) 54

(b) 6

(c) 19

(d) None of these

187. The value of $\int_2^3 \frac{x+3}{x+1}dx$ is

(a) $1 + 2 \log \frac{4}{3}$

(b) $1 - 2 \log \frac{4}{3}$

(c) $1 + \log \frac{3}{4}$

(d) None of these

188. Statistics is applied in

(a) Psychology only

(b) Commerce only

(c) Economics only

(d) All these and in other subjects

189. The mean salary for a group of 4 male is Rs. 5200 per month and that for a group of 6 female is Rs. 6800 per month. What is the combined salary?

(a) Rs. 6160

(b) Rs. 6610

(c) Rs. 6110

(d) None of these

190. For the numbers 1, 2, 3, 4, 5, 6, 7 standard deviation is:

(a) 3

(b) 4

(c) 2

(d) None of these

191. If the quartile deviation of x is 8 and 3x + 6y = 20, then the quartile deviation of y is

(a) –4

(b) 3

(c) 5

(d) None of these

192. For a group of 8 students, the sum of squares of differences in ranks for Economics and Commerce marks was 50, the value of rank correlation coefficient is equal to

    (a) 0.50
    (b) 0.40
    (c) 0.60
    (d) None of these

193. A number is selected from the set S = {1, 2, 3, 4 ….. 25}. The probability, that it would be divisible by 4 or 7, is

    (a) 0.26
    (b) 0.46
    (c) 0.36
    (d) None of these

194. Suresh is selected for three different posts. For the first post, there are 2 candidates, for the second there are 3 candidates, for the third there are 10 candidates. The probability, that Suresh would be selected, is.

    (a) 0.7
    (b) 0.5
    (c) 0.6
    (d) None of these

195. Eight balls are distributed at random in three containers. The probability, that the first container would contain three balls, is

    (a) 0.37
    (b) 0.17
    (c) 0.27
    (d) None of these

196. If 15 dates are chosen at random, then the probability of getting two Fridays is

    (a) 0.13
    (b) 0.38
    (c) 0.47
    (d) None of these

197. Between 7 and 8 P.M., the average number of phone calls per minute is 4. The probability, that during one particular minute there will be no phone calls, is

    (a) e^{-3}

(b) $\frac{1}{e}$

(c) e^{-4}

(d) None of these

198. The points of inflexion of the normal curve f(t) = $\frac{1}{4\sqrt{2\pi}} e^{\frac{-(t-10)^2}{32}}$ are

(a) 6, 14

(b) 5, 15

(c) 4, 16

(d) None of these

199. A population consists units a, b, c, d, e, f. The total number of all possible samples of size four without replacement are

(a) 10

(b) 12

(c) 15

(d) None of these

200. If $y = x^{10} + 5\log 3x + 6e^{2x} + 10$ then $\frac{dy}{dx}$ is equal to

(a) $10x^9 + 15x + 12e^{2x}$

(b) $10x^9 + \frac{5}{x} + 12e^{2x}$

(c) $10x^9 + \frac{5}{x} + 6e^{2x}$

(d) None of these

Answer of Model Test Papers

MODEL TEST PAPER – BOS/CPT-1 / 2007

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(c)	**2**	(a)	**3**	(d)	**4**	(a)	**5**	(a)
6	(a)	**7**	(c)	**8**	(b)	**9**	(c)	**10**	(c)
11	(c)	**12**	(a)	**13**	(c)	**14**	(b)	**15**	(b)
16	(a)	**17**	(d)	**18**	(b)	**19**	(b)	**20**	(a)
21	(b)	**22**	(d)	**23**	(a)	**24**	(b)	**25**	(a)
26	(a)	**27**	(a)	**28**	(d)	**29**	(c)	**30**	(d)
31	(b)	**32**	(d)	**33**	(a)	**34**	(d)	**35**	(a)
36	(c)	**37**	(d)	**38**	(a)	**39**	(a)	**40**	(a)
41	(b)	**42**	(b)	**43**	(b)	**44**	(a)	**45**	(a)
46	(a)	**47**	(a)	**48**	(a)	**49**	(b)	**50**	(b)
51	(a)	**52**	(b)	**53**	(a)	**54**	(a)	**55**	(b)
56	(a)	**57**	(d)	**58**	(a)	**59**	(a)	**60**	(b)

SECTION-B : MERCANTILE LAWS

61.	(b)	**62.**	(d)	**63.**	(a)	**64.**	(b)	**65.**	(d)
66.	(a)	**67.**	(d)	**68.**	(a)	**69.**	(d)	**70.**	(b)
71.	(a)	**72.**	(d)	**73**	(d)	**74.**	(c)	**75.**	(c)
76.	(d)	**77.**	(a)	**78.**	(d)	**79.**	(c)	**80.**	(b)
81.	(d)	**82.**	(b)	**83.**	(c)	**84.**	(a)	**85.**	(b)
86.	(a)	**87.**	(d)	**88.**	(b)	**89.**	(c)	**90.**	(b)
91.	(b)	**92.**	(d)	**93.**	(b)	**94.**	(c)	**95.**	(b)
96.	(b)	**97.**	(d)	**98.**	(c)	**99.**	(a)	**100**	(a)

SECTION–C : GENERAL ECONOMICS

101	(a)	**102**	(c)	**103**	(a)	**104**	(c)	**105**	(c)
106	(d)	**107**	(b)	**108**	(a)	**109**	(d)	**110**	(b)
111	(d)	**112**	(d)	**113**	(b)	**114**	(d)	**115**	(b)
116	(c)	**117**	(d)	**118**	(a)	**119**	(b)	**120**	(b)
121	(a)	**122**	(d)	**123**	(c)	**124**	(c)	**125**	(c)
126	(b)	**127**	(c)	**128**	(c)	**129**	(c)	**130**	(c)
131	(a)	**132**	(b)	**133**	(b)	**134**	(c)	**135**	(d)
136	(c)	**137**	(b)	**138**	(a)	**139**	(a)	**140**	(c)
141	(c)	**142**	(d)	**143**	(d)	**144**	(a)	**145**	(d)
146	(d)	**147**	(a)	**148**	(d)	**149**	(d)	**150**	(c)

SECTION–D : QUANTITATIVE APTITUDE

151	(b)	**152**	(d)	**153**	(c)	**154**	(d)	**155**	(d)
156	(d)	**157**	(b)	**158**	(a)	**159**	(b)	**160**	(b)
161	(d)	**162**	(a)	**163**	(b)	**164**	(b)	**165**	(b)
166	(d)	**167**	(a)	**168**	(b)	**169**	(a)	**170**	(b)
171	(c)	**172**	(a)	**173**	(a)	**174**	(b)	**175**	(a)
176	(b)	**177**	(b)	**178**	(d)	**179**	(a)	**180**	(b)
181	(c)	**182**	(a)	**183**	(a)	**184**	(d)	**185**	(b)
186	(b)	**187**	(c)	**188**	(a)	**189**	(c)	**190**	(b)
191	(a)	**192**	(a)	**193**	(b)	**194**	(c)	**195**	(a)
196	(b)	**197**	(c)	**198**	(d)	**199**	(a)	**200**	(c)

MODEL TEST PAPER – BOS/CPT-2/ 2007

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(d)	**2**	(a)	**3**	(c)	**4**	(c)	**5**	(a)
6	(a)	**7**	(d)	**8**	(b)	**9**	(a)	**10**	(b)
11	(d)	**12**	(c)	**13**	(b)	**14**	(a)	**15**	(b)
16	(c)	**17**	(c)	**18**	(c)	**19**	(a)	**20**	(b)
21	(a)	**22**	(c)	**23**	(b)	**24**	(a)	**25**	(a)
26	(a)	**27**	(b)	**28**	(a)	**29**	(a)	**30**	(b)
31	(a)	**32**	(b)	**33**	(c)	**34**	(b)	**35**	(b)
36	(a)	**37**	(b)	**38**	(b)	**39**	(b)	**40**	(b)
41	(b)	**42**	(b)	**43**	(b)	**44**	(b)	**45**	(c)
46	(a)	**47**	(a)	**48**	(a)	**49**	(a)	**50**	(c)
51	(a)	**52**	(a)	**53**	(a)	**54**	(a)	**55**	(b)
56	(c)	**57**	(a)	**58**	(a)	**59**	(a)	**60**	(b)

SECTION–B : MERCANTILE LAWS

61.	(d)	62.	(d)	**63.**	(d)	**64.**	(a)	**65.**	(b)
66.	(b)	67.	(d)	**68.**	(a)	**69.**	(d)	**70.**	(b)
71.	(b)	72.	(b)	**73.**	(d)	**74.**	(d)	**75.**	(c)
76.	(a)	77.	(c)	**78.**	(a)	**79.**	(a)	**80.**	(a)
81.	(a)	82.	(a)	**83.**	(b)	**84.**	(c)	**85.**	(d)
86.	(a)	87.	(c)	**88.**	(a)	**89.**	(c)	**90.**	(a)
91.	(b)	92.	(a)	**93.**	(b)	**94.**	(c)	**95.**	(d)
96.	(a)	97.	(b)	**98.**	(a)	**99.**	(a)	**100.**	(c)

SECTION–C : GENERAL ECONOMICS

101	(c)	**102**	(b)	**103**	(a)	**104**	(a)	**105**	(a)
106	(b)	**107**	(b)	**108**	(d)	**109**	(c)	**110**	(a)
111	(b)	**112**	(c)	**113**	(c)	**114**	(d)	**115**	(b)
116	(a)	**117**	(c)	**118**	(b)	**119**	(d)	**120**	(b)
121	(a)	**122**	(b)	**123**	(c)	**124**	(d)	**125**	(c)
126	(a)	**127**	(a)	**128**	(d)	**129**	(b)	**130**	(a)

131	(b)	**132**	(d)	**133**	(a)	**134**	(a)	**135**	(d)
136	(d)	**137**	(b)	**138**	(d)	**139**	(a)	**140**	(b)
141	(d)	**142**	(b)	**143**	(a)	**144**	(b)	**145**	(c)
146	(c)	**147**	(c)	**148**	(b)	**149**	(d)	**150**	(b)

SECTION–D : QUANTITATIVE APTITUDE

151	(a)	**152**	(d)	**153**	(a)	**154**	(a)	**155**	(c)
156	(a)	**157**	(a)	**158**	(a)	**159**	(a)	**160**	(c)
161	(b)	**162**	(a)	**163**	(b)	**164**	(a)	**165**	(b)
166	(c)	**167**	(a)	**168**	(b)	**169**	(c)	**170**	(d)
171	(b)	**172**	(a)	**173**	(c)	**174**	(a)	**175**	(b)
176	(b)	**177**	(b)	**178**	(d)	**179**	(c)	**180**	(b)
181	(b)	**182**	(a)	**183**	(b)	**184**	(a)	**185**	(a)
186	(b)	**187**	(b)	**188**	(a)	**189**	(c)	**190**	(c)
191	(c)	**192**	(a)	**193**	(a)	**194**	(c)	**195**	(c)
196	(b)	**197**	(a)	**198**	(a)	**199**	(c)	**200**	(b)

MODEL TEST PAPER – BOS/CPT-3/ 2007

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(c)	**2**	(b)	**3**	(c)	**4**	(d)	**5**	(a)
6	(c)	**7**	(c)	**8**	(d)	**9**	(a)	**10**	(b)
11	(b)	**12**	(c)	**13**	(b)	**14**	(b)	**15**	(b)
16	(b)	**17**	(a)	**18**	(b)	**19**	(a)	**20**	(d)
21	(a)	**22**	(d)	**23**	(b)	**24**	(b)	**25**	(a)
26	(b)	**27**	(a)	**28**	(b)	**29**	(d)	**30**	(a)
31	(b)	**32**	(a)	**33**	(a)	**34**	(b)	**35**	(a)
36	(a)	**37**	(a)	**38**	(b)	**39**	(b)	**40**	(a)
41	(a)	**42**	(b)	**43**	(a)	**44**	(a)	**45**	(b)
46	(b)	**47**	(b)	**48**	(c)	**49**	(a)	**50**	(b)
51	(b)	**52**	(a)	**53**	(a)	**54**	(a)	**55**	(a)
56	(a)	**57**	(a)	**58**	(b)	**59**	(c)	**60**	(b)

SECTION–B : MERCANTILE LAWS

61.	(d)	**62.**	(c)	**63.**	(c)	**64.**	(c)	**65**	(a)
66.	(d)	**67.**	(d)	**68.**	(d)	**69.**	(b)	**70**	(b)
71.	(a)	**72.**	(b)	**73.**	(d)	**74.**	(b)	**75**	(c)
76.	(a)	**77.**	(d)	**78.**	(d)	**79.**	(d)	**80**	(b)
81.	(a)	**82.**	(c)	**83.**	(b)	**84.**	(b)	**85**	(b)
86.	(b)	**87.**	(d)	**88.**	(b)	**89.**	(a)	**90**	(d)
91.	(b)	**92.**	(d)	**93.**	(c)	**94.**	(c)	**95**	(d)
96.	(d)	**97.**	(a)	**98.**	(c)	**99.**	(d)	**100**	(a)

SECTION–C : GENERAL ECONOMICS

101	(d)	**102**	(c)	**103**	(c)	**104**	(b)	**105**	(d)
106	(b)	**107**	(b)	**108**	(a)	**109**	(a)	**110**	(a)
111	(c)	**112**	(b)	**113**	(b)	**114**	(d)	**115**	(c)
116	(b)	**117**	(a)	**118**	(d)	**119**	(c)	**120**	(c)
121	(a)	**122**	(b)	**123**	(c)	**124**	(b)	**125**	(a)
126	(c)	**127**	(c)	**128**	(c)	**129**	(d)	**130**	(d)
131	(c)	**132**	(d)	**133**	(b)	**134**	(b)	**135**	(c)
136	(c)	**137**	(d)	**138**	(b)	**139**	(c)	**140**	(a)
141	(d)	**142**	(d)	**143**	(d)	**144**	(d)	**145**	(a)
146	(a)	**147**	(c)	**148**	(a)	**149**	(b)	**150**	(d)

SECTION–D : QUANTITATIVE APTITUDE

151	(d)	**152**	(a)	**153**	(a)	**154**	(b)	**155**	(b)
156	(d)	**157**	(a)	**158**	(c)	**159**	(a)	**160**	(a)
161	(b)	**162**	(a)	**163**	(c)	**164**	(d)	**165**	(c)
166	(b)	**167**	(a)	**168**	(b)	**169**	(c)	**170**	(c)
171	(b)	**172**	(d)	**173**	(a)	**174**	(b)	**175**	(a)
176	(b)	**177**	(a)	**178**	(c)	**179**	(c)	**180**	(b)
181	(a)	**182**	(c)	**183**	(b)	**184**	(d)	**185**	(a)
186	(b)	**187**	(a)	**188**	(a)	**189**	(b)	**190**	(b)
191	(d)	**192**	(b)	**193**	(a)	**194**	(c)	**195**	(c)
196	(c)	**197**	(a)	**198**	(b)	**199**	(c)	**200**	(c)

MODEL TEST PAPER – BOS/CPT-4/ 2007

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(a)	**2**	(b)	**3**	(c)	**4**	(b)	**5**	(c)
6	(b)	**7**	(c)	**8**	(d)	**9**	(a)	**10**	(a)
11	(b)	**12**	(c)	**13**	(a)	**14**	(b)	**15**	(d)
16	(a)	**17**	(b)	**18**	(d)	**19**	(d)	**20**	(c)
21	(d)	**22**	(c)	**23**	(a)	**24**	(b)	**25**	(b)
26	(a)	**27**	(b)	**28**	(d)	**29**	(a)	**30**	(a)
31	(b)	**32**	(c)	**33**	(b)	**34**	(c)	**35**	(d)
36	(a)	**37**	(a)	**38**	(a)	**39**	(a)	**40**	(a)
41	(c)	**42**	(b)	**43**	(a)	**44**	(b)	**45**	(a)
46	(d)	**47**	(a)	**48**	(a)	**49**	(a)	**50**	(a)
51	(a)	**52**	(a)	**53**	(b)	**54**	(a)	**55**	(a)
56	(a)	**57**	(a)	**58**	(a)	**59**	(a)	**60**	(a)

SECTION–B : MERCANTILE LAWS

61.	(d)	**62**	(d)	**63**	(b)	**64**	(b)	**65**	(b)
66	(c)	**67**	(d)	**68**	(a)	**69**	(d)	**70**	(d)
71	(d)	**72**	(d)	**73**	(d)	**74**	(d)	**75**	(d)
76	(d)	**77**	(c)	**78**	(b)	**79**	(d)	**80**	(a)
81	(a)	**82**	(d)	**83**	(b)	**84**	(a)	**85**	(c)
86	(b)	**87**	(b)	**88**	(d)	**89**	(b)	**90**	(b)
91	(d)	**92**	(c)	**93**	(d)	**94**	(b)	**95**	(b)
96	(a)	**97**	(c)	**98**	(b)	**99**	(a)	**100**	(c)

SECTION–C : GENERAL ECONOMICS

101	(c)	**102**	(a)	**103**	(b)	**104**	(d)	**105**	(b)
106	(b)	**107**	(b)	**108**	(b)	**109**	(b)	**110**	(a)
111	(b)	**112**	(a)	**113**	(a)	**114**	(d)	**115**	(d)
116	(b)	**117**	(d)	**118**	(a)	**119**	(b)	**120**	(a)
121	(b)	**122**	(c)	**123**	(a)	**124**	(a)	**125**	(c)
126	(c)	**127**	(b)	**128**	(b)	**129**	(d)	**130**	(d)

131	(c)	**132**	(c)	**133**	(b)	**134**	(b)	**135**	(d)
136	(a)	**137**	(a)	**138**	(b)	**139**	(b)	**140**	(d)
141	(d)	**142**	(c)	**143**	(c)	**144**	(c)	**145**	(d)
146	(c)	**147**	(b)	**148**	(d)	**149**	(d)	**150**	(d)

SECTION–D : QUANTITATIVE APTITUDE

151	(a)	**152**	(c)	**153**	(a)	**154**	(b)	**155**	(a)
156	(d)	**157**	(a)	**158**	(b)	**159**	(c)	**160**	(b)
161	(a)	**162**	(b)	**163**	(c)	**164**	(d)	**165**	(a)
166	(a)	**167**	(c)	**168**	(a)	**169**	(c)	**170**	(d)
171	(b)	**172**	(a)	**173**	(a)	**174**	(c)	**175**	(c)
176	(d)	**177**	(a)	**178**	(b)	**179**	(a)	**180**	(c)
181	(b)	**182**	(a)	**183**	(b)	**184**	(a)	**185**	(a)
186	(c)	**187**	(a)	**188**	(d)	**189**	(b)	**190**	(a)
191	(b)	**192**	(a)	**193**	(b)	**194**	(a)	**195**	(c)
196	(c)	**197**	(a)	**198**	(b)	**199**	(a)	**200**	(b)

MODEL TEST PAPER – BOS/CPT-5/ 2007

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(a)	**2**	(b)	**3**	(b)	**4**	(d)	**5**	(d)
6	(a)	**7**	(a)	**8**	(c)	**9**	(d)	**10**	(d)
11	(c)	**12**	(b)	**13**	(a)	**14**	(c)	**15**	(c)
16	(a)	**17**	(b)	**18**	(c)	**19**	(c)	**20**	(c)
21	(d)	**22**	(b)	**23**	(c)	**24**	(a)	**25**	(b)
26	(a)	**27**	(b)	**28**	(a)	**29**	(b)	**30**	(a)
31	(a)	**32**	(a)	**33**	(a)	**34**	(a)	**35**	(d)
36	(b)	**37**	(a)	**38**	(b)	**39**	(d)	**40**	(a)
41	(a)	**42**	(a)	**43**	(a)	**44**	(b)	**45**	(c)
46	(d)	**47**	(a)	**48**	(a)	**49**	(a)	**50**	(b)
51	(a)	**52**	(a)	**53**	(a)	**54**	(c)	**55**	(b)
56	(c)	**57**	(a)	**58**	(a)	**59**	(c)	**60**	(a)

SECTION–B : MERCANTILE LAWS

61	(c)	**62**	(d)	**63**	(d)	**64**	(d)	**65**	(d)
66	(c)	**67**	(d)	**68**	(c)	**69**	(b)	**70**	(a)
71	(d)	**72**	(b)	**73**	(d)	**74**	(a)	**75**	(d)
76	(b)	**77**	(a)	**78**	(a)	**79**	(d)	**80**	(a)
81	(a)	**82**	(b)	**83**	(a)	**84**	(a)	**85**	(a)
86	(a)	**87**	(b)	**88**	(b)	**89**	(d)	**90**	(a)
91	(a)	**92**	(a)	**93**	(b)	**94**	(d)	**95**	(a)
96	(a)	**97**	(a)	**98**	(a)	**99**	(d)	**100**	(a)

SECTION–C : GENERAL ECONOMICS

101	(c)	**102**	(b)	**103**	(c)	**104**	(d)	**105**	(d)
106	(c)	**107**	(c)	**108**	(d)	**109**	(c)	**110**	(d)
111	(b)	**112**	(c)	**113**	(c)	**114**	(d)	**115**	(a)
116	(d)	**117**	(d)	**118**	(c)	**119**	(c)	**120**	(a)
121	(c)	**122**	(d)	**123**	(b)	**124**	(c)	**125**	(d)
126	(d)	**127**	(a)	**128**	(c)	**129**	(d)	**130**	(b)
131	(b)	**132**	(a)	**133**	(b)	**134**	(a)	**135**	(c)
136	(a)	**137**	(a)	**138**	(c)	**139**	(b)	**140**	(c)
141	(b)	**142**	(a)	**143**	(d)	**144**	(b)	**145**	(c)
146	(b)	**147**	(c)	**148**	(b)	**149**	(b)	**150**	(a)

SECTION–D : QUANTITATIVE APTITUDE

151	(a)	**152**	(b)	**153**	(c)	**154**	(a)	**155**	(a)
156	(b)	**157**	(b)	**158**	(d)	**159**	(b)	**160**	(a)
161	(c)	**162**	(b)	**163**	(a)	**164**	(c)	**165**	(d)
166	(a)	**167**	(c)	**168**	(d)	**169**	(b)	**170**	(a)
171	(c)	**172**	(a)	**173**	(a)	**174**	(a)	**175**	(c)
176	(a)	**177**	(b)	**178**	(b)	**179**	(a)	**180**	(c)
181	(a)	**182**	(a)	**183**	(b)	**184**	(c)	**185**	(a)
186	(d)	**187**	(a)	**188**	(d)	**189**	(c)	**190**	(a)
191	(b)	**192**	(a)	**193**	(c)	**194**	(b)	**195**	(c)
196	(a)	**197**	(b)	**198**	(a)	**199**	(d)	**200**	(d)

MODEL TEST PAPER – BOS/CPT-6/ 2007

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(b)	**2**	(d)	**3**	(c)	**4**	(c)	**5**	(a)
6	(c)	**7**	(c)	**8**	(a)	**9**	(b)	**10**	(a)
11	(c)	**12**	(a)	**13**	(a)	**14**	(a)	**15**	(c)
16	(b)	**17**	(c)	**18**	(a)	**19**	(c)	**20**	(b)
21	(a)	**22**	(b)	**23**	(c)	**24**	(a)	**25**	(b)
26	(b)	**27**	(c)	**28**	(a)	**29**	(b)	**30**	(a)
31	(b)	**32**	(a)	**33**	(b)	**34**	(a)	**35**	(a)
36	(a)	**37**	(b)	**38**	(a)	**39**	(b)	**40**	(a)
41	(d)	**42**	(b)	**43**	(a)	**44**	(a)	**45**	(d)
46	(a)	**47**	(a)	**48**	(a)	**49**	(b)	**50**	(a)
51	(a)	**52**	(a)	**53**	(a)	**54**	(a)	**55**	(b)
56	(b)	**57**	(b)	**58**	(c)	**59**	(c)	**60**	(c)

SECTION–B : MERCANTILE LAWS

61	(c)	**62**	(d)	**63**	(b)	**64**	(c)	**65**	(a)
66	(d)	**67**	(d)	**68**	(a)	**69**	(b)	**70**	(b)
71	(a)	**72**	(a)	**73**	(d)	**74**	(a)	**75**	(b)
76	(d)	**77**	(b)	**78**	(d)	**79**	(a)	**80**	(b)
81	(a)	**82**	(a)	**83**	(a)	**84**	(d)	**85**	(a)
86	(a)	**87**	(b)	**88**	(b)	**89**	(b)	**90**	(d)
91	(d)	**92**	(d)	**93**	(d)	**94**	(d)	**95**	(a)
96	(d)	**97**	(d)	**98**	(a)	**99**	(a)	**100**	(d)

SECTION–C : GENERAL ECONOMICS

101	(c)	**102**	(c)	**103**	(a)	**104**	(c)	**105**	(c)
106	(c)	**107**	(c)	**108**	(d)	**109**	(b)	**110**	(c)
111	(d)	**112**	(d)	**113**	(c)	**114**	(a)	**115**	(c)
116	(d)	**117**	(d)	**118**	(b)	**119**	(c)	**120**	(c)
121	(b)	**122**	(d)	**123**	(c)	**124**	(d)	**125**	(c)
126	(c)	**127**	(b)	**128**	(b)	**129**	(b)	**130**	(c)
131	(d)	**132**	(d)	**133**	(d)	**134**	(d)	**135**	(b)

136	(b)	**137**	(d)	**138**	(c)	**139**	(b)	**140**	(a)
141	(d)	**142**	(d)	**143**	(b)	**144**	(d)	**145**	(d)
146	(b)	**147**	(c)	**148**	(d)	**149**	(b)	**150**	(d)

SECTION–D : QUANTITATIVE APTITUDE

151	(a)	**152**	(b)	**153**	(c)	**154**	(c)	**155**	(a)
156	(b)	**157**	(b)	**158**	(a)	**159**	(a)	**160**	(d)
161	(a)	**162**	(b)	**163**	(b)	**164**	(c)	**165**	(a)
166	(d)	**167**	(b)	**168**	(a)	**169**	(b)	**170**	(c)
171	(d)	**172**	(a)	**173**	(b)	**174**	(b)	**175**	(c)
176	(a)	**177**	(c)	**178**	(d)	**179**	(a)	**180**	(b)
181	(d)	**182**	(b)	**183**	(b)	**184**	(a)	**185**	(c)
186	(a)	**187**	(b)	**188**	(d)	**189**	(a)	**190**	(b)
191	(b)	**192**	(c)	**193**	(a)	**194**	(a)	**195**	(c)
196	(d)	**197**	(a)	**198**	(b)	**199**	(a)	**200**	(c)

MODEL TEST PAPER – BOS/CPT-7/ 2007

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(d)	**2**	(a)	**3**	(a)	**4**	(a)	**5**	(c)
6	(a)	**7**	(a)	**8**	(b)	**9**	(c)	**10**	(d)
11	(a)	**12**	(c)	**13**	(b)	**14**	(a)	**15**	(c)
16	(d)	**17**	(b)	**18**	(c)	**19**	(d)	**20**	(c)
21	(b)	**22**	(c)	**23**	(a)	**24**	(b)	**25**	(c)
26	(a)	**27**	(c)	**28**	(a)	**29**	(c)	**30**	(b)
31	(b)	**32**	(c)	**33**	(a)	**34**	(b)	**35**	(a)
36	(d)	**37**	(a)	**38**	(a)	**39**	(a)	**40**	(c)
41	(a)	**42**	(c)	**43**	(a)	**44**	(b)	**45**	(d)
46	(b)	**47**	(b)	**48**	(a)	**49**	(c)	**50**	(b)
51	(a)	**52**	(c)	**53**	(a)	**54**	(b)	**55**	(b)
56	(a)	**57**	(a)	**58**	(a)	**59**	(a)	**60**	(a)

SECTION–B : MERCANTILE LAWS

61	(a)	**62**	(b)	**63**	(d)	**64**	(d)	**65**	(d)
66	(d)	**67**	(c)	**68**	(a)	**69**	(a)	**70**	(a)
71	(d)	**72**	(c)	**73**	(b)	**74**	(d)	**75**	(a)
76	(a)	**77**	(d)	**78**	(a)	**79**	(b)	**80**	(c)
81	(c)	**82**	(b)	**83**	(c)	**84**	(a)	**85**	(a)
86	(c)	**87**	(b)	**88**	(b)	**89**	(a)	**90**	(a)
91	(a)	**92**	(a)	**93**	(a)	**94**	(d)	**95**	(c)
96	(a)	**97**	(a)	**98**	(a)	**99**	(a)	**100**	(a)

SECTION–C : GENERAL ECONOMICS

101	(d)	**102**	(a)	**103**	(c)	**104**	(a)	**105**	(a)
106	(c)	**107**	(a)	**108**	(c)	**109**	(c)	**110**	(b)
111	(c)	**112**	(d)	**113**	(b)	**114**	(c)	**115**	(a)
116	(a)	**117**	(b)	**118**	(b)	**119**	(b)	**120**	(d)
121	(d)	**122**	(b)	**123**	(a)	**124**	(b)	**125**	(a)
126	(a)	**127**	(a)	**128**	(c)	**129**	(b)	**130**	(c)
131	(c)	**132**	(c)	**133**	(d)	**134**	(a)	**135**	(b)
136	(d)	**137**	(c)	**138**	(b)	**139**	(c)	**140**	(b)
141	(d)	**142**	(b)	**143**	(b)	**144**	(b)	**145**	(c)
146	(d)	**147**	(c)	**148**	(c)	**149**	(b)	**150**	(b)

SECTION–D : QUANTITATIVE APTITUDE

151	(d)	**152**	(a)	**153**	(a)	**154**	(c)	**155**	(b)
156	(a)	**157**	(c)	**158**	(a)	**159**	(b)	**160**	(a)
161	(c)	**162**	(a)	**163**	(d)	**164**	(b)	**165**	(a)
166	(c)	**167**	(a)	**168**	(c)	**169**	(b)	**170**	(a)
171	(c)	**172**	(a)	**173**	(b)	**174**	(a)	**175**	(c)
176	(c)	**177**	(a)	**178**	(d)	**179**	(a)	**180**	(b)
181	(a)	**182**	(a)	**183**	(b)	**184**	(a)	**185**	(c)
186	(a)	**187**	(c)	**188**	(a)	**189**	(b)	**190**	(d)
191	(b)	**192**	(a)	**193**	(d)	**194**	(b)	**195**	(a)
196	(c)	**197**	(b)	**198**	(d)	**199**	(a)	**200**	(b)

MODEL TEST PAPER – BOS/CPT-8/ 2007

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(c)	**2**	(a)	**3**	(c)	**4**	(b)	**5**	(c)
6	(d)	**7**	(b)	**8**	(c)	**9**	(b)	**10**	(d)
11	(a)	**12**	(c)	**13**	(a)	**14**	(a)	**15**	(c)
16	(a)	**17**	(b)	**18**	(c)	**19**	(d)	**20**	(d)
21	(c)	**22**	(a)	**23**	(a)	**24**	(a)	**25**	(a)
26	(a)	**27**	(d)	**28**	(b)	**29**	(d)	**30**	(d)
31	(a)	**32**	(a)	**33**	(d)	**34**	(d)	**35**	(a)
36	(a)	**37**	(b)	**38**	(b)	**39**	(b)	**40**	(c)
41	(b)	**42**	(a)	**43**	(a)	**44**	(a)	**45**	(b)
46	(a)	**47**	(c)	**48**	(d)	**49**	(a)	**50**	(b)
51	(c)	**52**	(b)	**53**	(b)	**54**	(b)	**55**	(a)
56	(b)	**57**	(a)	**58**	(c)	**59**	(a)	**60**	(a)

SECTION–B : MERCANTILE LAWS

61	(a)	**62**	(b)	**63**	(a)	**64**	(c)	**65**	(a)
66	(a)	**67**	(a)	**68**	(c)	**69**	(b)	**70**	(d)
71	(d)	**72**	(a)	**73**	(a)	**74**	(d)	**75**	(a)
76	(a)	**77**	(d)	**78**	(d)	**79**	(c)	**80**	(b)
81	(b)	**82**	(a)	**83**	(a)	**84**	(a)	**85**	(a)
86	(a)	**87**	(b)	**88**	(d)	**89**	(a)	**90**	(a)
91	(a)	**92**	(d)	**93**	(a)	**94**	(a)	**95**	(b)
96	(c)	**97**	(d)	**98**	(d)	**99**	(b)	**100**	(b)

SECTION–C : GENERAL ECONOMICS

101	(c)	**102**	(d)	**103**	(b)	**104**	(c)	**105**	(b)
106	(b)	**107**	(b)	**108**	(a)	**109**	(b)	**110**	(a)
111	(c)	**112**	(d)	**113**	(b)	**114**	(b)	**115**	(a)
116	(c)	**117**	(a)	**118**	(d)	**119**	(a)	**120**	(a)
121	(b)	**122**	(c)	**123**	(b)	**124**	(b)	**125**	(c)

126	(a)	**127**	(a)	**128**	(b)	**129**	(a)	**130**	(c)
131	(b)	**132**	(a)	**133**	(c)	**134**	(b)	**135**	(a)
136	(a)	**137**	(c)	**138**	(c)	**139**	(b)	**140**	(d)
141	(b)	**142**	(b)	**143**	(d)	**144**	(b)	**145**	(a)
146	(a)	**147**	(a)	**148**	(d)	**149**	(b)	**150**	(c)

SECTION–D : QUANTITATIVE APTITUDE

151	(a)	**152**	(c)	**153**	(c)	**154**	(d)	**155**	(b)
156	(c)	**157**	(b)	**158**	(a)	**159**	(b)	**160**	(b)
161	(a)	**162**	(b)	**163**	(c)	**164**	(a)	**165**	(c)
166	(a)	**167**	(b)	**168**	(c)	**169**	(b)	**170**	(b)
171	(a)	**172**	(c)	**173**	(a)	**174**	(b)	**175**	(a)
176	(a)	**177**	(b)	**178**	(c)	**179**	(b)	**180**	(a)
181	(b)	**182**	(a)	**183**	(b)	**184**	(c)	**185**	(a)
186	(b)	**187**	(c)	**188**	(a)	**189**	(b)	**190**	(a)
191	(b)	**192**	(b)	**193**	(a)	**194**	(a)	**195**	(b)
196	(c)	**197**	(b)	**198**	(c)	**199**	(a)	**200**	(b)

MODEL TEST PAPER – BOS/CPT-9/ 2007

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(a)	**2**	(a)	**3**	(a)	**4**	(a)	**5**	(a)
6	(b)	**7**	(a)	**8**	(c)	**9**	(b)	**10**	(a)
11	(b)	**12**	(b)	**13**	(d)	**14**	(c)	**15**	(b)
16	(c)	**17**	(b)	**18**	(d)	**19**	(c)	**20**	(d)
21	(a)	**22**	(b)	**23**	(c)	**24**	(a)	**25**	(c)
26	(a)	**27**	(b)	**28**	(a)	**29**	(a)	**30**	(a)
31	(a)	**32**	(a)	**33**	(a)	**34**	(a)	**35**	(a)
36	(a)	**37**	(b)	**38**	(a)	**39**	(a)	**40**	(b)
41	(a)	**42**	(b)	**43**	(a)	**44**	(a)	**45**	(d)
46	(a)	**47**	(a)	**48**	(a)	**49**	(a)	**50**	(b)
51	(a)	**52**	(a)	**53**	(a)	**54**	(a)	**55**	(d)
56	(b)	**57**	(a)	**58**	(a)	**59**	(a)	**60**	(a)

SECTION–B : MERCANTILE LAWS

61	(b)	**62**	(a)	**63**	(a)	**64**	(b)	**65**	(d)
66	(a)	**67**	(d)	**68**	(a)	**69**	(c)	**70**	(c)
71	(a)	**72**	(c)	**73**	(c)	**74**	(a)	**75**	(a)
76	(c)	**77**	(a)	**78**	(d)	**79**	(a)	**80**	(b)
81	(a)	**82**	(c)	**83**	(c)	**84**	(a)	**85**	(b)
86	(b)	**87**	(a)	**88**	(a)	**89**	(a)	**90**	(b)
91	(a)	**92**	(d)	**93**	(a)	**94**	(b)	**95**	(c)
96	(a)	**97**	(c)	**98**	(c)	**99**	(b)	**100**	(b)

SECTION–C : GENERAL ECONOMICS

101	(c)	**102**	(b)	**103**	(c)	**104**	(a)	**105**	(c)
106	(a)	**107**	(c)	**108**	(a)	**109**	(a)	**110**	(d)
111	(a)	**112**	(a)	**113**	(a)	**114**	(a)	**115**	(c)
116	(d)	**117**	(c)	**118**	(b)	**119**	(b)	**120**	(d)
121	(d)	**122**	(a)	**123**	(d)	**124**	(d)	**125**	(a)
126	(c)	**127**	(a)	**128**	(a)	**129**	(d)	**130**	(c)
131	(c)	**132**	(c)	**133**	(d)	**134**	(b)	**135**	(d)
136	(d)	**137**	(b)	**138**	(d)	**139**	(d)	**140**	(d)
141	(c)	**142**	(d)	**143**	(c)	**144**	(c)	**145**	(d)
146	(c)	**147**	(a)	**148**	(b)	**149**	(b)	**150**	(d)

SECTION–D : QUANTITATIVE APTITUDE

151	(c)	**152**	(a)	**153**	(b)	**154**	(c)	**155**	(a)
156	(b)	**157**	(a)	**158**	(b)	**159**	(a)	**160**	(a)
161	(a)	**162**	(c)	**163**	(b)	**164**	(d)	**165**	(a)
166	(c)	**167**	(a)	**168**	(b)	**169**	(a)	**170**	(c)
171	(b)	**172**	(a)	**173**	(b)	**174**	(d)	**175**	(a)
176	(b)	**177**	(a)	**178**	(c)	**179**	(a)	**180**	(a)
181	(c)	**182**	(b)	**183**	(a)	**184**	(b)	**185**	(a)
186	(d)	**187**	(a)	**188**	(b)	**189**	(a)	**190**	(c)
191	(a)	**192**	(b)	**193**	(a)	**194**	(b)	**195**	(a)
196	(c)	**197**	(a)	**198**	(c)	**199**	(a)	**200**	(b)

MODEL TEST PAPER – BOS/CPT-10/ 2007

SECTION – A : FUNDAMENTALS OF ACCOUNTING

1	(a)	**2**	(c)	**3**	(c)	**4**	(b)	**5**	(c)
6	(a)	**7**	(c)	**8**	(c)	**9**	(b)	**10**	(d)
11	(d)	**12**	(b)	**13**	(a)	**14**	(a)	**15**	(c)
16	(a)	**17**	(a)	**18**	(c)	**19**	(d)	**20**	(c)
21	(a)	**22**	(b)	**23**	(a)	**24**	(b)	**25**	(a)
26	(a)	**27**	(a)	**28**	(b)	**29**	(a)	**30**	(c)
31	(a)	**32**	(a)	**33**	(c)	**34**	(a)	**35**	(c)
36	(a)	**37**	(a)	**38**	(a)	**39**	(b)	**40**	(a)
41	(a)	**42**	(a)	**43**	(a)	**44**	(a)	**45**	(b)
46	(a)	**47**	(a)	**48**	(a)	**49**	(a)	**50**	(a)
51	(b)	**52**	(a)	**53**	(b)	**54**	(a)	**55**	(a)
56	(a)	**57**	(a)	**58**	(a)	**59**	(a)	**60**	(a)

SECTION–B : MERCANTILE LAWS

61	(d)	**62**	(d)	**63**	(c)	**64**	(d)	**65**	(d)
66	(c)	**67**	(a)	**68**	(d)	**69**	(b)	**70**	(a)
71	(a)	**72**	(c)	**73**	(b)	**74**	(a)	**75**	(c)
76	(a)	**77**	(c)	**78**	(c)	**79**	(a)	**80**	(c)
81	(a)	**82**	(b)	**83**	(d)	**84**	(d)	**85**	(d)
86	(c)	**87**	(d)	**88**	(d)	**89**	(d)	**90**	(d)
91	(a)	**92**	(b)	**93**	(a)	**94**	(a)	**95**	(b)
96	(d)	**97**	(d)	**98**	(b)	**99**	(a)	**100**	(b)

SECTION–C : GENERAL ECONOMICS

101	(d)	**102**	(d)	**103**	(a)	**104**	(d)	**105**	(b)
106	(d)	**107**	(c)	**108**	(c)	**109**	(a)	**110**	(b)
111	(d)	**112**	(b)	**113**	(a)	**114**	(d)	**115**	(d)
116	(d)	**117**	(c)	**118**	(a)	**119**	(c)	**120**	(b)
121	(a)	**122**	(c)	**123**	(c)	**124**	(d)	**125**	(c)
126	(b)	**127**	(d)	**128**	(a)	**129**	(c)	**130**	(d)
131	(c)	**132**	(a)	**133**	(b)	**134**	(a)	**135**	(d)

136	(c)	**137**	(c)	**138**	(a)	**139**	(c)	**140**	(b)
141	(d)	**142**	(b)	**143**	(d)	**144**	(b)	**145**	(d)
146	(a)	**147**	(c)	**148**	(a)	**149**	(b)	**150**	(b)

SECTION–D : QUANTITATIVE APTITUDE

151	(b)	**152**	(c)	**153**	(c)	**154**	(a)	**155**	(a)
156	(c)	**157**	(c)	**158**	(a)	**159**	(b)	**160**	(a)
161	(c)	**162**	(c)	**163**	(c)	**164**	(d)	**165**	(b)
166	(a)	**167**	(b)	**168**	(c)	**169**	(a)	**170**	(b)
171	(a)	**172**	(a)	**173**	(c)	**174**	(a)	**175**	(b)
176	(a)	**177**	(c)	**178**	(b)	**179**	(b)	**180**	(a)
181	(b)	**182**	(a)	**183**	(b)	**184**	(c)	**185**	(a)
186	(b)	**187**	(a)	**188**	(d)	**189**	(a)	**190**	(c)
191	(a)	**192**	(b)	**193**	(c)	**194**	(a)	**195**	(c)
196	(a)	**197**	(c)	**198**	(a)	**199**	(c)	**200**	(b)

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3. Direct Taxes Capital Gains (Part II)	50	40
- CA.Girish Ahuja		
4. Fundamentals of Accounting	50	40
- CA.S.B.Zaware		
5. Accounting	50	40
- CA.S.B.Zaware		
6. Income –tax & Central Sales –tax	50	50
- CA.R.Devarajan		