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December - 2015, CA-CPT Question Paper (Based on Memory) on 27-Dec-2015

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CA - CPT - December 2015 Question Paper (Based on Memory)

1st Session   **Marks:** 100 Marks   **Time:** 2 hrs.

Part A - Fundamentals of Accounting

1. On 2-03-2015, 50,000, 10% debentures of Rs.100 each are issued at a discount of 5%. On 10-3-2015, 80,000 , 6% preference shares of Rs.100 each are redeemed at a premium of 10% along with one month dividend. On 22-03-2015, 40, 000 equity shares of Rs.100 each are issued at a premium of 15%. On 28-02-15, bank balance was Rs.6,34,000. What is the bank balance on 31-03-2015?
   a) Rs.11,84,000   b) Rs.11,44,000
   c) Rs.7,04,000   d) Rs.16,34,000

2. P, Q, and R are partners sharing profits and losses in the ratio of 3:2:1. R retired. Future profit sharing ratio is 2:1. There was a joint life policy of Rs.6,00,000 with a surrender value of Rs.80,000. What will be the treatment in the Partner's Capital A/c's, if JLP is maintained at surrender value along with reserve?
   a) Rs.6,00,000 to be distributed to all the partners in old ratio
   b) Rs.5,20,000 to be distributed to all the partners in old ratio
   c) Rs.80,000 to be distributed to all the partners in old ratio
   d) Distribute JLP reserve account in old profit sharing ratio.

3. An investment of Rs.22,000 was not recorded in the books of account. The adjustment entry will be.
   a) Revaluation A/c   Dr 22,000
          To Investment A/c   22,000
   b) Investment A/c   Dr 22,000
          To Revaluation A/c   22,000
   c) Partners Capital A/c's Dr 22,000
          To Revaluation A/c   22,000
   d) None of the above

4. 1,500 boxes costing Rs.10 each were sent on consignment. Rs.12,000 spent on freight. A loss of 10% is unavoidable. Calculate the cost of each box.
   a) Rs.20   b) Rs.10   c) Rs.18   d) Rs.15

5. Which of the following are not the methods of preparing the trial balance?
   a) Totals method
   b) Balances method
   c) Differences method
   d) Totals & Balances method

6. At the time of valuation of goodwill, weighted average price method is followed, if the profits of the firm are _____
   a) In increasing trend   b) In decreasing trend
   c) Either a) or b)   d) None of the above

7. From the following information calculate the amount received from debtors.
   • Opening balance of cash Rs.56,000
   • Bills discounted Rs.21,000
   • Bills payable honoured Rs.14,000
   • Cash purchases Rs.1,26,000
   • Other Expenses Rs.1,84,000
   • Payment to Creditors Rs.2,32,000
   • Cash sales Rs.3,95,000
   • Closing balance of cash Rs.47,000
   a) Rs.1,31,000   b) Rs.1,10,000
   c) Rs.1,24,000   d) Rs.1,45,000

8. Out of the following which is not the external factor of depreciation?
   a) Effluxion of time   b) Accidents
   c) Natural Wear and tear   d) Obsolescence

9. Match the following

Group – 1	Group – 2
1) AS 15	a) Borrowing costs
2) AS 16	b) Employees benefits
3) AS 17	c) Segment reporting
4) AS 18	d) Related party disclosures

   a) 1-c; 2-a; 3-b, 4-d   b) 1-a; 2-b; 3-c, 4-d
   c) 1-b; 2-a; 3-c, 4-d   d) 1-d; 2-c; 3-b, 4-a

10. In the balance sheet of a company, capital work in progress is shown under the head ___
   a) Shareholders Funds   b) Fixed Assets
   c) Current Liabilities   d) Current Assets

11. A bill is drawn by X on 06-03-2015, for a period of 30 days after sight. It is accepted on 10-03-2015. The due date of the bill will be ___
    a) 04-04-15   b) 08-04-15
    c) 09-04-15   d) 12-04-15

12. Which of the following statements are true about discount columns of cashbook?
    a) Not balanced   b) Not an account
    c) They are totaled and transferred to respective discount paid / received A/cs.
    d) All of the above

13. Securities premium cannot be used for ___
    a) The issue of bonus shares
    b) Writing off discount on issue of debentures.
    c) Writing off losses of the company.
    d) Writing off preliminary expenses

14. Contingent liability is ____
    a) Not recognized   b) Recognized
    c) A provision   d) A liability

15. Fixed deposit is a ____ A/c according to traditional approach and ____ A/c according to accounting equation approach.
    a) Capital, Profit   b) Profit, Capital
    c) Asset, Real   d) Real, Asset

16. ____ A/c shows a debit balance.
    a) Contingency reserve
    b) General reserve
    c) Provision for Discount on Creditors
    d) JLP reserve

17. At the end of the accounting year, the details of three materials X, Y & Z are as follows:

Material	Cost (Rs.)	NRV (Rs.)
X	25,900	19,200
Y	15,400	17,600
Z	11,400	8,100

    Find out the value of closing inventory
    a) Rs.52,700   b) Rs.44,900
    c) Rs.42,700   d) Rs.54,900

18. The Portion of acquisition cost of an asset yet to be allocated is ____
    a) Accumulated cost   b) Realisation cost
    c) Written down value   d) Historical cost

19. When shares are issued at a price which is more than the par value, the excess price will be credited to ____
    a) Capital A/c   b) Securities Premium A/c
    c) Bank A/c   d) None of the above

20. Decrease in the provision for doubtful debts amounts to ____
    a) Increase in Net profit
    b) Decrease in Net Profit
    c) Increase in Net Assets
    d) Decrease in Net Assets

21. Receipts of Promissory Notes and Hundies will be recorded in ____ for our convenience
    a) Bills receivable book
    b) Bills payable book
    c) Promissory Notes book
    d) Hundies book

22. Decrease in Bank overdraft balance results in _
    a) Increase in capital   b) decrease in assets
    c) Increase in cash   d) increase in assets

23. On 1-3-15 Rohan sent goods costing Rs.60,000 at a profit of 25% on sales to Mohan on Sale or return basis. On 31-3-15 Mohan returned goods costing Rs.18,000. At the end of Financial Year the remaining goods were neither returned nor approved by Mohan. Rohan records the goods sent on approval as normal sale. In the balance sheet, for the goods sent but not yet approved _____.
    a) Rs.56,000 will be added to debtors
    b) Rs.56,000 will be deducted from debtors
    c) Rs.48,000 will be deducted from debtors
    d) Rs.52,500 will be deducted from debtors.

24. Trade discount is recorded in ____
    a) Debit side of three column cashbook
    b) Credit side of three column cashbook
    c) Debit side of two column cashbook
    d) None of the above

25. In case of death of a partner, his share in the profits of the firm till the date of his death will be debited to ____ A/c.
    a) Profit and Loss Appropriation
    b) Profit and Loss Suspense
    c) Profit and Loss Adjustment
    d) Profit and Loss

26. Lion and Tiger having capitals of Rs.2,00,000 each are sharing profits and losses equally. Leopard joins as an equal partner with a capital of Rs.2,50,000. Goodwill of the firm is valued at Rs.2,10,000. The revaluation profit is Rs.36,000. Find the closing capitals of Lion, Tiger and Leopard
a) Rs.2,50,000; Rs.2,50,000; Rs.2,50,000
b) Rs.2,88,000; Rs.2,88,000; Rs.2,00,000
c) Rs.2,18,000; Rs.2,18,000; Rs.2,50,000
d) Rs.2,53,000; Rs.2,53,000; Rs.2,50,000

27. The difference between Passbook and Cashbook occurs due to _____
a) Errors in either cashbook or passbook
b) Same entries not recorded in cashbook and passbook
c) Dr. balance in cashbook appearing as Cr. Balance in passbook.
d) None of the above

28. The following are the valuation principles except _____
a) Current Cost   b) Future Cost
c) Historical Cost   d) Realizable Value

29. From the following particulars calculate the amount of proposed dividend
   • Called up share Capital Rs.25,00,000
   • Calls in arrears Rs.1,90,000
   • Calls in advance Rs.70,000
   • Proposed Dividend 20%
a) Rs.5,00,000   b) Rs.4,76,000
c) Rs.5,14,000   d) Rs.4,62,000

30. Ram is a partner. He made drawings as follows:

July1	Rs.200
August 1	Rs.200
September 1	Rs.300
November 1	Rs.50
February 1	Rs.100

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
c) Rs. 30   d) Rs. 40

31. A company issued shares of Rs.50 each at a premium of 10%. The minimum application money as per the Companies Act, 2013 will be
a) Rs.2.50   b) Rs.3.00   c) Rs.5.00   d) Rs.4.50

32. From the following particulars calculate the value of closing inventory under adjusted selling price method.
   • Sales Rs.3,00,000
   • Purchases Rs.2,00,000
   • Selling price of closing inventory Rs.1,00,000
a) Rs.50,000   b) Rs.1,00,000
c) Rs.60,000   d) Rs.1,20,000

33. A bill is drawn for Rs.20,000 for 3 months. It is paid 1 month before the due date at 6% discount. The amount of discount is _____
a) Rs.100   b) Rs.200
c) Rs.300   d) Rs.400

34. On 1-7-2012 a second hand machinery was purchased for Rs.15,00,000 and an amount of Rs.1,00,000 was spent for its repairs. Depreciation is charged at 15% per annum under WDV method. The machinery was sold on 31-03-2015 for Rs.10,40,000. Calculate the profit or loss on the sale of machinery.
a) Rs.29,300 Loss   b) Rs.14,050 Profit
c) Rs.1,67,000 Loss   d) Rs.10,298.75 Profit

35. The overdraft balance as per the cashbook Mitra is Rs.13,200. A amount of Rs.5,200 was deposited by a customer direct into the account of Mitra. And a cheque of Rs.2,000 deposited by Mitra was bounced. Mitra is unaware of these two transactions. The balance as per passbook will be_____
a) Rs.10,000 (Favourable)   b) Rs.10,000 (O.D)
c) Rs.8,000 (O.D)   d) Rs.10,200 (O.D)

36. A company wants to redeem 1,00,000, 10% preference shares at a premium of 10% by the issue of 10,000 equity shares of Rs.100 each at a premium of 10%. The amount to be transferred to capital redemption reserve will be _____
a) Rs.10,00,000   b) Rs.11,00,000
c) Rs.1,00,000   d) Nil

37. 64,000, 12% preference shares of Rs.10 each are to be redeemed at a premium of 5%. Divisible profits available Rs.2,00,000. Face value of fresh equity share to be issued is Rs.80. Calculate the number of fresh equity shares to be issued.
a) 4,400   b) 5,200   c) 5,900   d) 6,300

38. Mr. X consigned goods of the invoice value of Rs.5,00,000 at cost plus 25% to Mr. Y. The expenses of X amounted to Rs.30,000. The expenses of Y amounted to Rs.24,000 other than selling expenses. The selling expenses amounted to Rs.8,000. 20% of the goods were lost in transit. 3/4th of the remaining goods were sold by Y. Calculate the value of consignment stock?
a) Rs.1,12,000   b) Rs.1,06,000
c) Rs. 96,000   d) Rs.92,000

39. Summarizing means ____
a) Presentation and Preparation of classified data
b) Systematic analysis of the recorded data
c) Methodical classification of the data
d) Explaining the meaning and significance of the data.

40. Calculate the closing inventory under LIFO method.

Date	Particulars	Qty. (Units)	Cost per unit
01-03-15	Op. inventory	200	800
05-03-15	Purchases	160	840
10-03-15	Purchases	190	910
15-03-15	Sales	290	-

a) Rs.2,00,400   b) Rs.2,30,000
c) Rs.2,10,400   d) Rs.2,00,000

41. Which is not the procedural aspect of accounting?
a) Generating financial information.
b) Classification.
c) Using financial information.
d) None of the above

42. The book value of machinery on 01-04-2014 is Rs.1,62,000. Depreciation was charged at 10% per annum under WDV method. On 31-03-2015 the method of depreciation is changed to straight line method with retrospective effect from 01-04-2012 and the rate being the same.
a) Rs.5,800 depreciation to be charged
b) Rs.5,800 depreciation written back
c) Rs.2,000 depreciation to be charged
d) Rs.2,000 depreciation written back

43. The Profits and Losses for the last three years were
2012 – Rs.2,08,000 (Profit);
2013 – Rs.94,000 (Loss);
2014 – Rs.2,64,000 (Profit) including a profit of Rs.30,000 earned exceptionally from a contract which will not be renewed further. The average capital employed is Rs.4,20,000. Rate of interest on investment is 10%. The remuneration of all the partners is estimated at Rs.5,000 per month. The value of goodwill on the basis of two years purchase of super profits based on average of three years profits will be
a) Rs.1,68,000   b) Rs.28,000
c) Rs.48,000   d) Rs. 1,48,000

44. On 1-03-2015 Kola sold goods to Tola for Rs.1,60,000. Tola accepted a bill for 3 months for this amount. On the due date Tola could pay Rs.40,000 in cash and agreed to pay the balance amount after one month at an interest of 10% per annum. Noting charges incurred Rs.600. How much interest will be charged?
a) Rs.995   b) Rs.1005
c) Rs.1000   d) None

45.

Particulars	01-04-2014	31-03-2015
Raw material	1,28,000	1,32,000
Work in progress	92,000	87,000
Finished Goods	1,85,000	1,98,000

Manufacturing overheads - Rs.3,24,000
Manufacturing wages - Rs.76,000
Purchase of Raw material - Rs.4,47,000

Cost of Manufacturing of finished goods sold is_____
a) Rs.8,51,000   b) Rs.8,59,000
c) Rs.8,61,000   d) Rs.8,35,000

46. __ is not an objective of accounting standards.
a) To eliminate Non - Comparability of financial statements
b) To override the statute
c) To provide a set of standard accounting policies
d) To improve the reliability of financial statements

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47. Calculate the profit for the year ended 31-03-2015.

Particulars	1-04-2014	01-04-2015
Capital	2,50,000	?
Unsecured loan	40,000	30,000
Sundry creditors	15,000	13,000
Fixed Assets	1,80,000	2,10,000
Debtors	18,000	12,000
Stock	55,000	26,000
Cash & Bank	52,000	18,000

a) Rs.8,000 Profit   b) Rs.27,000 Loss
c) Rs.22,000 Profit   d) Rs.21,000 Profit

48. A, B and C are the partners sharing profits and losses in the ratio of 2: 2:1. They changed the ratio to 3: 4: 5. They had workmen's compensation fund. How it will be distributed on the change of ratio?
a) Capital Ratio
b) Old profit sharing ratio
c) New profit sharing ratio
d) Not at all distributed

49. Mr. X sent goods to Mr. Y on Consignment basis at invoice price. Mr. Y sold the goods to the customers. One of the customers returned the goods to Mr. Y because of defective quality. Mr. Y returned those goods to Mr. X paying Rs.5,000 for freight. The returned goods are valued at _____
a) Selling Price   b) Cost Price
c) Invoice Price
d) Invoice Price + Rs.5,000

50. Which of the following is not disclosed or recognized in the financial statements?
a) Contingent Liability   b) Contingent Asset
c) Provision   d) None of the above

51. A purchased 1000 kg of rice costing Rs.200 per kg. Paid carriage Rs.2,000 and insurance Rs.3,000. 4/5th of the same were sold by B at Rs. 250 per kg. Remaining Inventories were taken over by B at cost. The value of Inventories taken over by B will be_____
a) Rs. 40,000   b) Rs.41,000
c) Rs.50,000   d) Rs.50,200

52. Due to change in the accounting policy there is no material effect in the current year, but there is effect in the future years. This effect can be reasonably estimated. Then _____
a) The amount effected should be disclosed
b) That fact should be disclosed
c) Both the amount and the fact should be disclosed
d) No disclosure is required.

53. E's Trial Balance contains the following information: Discount received Rs.15,000, Provision for discount on Trade Payables Rs.21,000. It is desired to maintain a provision for discount Trade Payables at Rs.19,600. The amount to be credited to the Profit & Loss Account is:
a) 18,600   b) 19,600   c) 15,000   d) 13,600

54. If favourable balance as per cashbook is the starting point, a wrong posting of Rs.5,200 in the deposit column of passbook will be _____ while preparing the B.R.S.
a) Added   b) Subtracted
c) Ignored   d) None of the above

55. When preference shares are redeemed, otherwise than out of the proceeds of a fresh issue, there shall, out of profits which would otherwise have been available for dividend _____ of preference shares will be transferred to Capital Redemption Reserve A/c.
a) Nominal Value   b) Called-up Value
c) Subscribed Value   d) Paid-up Value

56. Nivya, Nitya and Kavya are partners in a firm sharing profits and losses in the ratio of 1:2:1. Nitya retired from the firm. Nivya and Kavya decided to share future profits and losses in the ratio of 3:1. They want to show the assets and liabilities in the new balance sheet at their old values. Then which account is to be prepared?
a) Revaluation A/c   b) Profit and Loss A/c
c) Memorandum Revaluation A/c
d) Profit and Loss Appropriation A/c

57.

58.

59.

60.

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Part B - Mercantile Laws

61. Standing offer means _____
a) Offer for a fixed period
b) Accepted proposal
c) Conditional acceptance
d) All of the above

62. In case of illegal agreements collateral agreements are _____
a) Valid   b) Void
c) Voidable   d) None of these

63. Which of the following is true
a) Generally, stranger to a contract can sue
b) A promise to pay time barred debt orally is valid
c) A promise to pay time barred debt is valid if it is in written form
d) All of the above

64. Which is not opposed to public policy?
a) Trading with alien enemy
b) Interference with the course of justice
c) Sale of public offices
d) Agreement to do impossible act

65. In case of promise to pay time barred debt
a) It should be in written form
b) It should be signed by promisor only, but not by his agent
c) It may be express or implied
d) None of the above

66. A agrees to sell his house worth of Rs.10,00,000 to B for Rs.2,00,000 on free will. The contract is _____
a) Void   b) Valid
c) Voidable   d) None of these

67. In case of necessaries supplied to the minor _____ is liable
a) His guardian is liable
b) Minor's property only
c) He is personally liable
d) After attaining majority

68. When both the parties are mistaken under a contract, the contract is _____
a) Void   b) Valid
c) Voidable   d) None of these

69. Which of the following is true?
a) Threat to commit suicide is not a coercion
b) Undue influence is a physical force
c) Ignorance of law is no excuse
d) None of the above

70. A contract to do or not to do something, if some event collateral to such contract, does or does not happen.
a) Contingent contract
b) Wagering agreement
c) Uncertain contract
d) Voidable contract

71. Which of the following persons can perform the contract
a) Promisor alone
b) Legal representatives of promisor
c) Agent of promisor
d) All of the above

72. A, B, C jointly promised to pay 80,000 to D, C dies. Who should perform the promise.
a) A, B should perform
b) A, B and C's representative should perform
c) C's spouse is liable
d) None of the above

73. A, B, C borrowed Rs.90,000 from bank. The bank compelled A to pay the whole amount. Which of the following statement is correct?
a) A's payment is valid and B,C are not liable to repay the balance amount to A
b) A can recover the amount paid by him from bank
c) A is entitled to recover the amount of Rs.30,000 each from B and C
d) None of the above

74. When the time is essence of contract, promisor does not perform his obligation. What is the effect of contract _____
a) Voidable at the option of promisee
b) Void   c) Unenforceable
d) None of the above

75. Breach by the promisor prior to the date of performance of a contract is _____
a) Actual breach of contract
b) Anticipatory breach of contract
c) No contract   d) Void-ab-initio

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76. Pre-probable estimated losses is called _____
    a) Ordinary damages
    b) Exemplary damages
    c) Vindictive damages
    d) Liquidated damages

77. 'A' agreed to decorate 'B''s house at a lumpsum of Rs.5,00,000. At the end, it was found to be defective and he repaired the defective work. 'B' spent Rs.1,00,000. How much 'B' should give to 'A'
    a) Rs.5,00,000   b) Rs.1,00,000
    c) Rs.4,00,000   d) None of the above

78. Payment in proportionate to the work done, it means _____
    a) Injection   b) Specific performance
    c) Recession   d) Quantum Meruit

79. In the absence of agreement, partners are entitled to _____
    a) Interest on loan   b) Interest on drawings
    c) Interest on capital   d) Salary

80. When registrar is satisfied with the information provided, he makes an entry in __
    a) Register of partnership
    b) Register of firms
    c) Register of companies   d) None of these

81. When a partner applies for court for the dissolution of the firm?
    a) Insanity   b) Misconduct
    c) Perpetual losses   d) All of the above

82. A person who lends his name to the firm but has no interest in the share of profits is called
    a) Nominal partner   b) Holding out partner
    c) Dormant partner   d) Active partner

83. P, Q, R are partners. P retires from the firm without giving notice to the public. Now he is liable to the third party according to ____
    a) Partners by holding out
    b) Actual partner
    c) Nominal partner
    d) None of the above

84. When a minor attains majority, elects not to become a partner and gives public notice to that effect. Which of the following is correct?

    a) His share is liable upto the age of majority
    b) He can file a suit against the firm for profit
    c) He is not liable after attaining majority
    d) All of the above

85. Where no provision is made by contract between partner's for the determination of duration of their partnership, then it is called _
    a) Fixed term partnership
    b) Particular partnership
    c) Partnership at will
    d) Limited partnership

86. According to Indian Partnership Act 1932, subject to contract between partners, the mutual rights of partners are ____
    a) Right not to be expelled
    b) Right of access to books of accounts
    c) Right to be consulted
    d) All of the above

87. Which is beyond the scope of implied authority of a partner?
    a) Purchase or sale of goods on behalf of firm
    b) Borrowing money for the purpose of firm
    c) Enter into partnership on behalf of firm
    d) To engage a lawyer to defend actions against firm

88. Which of the following statement is true about registration of partnership?
    a) It must be done only before its formation
    b) It is compulsory but can be done any time after its formation
    c) It must be done only at the time of filing suit against third party
    d) It may be done at any time after its formation

89. Continuing guarantee given to a firm or to third party in respect of the transaction of a firm, when it is revoked?
    a) Change in the constitution of the firm
    b) When a partner takes money and misappropriates the amount
    c) When a partner misconducts with third party
    d) All of the above

90. Under the sale of goods Act 1930 if goods sold on brand or patent name there is no _____
    a) Implied condition   b) Implied warranty
    c) Express condition   d) Express warranty

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91. The right of lien means _____
    a) Retaining the possession
    b) Regain the possession
    c) Delivery of goods
    d) None of the above

92. In which of the following cases ownership on goods is transferred to buyer
    a) Pledge   b) Bailment
    c) Sale   d) All of the above

93. A agrees to buy a car from B with exchange of his old car and remaining in cash. This is a _____
    a) Contract of sale   b) Agreement to sell
    c) Barter   d) Exchange

94. When the goods are with railway department as a carrier, the seller tries to exercise his right to stoppage of goods in transit. The buyer was also liable to the railway department in the past. Which of the following is correct?
    a) Railway department can exercise the right of lien on the goods
    b) The seller cannot exercise his right of stoppage
    c) The seller can exercise his right of stoppage in transit
    d) None of the above

95. If the seller makes a delivery of goods more than the contracted goods, what are the rights of the buyer?
    a) Reject the whole goods
    b) Accept the whole goods
    c) Accept the contracted goods and reject the excess
    d) All of the above

96. When the buyer treats condition as warranty,
    a) he losses the right to reject the goods
    b) he can claim only damages
    c) Both (a) & (b)
    d) None of the above

97. When the goods are delivered to buyer on sale or return or other similar terms, the property in the goods is transferred to the buyer _____
    a) When he signifies his approval
    b) When he does any other act adopting the transaction
    c) Both (a) & (b)   d) None of the above

98. Goods that are identified and agreed upon at the time of contract of sale are called _____
    a) Existing goods   b) Future goods
    c) Specific goods   d) None of the above

99. When goods are sold by non-owners, buyer can get a good title. Which of the following statements is correct?
    a) Sale by mercantile agent
    b) Sale by one of the joint owners
    c) Sale by a person in possession under a voidable contract
    d) All of the above

100. When the property in the goods is transferred to the buyer?
    a) Specific goods
    b) Goods are in deliverable state
    c) Both (a) & (b)
    d) None of these

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Key - Part A – **FUNDAMENTALS OF ACCOUNTING**

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

Part B – **MERCANTILE LAWS**

61.	A	62.	B	63.	C	64.	D	65.	A
66.	B	67.	B	68.	A	69.	C	70.	A
71.	D	72.	B	73.	C	74.	A	75.	B
76.	D	77.	C	78.	D	79.	A	80.	B
81.	D	82.	A	83.	A	84.	D	85.	C
86.	D	87.	C	88.	D	89.	A	90.	A
91.	A	92.	C	93.	A	94.	C	95.	D
96.	C	97.	C	98.	C	99.	D	100.	C

THE END

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CA - CPT - December 2015 Question Paper (Based on Memory)

2nd Session   **Marks:** 100 Marks   **Time:** 2 hrs.

Part A - General Economics

1. Cobb - douglas production function studies about:
   a) Increasing returns to scale
   b) Constant returns to scale
   c) Diminishing returns to scale
   d) None of the above

2. Macro Economics is also called as _____ economics.
   a) Applied   b) Aggregate
   c) Experimental   d) None of the above

3. If the marginal (additional) opportunity cost is a constant, then the PPC would be a _____
   a) Convex.   b) Straight line.
   c) Backward bending.   d) Concave.

4. 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 6th unit is:
   a) Rs.20   b) Rs.120   c) Rs. 320   d) Rs.420

5. 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

6. In case of perfect substitutes, Cross elasticity of demand is _____
   a) Zero   b) Infinite   c) One   d) None

7. A firm producing 7 units of output has an average total cost of Rs. 150 and has to pay Rs.350 to its fixed factors of production whether it produces or not. How much of the average total cost is made up of variable costs.
   a) Rs.200   b) 50   c) Rs.300   d) 100

8. Which of the following equations of cost is incorrect?
   a) TVC = TC – TFC   b) AFC = AC – AVC
   c) MC = TC / Output   d) AC = AVC + AFC

9. Match the following:

1. Homogeneous goods	A) Oligopoly
2. Non – Price competition	B) Monopolistic
3. Product Differentiation	C) Imperfect competition
4. Price wars	D) Perfect competition

Codes:	A	B	C	D
a)	1	2	3	4
b)	2	3	1	4
c)	4	3	2	1
d)	3	4	2	1

10. A competitive firm in the short run incur losses. The firm continues production, if:
    a) P > AVC   b) MC = MR = P
    c) P < AVC   d) MC = AC = AR

11. Product heterogeneity is a common feature in
    a) Perfect competition
    b) Monopolistic competition
    c) Oligopoly   d) Monopoly

12. Which of the following is related to Law of variable proportions is correct?
    a) When MPP is greater than APP that is increasing returns occurs at first stage
    b) So long as MPP is higher than APP that is called increasing returns
    c) Both MPP and APP are falling and both are not equal to zero
    d) None of the above

13. Supply curve in case of perfectly Elastic:
    a) Parallel to X - axis
    b) Parallel to Y - axis
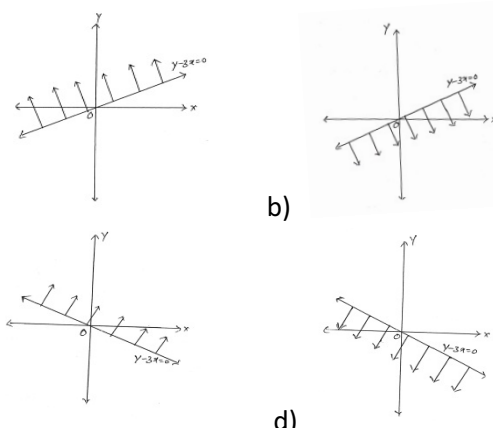   c) Convex to origin
    d) 45° with X – axis & Y – axis

14. Which one of the following is not correct for deductive method:
a) Law of diminishing marginal utility analysis is based on deductive method.
b) Law of demand is based upon deductive method
c) Deductive method proceeds from particular to general.
d) It is also called abstract or analytical or priori method.

15. At the best level of output the condition under monopolist is _____
a) TC is Maximum   b) TR is Maximum
c) TC is Parallel to TR   d) TC is equal to TR

16.

Q	0	1	2	3	4
TC	240	200	400	600	800

AVC at 2nd unit
a) 80   b) 100   c) 120   d) 200

17. AFC is 20 at 4 units of output what will be it at 8 units of output
a) 80   b) 40   c) 20   d) 10

18. If Rs.1,000 of variable cost at 4 units and fixed cost is Rs.400. Then find out AC at 4 units?
a) 250   b) 150   c) 350   d) 200

19. On the basis of the due date given below what will be the volume of budget deficit
a) Revenue receipts Rs.5,72,811 crores
b) Capital receipts Rs.4,51,676 crores
   i. Loan recovered other receipts Rs.33,194 crores
   ii. Borrowing & other liability Rs.4,18,482 crores
c) Revenue expenditure Rs.9,11,809 crores
d) Capital expenditure Rs.1,12,678 crores
a) Rs.Rs.11,350 crores   b) Rs.12,350 crores
c) Rs.44,650 crores   d) Zero.

20. Which cities are involved in developing Golden Quadrilateral corridor under national highways of development project.
a) Calcutta, Mumbai, Delhi, Bangalore
b) Delhi, Calcutta, Chennai, Jaipur
c) Bangalore, Mumbai, Lucknow and Kolkata
d) Mumbai, Delhi, Chennai and Kolkata

21. Which of the following is recasted as AAJEEVIKA
a) Mahatma Gandhi National Rural Employment Guarantee Scheme
b) Swaran Jayanti Gram Swarozgar Yojana (SGSY)
c) The Swarna Jayanti Shahari Rozgar Yojana (SJSRY)
d) None of these

22. Fishing and Logging are included in which sector?
a) Primary   b) Secondary
c) Teritiary   d) None of these

23. NLM was recasted into _____ in 2009
a) Sarva Shiksha Abhiyan
b) Education for all
c) Saakshar Bharat
d) Rashtriya Madhyamik Shiksha Abhiyan

24. Suppose a shopkeeper buys inputs worth Rs.50,000 and his sales are worth Rs.1,00,000 in a month. The input tax rate is 8% and output tax rate is 20%. What is Value added tax here after set off of input tax credit?
a) Rs. 16,000   b) Rs. 26,000
c) Rs. 6,000   d) Rs.1,00,000

25. According to traditional approach money serves as
a) Medium of exchange
b) Store of value
c) Both Medium of exchange & store of value
d) None of these

26. According to RBI (1998) modified new monetary aggregates as:
a) NM_1 b) NM_1 , NM_2
c) NM_1 , NM_2 , NM_3
d) NM_1 , NM_2 , NM_3 , NM_4

27. Which of the following is not a function of IMF
a) It functions as Medium and long term credit institution.
b) It provides machinery for the orderly adjustment of exchange rates
c) It is a sort of lending institution in foreign exchange.
d) It monitors economic and financial development of the member countries

28. Farm credit package was introduced in the year
a) 1991   b) 2005   c) 2001   d) 2004

29. Sex Ratio is favourable to Women in which State?
a) Kerala   b) Andhra Pradesh
c) Bihar   d) Madhya Pradesh

30. National Manufacturing policy was introduced in the year_____
a) July 1991   b) Nov 2001
c) Nov 2011   d) Dec 2014

31. Which of the following is not a method of privatization?
a) Franchising and Leasing
b) Divesture   c) Disinvestment
d) Removed tariffs and other restrictions

32. Which of the following is used to control inflation?
a) Reducing CRR
b) Reduce Public Expenditure
c) Curtailing of Supply
d) Decreasing SLR

33. Which of the following is not a main objective of Nationalization of Commercial Banks
a) Giving credit to Priority sector like Agriculture
b) To eliminate control by few banks
c) Giving Professional bent to management
d) To maximize profits of the Govt.

34. Which of the following statements is incorrect?
a) National food Security mission (NFSM) was launched in different states to have self sufficiency in different crops.
b) 'Project Arrow' is associated with the postal department of India
c) 'Special Drawing Rights' are linked with IMF.
d) 'Cafeteria Approach' is linked with the development of hotels & tourism in India.

35. Mark the incorrect statement
a) Abolition of Zamindari system was the most remarkable land reform measures in the economic history of Independent India.
b) The total food grain production for 2014 – 15 is estimated 257 million tonnes.

c) National green tribunal monitors achievements of green revolution.
d) NABARD deals with reference to agricultural & rural development

36. Capital Account Convertibility is done by_____
a) Tara pore committee -II
b) Ujjit Patel committee
c) Narasimhan committee
d) Siva Raman Committee

37. Which of the following committee modified direct and indirect taxes?
a) Chellaiah committee
b) Booth Lingam committee
c) Both a) & b)   d) None of the above

38. Which of the following is related to Dependency Ratio?
a) Dependents to total population
b) Dependents to working age group
c) Dependents to male members
d) Dependents to non-working age group

39. Personal Disposable income is equal to Personal income
a) Minus personal direct taxes
b) Plus indirect taxes
c) Minus total taxes
d) Minus subsidies

40. Plant Load Factor is used to measure _____
a) Efficiency of Atomic plant
b) Efficiency of Thermal plant
c) Efficiency of Hydel plant
d) Efficiency of machinery

41. Janani Suraksha Yojana was started with an aim to____
a) Bring down Infant Mortality rate in India
b) Bring down Maternal Mortality rate in India
c) Improving Healthcare of Mother and Child
d) Increase care to Pregnant Women

42. The co-existence of raising prices and fall in demand leading to unemployment is called __
a) Economic recession   b) Stagflation
c) Deflation   d) Depression

43. IFSC is _____ digit alphanumeric code which is an unique for each branch of a bank
a) 8   b) 7   c) 9   d) 11

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44. If National domestic capital at factor cost is Rs.4635 crores, subsidies are Rs.50 crores, Factor income from abroad is Rs.40 crores, Factor income paid is Rs.50 crores, Depreciation is Rs.200 crores then National Income is ____
a) 5635   b) 5675   c) 5625   **d) 4625**

45. All of the following developments were noticed during 1991 (when economic reforms were enforced) except one. Identify it.
a) National debt was nearly 60 per cent of the GNP of India.
b) Inflation crossed double digits.
c) Foreign reserves were maintained at a very high level   d) None of the above

46. In persuasion to prevent and regulate the credit of commercial banks by Central Bank, which of the following is followed?
a) Decrease CRR   b) Decrease SLR
c) Moral Suasion   d) Direct action

47. Balance of Current A/c includes
a) Balance of trade & Balance of Service (visible)
b) Balance of trade, Balance of Service (visible & invisible)
c) equal to balance of capital A/c.
d) Balance of trade, Balance of Service (visible & invisible), unilateral transfers

48.

49.

50.

Part B - Quantitative Aptitude

51. If $\log\left(\dfrac{x+y}{3}\right)=\dfrac{1}{2}\left[\log x +\log y\right]$ then $\dfrac{x}{y}+\dfrac{y}{x}=$
a) 7   b) 9   c) 17   d) 5

52. If $a^2 + b^2 = 7ab$ then $\log(a + b) =$
a) $\log 3 + \dfrac{1}{2}$ (log a + log b)
b) log a + log b
c) $\log 2 + \dfrac{3}{2}$ (log a + log b)
d) 7(log a + log b)

53. U = {x/x is a positive integer less than 15}. A = {2,8,10,14} B = {3,6,8,14} then
a) $(A\cap B)'=A'\cup B'$ b) $(A\cap B)'=A'\cap B'$
c) $(A'\cap B')'=\phi$ d) $(A\cap B')'=\phi$

54. If $f(x)=\dfrac{1}{1-x}$; $g(x)=\dfrac{x-1}{x}$ then gof(x) =
a) x − 1   **b)** x   c) $\dfrac{1}{x}$ d) $\dfrac{-1}{x}$

55. If a, b, c are in G.P & x, y be AM's between a, b & b, c respectively then $\dfrac{a}{x}+\dfrac{c}{y}=$
a) 1   **b)** 2   c) 3   d) 0

56. The first terms of two G.Ps are equal and 3rd term of Ist GP and 5th term of second GP are equal then the ratio of 67th term of Ist GP to 133rd term of 2nd GP is ____
a) 1: 1   b) 1: 2   c) 4: 3   d) 2: 3

57. A man earns 10,000 P.M. His salary increases by 200/- per year. What is his total salary in 5 years?
a) 3,12,000   b) 6,14,000
c) 6,24,000   d) 90,000

58. The length of the median of $\triangle$ ABC through the vertex B is ___ if the vertices are A(1,2); B(2, -1); C(3,4)
a) 4   b) $\sqrt{\dfrac{5}{2}}$ c) $\sqrt{\dfrac{29}{2}}$ d) $\sqrt{\dfrac{13}{2}}$

59. The graph to express the inequality $y \geq 3x$ is

a)   b)

c)   d)

60. $\displaystyle \lim_{x\to 0}\left(\dfrac{9+x}{9+2x}\right)^{\frac{1}{x}}=$
a) 0   b) e   **c)** $e^{-1/9}$ d) $e^{+1/9}$

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61. If the sum of the roots of quadratic equation is '3' and the sum of the cubes of the roots is '7' then the equation is
a) $x^2 - 3x + 1 = 0$ b) $3x^2 - 9x + 27 = 0$
c) $9x^2 - 27x + 20 = 0$ d) $9x^2 - 27x + 10 = 0$

62. If the difference between the corresponding roots of the equations $x^2 + ax + b = 0$ and $x^2 + bx + a = 0$ is same and $a \neq b$ then
a) $a + b + 4 = 0$ b) $a - b + 4 = 0$
c) $a + b - 4 = 0$ d) $a - b - 4 = 0$

63. If $Y = \dfrac{x}{\sqrt{x^2 + 1}}$ then $x^3 \dfrac{dy}{dx} =$
a) Y b) Y^2 c) Y^3 d) Y^5

64. If $Y = a.e^{mx} + b\,e^{-mx}$ then $\dfrac{d^2y}{dx^2} =$
a) Y b) $Y.m^2$ c) Y/m^2 d) Y^2/m

65. If the curve $Y^2 = AX^4 + B$ passes through the point P(1,2). The value of $\dfrac{dy}{dx}$ at P is 4. Then
a) A = 0, B = 4   b) A = 1, B = 2
c) A = 2, B = 0   d) A = 4, B = 0

66. $\displaystyle\int_1^e \dfrac{(1+\log x)}{x}dx =$
a) 0   b) 3/2   c) -3/2   d) 5/2

67. $\displaystyle\int \dfrac{1+x+x^2}{x^2(1+x)}dx =$
a) $\dfrac{1}{x}+\log(1+x)+c$ b) $\dfrac{-1}{x}+\log(1+x)+c$
c) $\dfrac{-\log(1+x)}{x}+\dfrac{1}{x}+c$ d) $\dfrac{\log(1+x)}{x}-\dfrac{1}{x}+C$

68. How many permutations can be formed from the letters of the word "PARALLEL" in which 3L's do not come together?
a) 4436   b) 3360   c) 3000   d) 360

69. In how many ways that 8 members including the President & Vice president can be arranged at a round table so that the president and Vice president do not come together is
a) 3600   b) 40320   c) 4320   d) None

70. How many numbers can be formed using the digits 2,3,4,1,6 that are greater than 1000 is _
a) 120   b) 240   c) 188   d) 144

71. X varies as cube of Y & Y varies as 5th root of Z and X varies as n^{th} power of 'Z' then n =
a) -2/3   b) 3/5   c) 5/3   d) -9/2

72. Instead of walking along two adjacent sides of a rectangular field, a boy took short cut along the diagonal and saved a distance equal to the half of the longer side. Then the ratio of shorter side of the rectangular field to its longer side is _____
a) 4 : 3   b) 3 : 4   c) 3 : 2   d) 2 : 3

73. If the ratio of two numbers is 3: 5. If 9 is subtracted from each then the ratio becomes 12: 23. Then the largest number is ___
a) 45   b) 55   c) 60   d) 58

74. Rs.3,000 is payable at the end of each year at the rate of 9% compounded annually for 3yrs then the amount of annuity will be:
a) 9800   b) 9000   c) 9434.3   d) 9843.3

75. Useful life of a machine is estimated to be 10 years and the cost of asset is Rs.10,000. If the rate of depreciation is 10% p.a., then the scrap value is ____
a) 3486.78   b) 4383   c) 3400   d) 4000

76. For two events A, B which of the following is true?
a) $P(A \cap B) \leq P(A)$ b) $P(A \cup B) \leq P(A)+P(B)$
c) $P(A) \leq P(A \cup B)$ d) All of the above

77. The probability of getting atleast 3 heads in 8 tosses of an unbiased coin is _____
a) $\dfrac{197}{256}$ b) $\dfrac{199}{256}$ c) $\dfrac{219}{256}$ d) $\dfrac{217}{256}$

78. If 7:6 are the odds favour for the person 'A' will alive 5 years hence and 5: 3 are the odds favour for the person 'B' will alive 5years hence, then the probability for atleast one will alive 5 years hence is
a) $\dfrac{35}{104}$ b) $\dfrac{21}{26}$ c) $\dfrac{12}{26}$ d) $\dfrac{43}{52}$

79. Mean of 50 observations is same as that of mean of observations after an observation 45 is dropped. What is the mean of 50 observations?
a) 45   b) 50   c) 52   d) None

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80. Let X takes the values $1, \frac{1}{2}, \frac{1}{2^2}, \dots, \frac{1}{2^{n-1}}$ and the GM of X is $\frac{1}{2^k}$ then the k value is

a) $\frac{n}{2}$ 　　b) $\frac{n-1}{2}$ 　　c) $\frac{n+1}{2}$ 　　d) $\frac{n-2}{2}$

81. The standard deviation of two numbers is
a) Half of the range 　　b) Twice of the range
c) Same as the range 　　d) None

82. Which of the following is least affected by extreme values?
a) Range 　　b) Mean deviation
c) Standard deviation 　　d) Quartile deviation

83. If the standard deviation of X is 9 then $V(10+2X)$ =?
a) 36 　　b) 324 　　c) 622 　　d) None

84. The Spearman's rank correlation coefficient is 0.95 and Σd^2 =4, find the number of pairs of observations
a) 6 　　b) 7 　　c) 8 　　d) 9

85. If the two regression lines are perpendicular to each other then
a) $b_{xy} = b_{yx}$ 　　b) $b_{yx} = -b_{xy}$
c) $b_{xy} \cdot b_{yx} = 1$ 　　d) $b_{yx} \geq b_{xy}$

86. The AM of Laspeyre's and Paasche's indices is_____ index number.
a) Kelly's 　　b) Walsh's
c) Drobish – Bowley's 　　d) Fisher's

87. Shifted price index =
$$\frac{\text{original price index}}{\text{Price index of year to which it is shifted}} \times 100$$
a) True 　　b) False 　　c) Both 　　d) None

88. The headings of the rows given in the first column of a table are called
a) Stubs 　　b) Title
c) Captions 　　d) Preparatory notes

89. The relationship between two variables are shown in
a) Histogram 　　b) Pictogram
c) Bar diagram 　　d) Line diagram

90. Mode can be obtained from_____
a) Histogram 　　b) Frequency polygon
c) Ogives 　　d) Bar diagram

91. Data taken from the publication "Agricultural situation in India" will be considered as
a) Primary 　　b) Secondary
c) Either a) or b) 　　d) Neither a) nor b)

92.

X	4	5	7	8	10
P(X=x)	0.15	0.20	k	0.15	0.10

Then the standard deviation of X is
a) 3.04 　　b) $\sqrt{3.04}$ 　　c) 6.18 　　d) 1.67

93. If X ~ B (n,p) then the distribution of Y=n-X follows
a) B (n,1) 　　b) B (n,x)
c) B (n,p) 　　d) B (n,q)

94. If X ~ B (6,1/3) and k P(X=4) = P(X=2) then the value of k is
a) 4 　　b) 6 　　c) 8 　　d) 10

95. In a Poisson distribution if P(X=1) = P(X = 2) the standard deviation is
a) 0 　　b) 2 　　c) $\sqrt{2}$ 　　d) None

96. If X ~ $N(\mu, \sigma^2)$, then which of the following is true
a) MD = 0.8 σ 　　b) QD = 0.675 σ
c) Both a) and b) 　　d) None

97. The number of possible random samples without replacement drawn from a population is
a) $\binom{N}{n}$ 　　b) N^n 　　c) n^N 　　d) N

98. If n units are selected from N population units, the sampling fraction is given as
a) N/n 　　b) 1/N 　　c) 1/n 　　d) n/N

99. If X ~ F (m,n) then E (X)=
a) $\frac{n}{n-2}$ 　　b) $\frac{n}{n-2}, n>2$
c) $\frac{m}{n-2}, n>2$ 　　d) $\frac{m}{m-2}, m>2$

100. If X ~ $\chi^2_{(8)}$ then SD (X)=
a) 2 　　b) 4 　　c) 6 　　d) 8

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Key - Part A – GENERAL ECONOMICS

1.	B	2.	B	3.	B	4.	D	5.	A
6.	B	7.	D	8.	C	9.	C	10.	A
11.	B	12.	A	13.	A	14.	C	15.	B
16.	A	17.	D	18.	C	19.	D	20.	D
21.	B	22.	A	23.	C	24.	A	25.	C
26.	C	27.	A	28.	D	29.	A	30.	C
31.	D	32.	B	33.	D	34.	D	35.	C
36.	A	37.	C	38.	B	39.	A	40.	B
41.	B	42.	B	43.	D	44.	D	45.	C
46.	C	47.	D	48.		49.		50.	

Part B – QUANTITATIVE APTITUDE

51.	A	52.	A	53.	A	54.	B	55.	B
56.	A	57.	C	58.	A	59.	A	60.	C
61.	C	62.	A	63.	C	64.	B	65.	D
66.	B	67.	B	68.	C	69.	A	70.	B
71.	B	72.	B	73.	B	74.	C	75.	A
76.	D	77.	C	78.	D	79.	A	80.	B
81.	A	82.	B	83.	B	84.	C	85.	A
86.	C	87.	A	88.	A	89.	D	90.	A
91.	B	92.	B	93.	D	94.	A	95.	C
96.	C	97.	A	98.	D	99.	B	100.	B

THE END

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