K S ACADEMY

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13th

KSA MODEL EXAM

FREE CPT MODEL EXAM DEC 2017 QUESTION PAPER BOOKLET

DATE: 10.12.2017

SESSION – I (Morning)

Time: 2 Hours (10.30 am to 12.30 pm)　　　　Maximum Marks: 100

SECTION – A : FUNDAMENTALS OF ACCOUNTING (60 Marks)

SECTION – B : MERCANTILE LAW (40 Marks)

This test is divided into two sections.
Please follow the instructions given in the booklet
and answer the questions.

ALL THE BEST

KSA

INSTRUCTIONS:

i) The Question Paper Booklet will consist of 100 objective type questions. Each question will be of one mark and for every question, four suggested answers will be given in the booklet. The candidate is required to select one amongst the suggested answers from the OMR Answer Sheet and darken the circles with HB pencil viz. A or B or C or D, as the case may be.

ii) For each correct answer, one mark will be awarded. For each wrong answer, 1/4th of the mark earmarked for each question will be deducted. Multiple darkened circles for a question will be treated as wrong answer. And, for questions not answered i.e. blanks, a zero will be given.

iii) **Scoring a Minimum of 30% in each subject/sections and an aggregate of 100 Marks is a pre-requisite to clear CA-CPT Exams**.

iv) Candidate should write in the OMR answer sheets, the correct Question Paper Booklet No., Roll Number and Question Booklet Code as given to him/her viz. A or B or C or D, with ball point pen and darken appropriate circles with HB Pencil. In case any candidate fills in this information wrongly, the Academy will not take any responsibility for rectifying the mistake. The Question Booklet Code as darkened by the candidate will be final and the result will be processed on the basis of the circle darkened by him/her.

v) **Every candidate must sign the attendance register with Pen in each session separately against his/her name in the appropriate place. It may be noted that every candidate must present himself in both the sessions compulsorily. In case a candidate is present in the morning session and absent in the Afternoon session or vice – versa, due to any reason whatsoever he/she will be deemed to be absent in both sessions of CPT and his/her result will not be processed / prepared / published. In other words the result of such candidates shall be cancelled**

Question Paper No. :   02468

A

OMR No.   : [   ]

SRO No   : [   ]   **Name   :** [   ]

Roll No   : [   ]   **Signature of the Candidate :** [   ]

1. --------------------- was the root of financial accounting system.

   a) Social accounting

   b) Stewardship accounting

   c) Management accounting

   d) Responsibility

2. The golden rule of current asset valuation- 'cost or market price' whichever is lower, originated from the concept of:

   a) Consistency

   b) Conservatism

   c) Accrual

   d) Going concern

3. How many Accounting Standards have been issued by ICAI?

   a) 25

   b) 20

   c) 32

   d) 2

4. All of the following are valuation principles except

   a) Historical Cost

   b) Present Value

   c) Future value

   d) Realisable Value

5. It is essential to standardize the accounting principles and policies in order to ensure

   a) Transparency

   b) Consistency

   c) Comparability

   d) All of the above

6. Goods given as charity credited for:

   a) Charity A/c

   b) Purchase A/c

   c) Drawings A/c

   d) Sales A/c

7. Which of the following is correct:
    a) Liabilities = Capital + Asset
    b) Capital = Assets + Liabilities
    c) Capital = Assets – Liabilities
    d) Assets = Liabilities - Capital

8. The total of discount column on the debit side of the cash book is, posted in the
    a) Debit side of discount received account
    b) Credit side of discount received account
    c) Debit side of discount allowed account
    d) Credit side of discount allowed account

9. Journal and ledger records transactions in:
    a) A chronological order only
    b) An analytical order and chronological order respectively
    c) A chronological order and analytical order respectively
    d) An analytical order only

10. If a reliable estimate of probable outflow of resources to settle a present obligation can be made, it is _____
    a) To be recognized as a liability
    b) To be recognized as a provision
    c) To be disclosed as a contingent liability
    d) None of these

11. Bill discounted with a bank is _____
    a) Contingent liability
    b) Current liability
    c) Current asset
    d) None of these

12. Goods purchased of Rs.100 from N was not recorded at all. What will be its effect on the Trial Balance?
    a) Will tally
    b) Will not tally
    c) Will have no effect
    d) None of these

13. When a large number of articles are sent frequently on a sale or return basis, it is necessary to maintain

a) Sale journal

b) Goods returned journal

c) Sale or return journal

d) None of the above

14. On 31st March 2015 goods at a sale price of Rs.60,000 were sold on "sale or return basis" and goods sold recorded as actual sales. Since no consent has been received from customer, what will be the amount of inventories with customer sent on approval at a profit of cost plus 20% and present market value is 10% less than cost price?

    a) Rs.50,000

    b) Rs.45,000

    c) Rs.43,200

    d) Rs.40,500

15. A sent some goods costing Rs.10,500 at a profit of 25% on sale to B on sale or return basis. B returned goods costing Rs.2400. At the end of accounting period, the remaining goods were neither returned nor were approved by him. The stock on approval will be shown in the balance sheet at Rs.

    a) Rs.6,000

    b) Rs.8,100

    c) Rs.6,075

    d) Rs.10,500

16. C and D enter into a joint venture to share profit in the ratio 5:3 apart from the profit, D is entitled to a commission of 5% of net profit after charging such commission. If net profit of joint venture is Rs.33,600 before charging such commission. What will be share profit of C and D :

    a) C will get profit Rs.19,950 and D Rs.11,970

    b) C will get profit Rs.20,000 and D Rs.12,000

    c) C will get profit Rs.21,000 and D Rs.12,000

    d) C will get profit Rs.21,600 and D Rs.12,000

17. Memorandum joint venture account is prepared

    a) When each co – venture keeps records of all the joint venture transactions himself.

    b) When separate set of joint venture books is prepared

    c) When each co – venture keeps records of their own joint venture transaction

    d) None of the above

18. The cash book showed an overdraft of Rs.15,000, but the pass book made upto the same date showed that cheques of Rs.1,000, Rs.500, Rs.1,250 respectively had not been presented for payment and the cheque of Rs.4,000 paid into account had not been cleared. The bank has been given standing instructions of payment of premium of Rs.1,500 directly to insurance company and bank has collected Rs.250 as dividend. The balance as per the pass book will be:

   a) Rs.17,500 Dr

   b) Rs.16,250 Dr

   c) Rs.18,000 Dr

   d) Rs.18,750 Dr

19. Which of the following item is not to be appeared in the Bank Reconciliation Statement if the balance as per Amended Cash Book is taken as the starting point.

   a) Uncollected cheques

   b) Unpresented cheques

   c) A wrong entry in the Pass Book

   d) A correct entry in the Pass Book but not appearing in Cash Book

20. If the closing stock is increased by Rs.5,000 and Gross profit rate is 10% then:

   a) Gross profit will be increased by Rs.5000

   b) Gross profit will be decreased by Rs.5000

   c) Gross profit will be increased by Rs.500

   d) Gross profit will be decreased by Rs.500

21. The opening stock is overstated by Rs.10,000 and closing stock is understated by Rs.15,000. The impact of these on net profit for the current year is :

   a) Rs.5,000 overstated

   b) Rs.25,000 overstated

   c) Rs.25,000 understated

   d) Rs.5,000 understated

22. Opening stock 400 units @ Rs.20 per unit. Purchases 200 units @ Rs.25 per unit and issued 250 units. Find out the value of closing stock by LIFO method.

   a) Rs.8,750

   b) Rs.7,000

   c) Rs.8,000

   d) Rs.7,500

23. Following figures have been extracted from the books for the year ended 31st March, 2011:

i. Cost of goods sold Rs.35,000

ii. Closing stock as on 31st March, 2011 Rs.8,000

iii. Opening stock as on 1st April, 2010 Rs.10,000

iv. Purchase return Rs.5,000

v. What would be the amount of gross purchases for the year ended 31st March, 2011?

   a) Rs.33,000

   b) Rs.38,000

   c) Rs.28,000

   d) Rs.37,000

24. A company is following weighted average cost method for valuing its inventory. The details of its purchase and issue of raw- materials during the week are as follows:

1.12.2011 opening Inventory 50 units value Rs.2,200

2.12.2011 purchased 100 units @ Rs.47

4.12.2011 Issued 50 units

5.12.2011 purchased 200 unit @ Rs.48

The value of inventory at the end of the week and the unit weighted average costs is

   a) Rs. 14,200 – Rs. 47.33

   b) Rs 14,300 – Rs. 47.67

   c) Rs. 14,000 – Rs. 46.66

   d) Rs. 14,400 – Rs. 48.00

25. Nutan draws a bill of exchange for Rs.20,000 on 1st Feb 2014, due for payment after 2 months on Divam. Divam accepts the bill of exchange. On 4th March 2014, Divam retires the bill of exchange at a discount of 9% p.a. The journal entry at the time of retirement of the bill in the books of Divam will be:

   a) Bills payable a/c   Dr   20,000

           To bank a/c   20,000.

   b) Billy payable a/c   Dr   20,000

           To bank a/c   18,200

           To Discount a/c   1,800

   c) Bills payable a/c   Dr   18,200

           To Discount a/c   1,800

           To bank   20,000

   d) Bills payable a/c   Dr   20,000

           To bank a/c   19,850

           To discount a/c   150

26. A draws bill of exchange on B for Rs.15,000 for 3 months on 12th May 2008. What will be the due date?

    a) 15th August, 2008

    b) 14th August, 2008

    c) 16th August, 2008

    d) 12th August, 2008

27. S draws 2 bills of exchange on 1st Jan for Rs.30,000 and Rs.50,000 respectively. The bill of exchange for Rs.30,000 is for 2 months. While the bill of exchange for Rs.50,000 is for 3 months. These bills are accepted by K. On 4th March K requests S to renew the first bill with interest at 18% p.a for a period of 2 Months. S agrees to this proposal. On 20th March K retires the acceptance for Rs.50,000 the interest rebate i.e discount being Rs.500. Before the due date of the renewed bill K becomes insolvent and only 60 paise in a rupee can be recovered from his estate , how much bad debt will be recorded in the books of S:

    a) Rs.12,360

    b) Rs.18,540

    c) Rs.30,900

    d) Rs.30,000

28. Kumar draws a bill on Rajat for Rs.50,000 for mutual accommodation in the ratio of 3:2. Rajat accepted the bill. Kumar got it discounted for Rs.47,500. How much money should Kumar remit to Rajat?

    a) Rs.28,500

    b) Rs.19,000

    c) Rs.30,000

    d) Rs.20,000

29. On 1st June X draw a bill on Y for Rs.25,000. At maturity Y request X to accept Rs.5000 in cash and noting charges incurred Rs.100 and for the balance X draw a bill on Y for 2 months at 12% p.a. Interest amount will be:

    a) Rs.410

    b) Rs.420

    c) Rs.440

    d) Rs.400

30. A machine was purchased at a cost of Rs.5,30,000. Depreciation was charged at 10% p.a. instead of 25% p.a. What would be the rectification entry to correct this error?

    a) Debit profit & loss a/c Rs.79,500, credit provision for depreciation a/c Rs.79,500

    b) Debit Provision for depreciation a/c Rs.26,500

c) Debit profit & loss account Rs.26,500, Credit provision by Rs.26,500

d) Debit provision for depreciation a/c Rs.79,500, credit P & L a/c Rs.79,500

31. Original cost = Rs.1,00,000, Life = 5 years, Expected salvage value = Rs. 2000. Rate of depreciation p.a as per straight line method is

a) 20.0%

b) 19.8%

c) 19.6%

d) 19.4%

32. Periodical statement sent by consignee to consignor is known as

a) Performa invoice

b) Account sale

c) Bill of exchange

d) Hundi

33. X sent out goods costing Rs.4,00,000 to Y. Consignor's expenses Rs.10,000. Consignee's expenses in relation to sales Rs.4,000. 4/5th of the goods were sold at 20% above cost. The profit on consignment will be

a) Rs.52,000

b) Rs.64,000

c) Rs.52,400

d) Rs.12,000

34. Manufacturing account is prepared to :

a) Ascertain the profit or loss on the goods produced

b) Ascertain the cost of the manufactured goods

c) Show the sale proceeds from the goods produced during the year

d) Both (b) and (c)

35. Closing stock appearing in the Trial Balance is shown

a) On the credit side of Profit & Loss A/C

b) On the credit side of Trading A/C

c) On the assets side of the Balance sheet

d) Both (b) and (c)

36. Adjusted Purchase Rs.6,63,600 ; Sales Rs.7,44,000 ; closing stock Rs.50,400 ; Freight & cartage inward Rs.3,600 ; Wages Rs.2,400 ; Freight & cartage outward Rs.1,800. Gross profit for the year is

a) Rs.76,200

b) Rs.74,400

c) Rs.1,24,800

d) None

37. A trial balance shows Sundry debtors as Rs.80,000. Information outside the trial balance

   i. Bad debts Rs.2,000

   ii. Make a provision for doubtful debts on debtor @ 5%. The amount of provision for doubtful debts will be

   a) Rs.4,100

   b) Rs.4,000

   c) Rs.3,900

   d) Rs.4,200

38. Opening stock Rs.1,00,000, Sales Rs.5,00,000, Gross Profit @ 25% on cost, Purchases Rs.6,00,000, Closing Stock is

   a) Rs.1,25,000

   b) Rs.2,25,000

   c) Rs.3,00,000

   d) Rs.3,25,000

39. On 1st Jan, 2014 Provision for doubtful debts existed at Rs.17,500. Trade receivables on 31.12.2014 were Rs.3,50,000, bad debts totaled Rs.20,000. It is required to write off bad debts and create a provision equal to 5% of the trade receivables balance. Compute the amount to be debited to the P&L A/C

   a) Rs.17,500

   b) Rs.16,500

   c) Rs.20,000

   d) Rs.19,000

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

   a) Rs.30,000

   b) Rs.90,000

   c) Rs.3,40,000

   d) Rs.60,000

41. Goods costing Rs.4,000 having normal sales value of Rs.6,000 were destroyed by fire. The scrap worth Rs.400 was taken over by insurance company. Insurance company accepted a final claim of Rs.2,700. What amount of loss by fire will be transferred to Profit & Loss A/C?

a) Rs.3,300

b) Rs.1,300

c) Rs.1,700

d) Rs.9,00

42. Opening Debtors = 3,000 Credit Sales = 80,000 Cash received from Debtors = 60,000 Closing Debtors =?

 a) Rs.30,000

 b) Rs.32,000

 c) Rs.23,000

 d) Rs.20,000

43. Stock of RM   Opening 17,000   Closing 18,000

 Work in Progress   Opening 11,000   Closing 12,000

 Manufacturing wages to Rs.40,000 and Purchase of raw materials to Rs.92,000. The cost of raw materials consumed were

 a) Rs.1,09,000

 b) Rs.91,000

 c) Rs.92,000

 d) None of these

44. Salaries paid in cash Rs.2,00,000. It includes previous years outstanding Rs.10,000 and salary paid in advance for the next year Rs.20,000. Salary Outstanding for the year is Rs.15,000. Salary of _____ shall be debited in the profit and loss account.

 a) Rs. 2,25,000

 b) Rs.1,85,000

 c) Rs.2,05,000

 d) Rs.1,75,000

45. On the death of a partner, his executor is being paid the share of profits of the deceased partner for the relevant period. This payment is recorded in the P/L _____a/c:

 a) Suspense

 b) Adjustment

 c) Appropriation

 d) Reserve

46. Shukh & Shanti are Partners with capitals of Rs. 50,000 and Rs. 30,000 respectively. The profit earned by the firm is Rs. 6,000. Interest payable on capital is 10% p.a. subject to the provisions of Partnership Act. Find the Interest on Capital for both the partners.

a) Rs. 5000 & Rs. 3000

b) Rs. 3000 & Rs. 3000

c) Rs. 3750 & Rs. 2250

d) Rs. 3000 & Rs. 1800

47. A, B & C are partners in a business sharing Profits and Losses in 3:2:1 Ratio. On 30th June, 2009, C retired from the 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. 4,950 in cash on retirement & the Balance in 3 equal yearly installments with interest @ 6% p.a. Amount of last installment with Interest will be:

a) Rs. 2,120

b) Rs. 2,100

c) Rs. 2,200

d) Rs. 2,500

48. A, B & C are partners in a business sharing Profits and Losses equally. A retires and goodwill appearing in the books at Rs. 3,000 is valued at Rs. 6,000. A will get credit of:

a) Rs. 2,000

b) Rs. 3,000

c) Rs. 500

d) Rs. 1,000

49. A, B & C are partners in a business sharing Profits and Losses in the ratio 5:3:2 respectively. The balance of capital is Rs. 50,000 for A & B each and Rs. 40,000 for C. B declares to retire from the firm. The goodwill of the firm is valued at Rs. 30,000 and profit on revaluation of assets is Rs. 5,000. The firm also has a Balance in the Reserve A/c for Rs. 15,000 on that date. What amount will be payable to B:

a) Rs. 15,000

b) Rs. 55,000

c) Rs. 65,000

d) Rs. 75,000

50. X & Y are in partnership sharing profits and losses in the ratio of 3:2. They admitted Z as 1/4th partner. Find out new ratio:

a) 3:2:1

b) 9:8:3

c) 9:7:5

d) 9:6:5

51. Win Ltd. issued 20,000, 8% debentures of Rs.10 each at par, which are redeemable after 5 years at a premium of 20%. The amount of loss on redemption of debentures to be written off every year will be
    a) Rs.40,000
    b) Rs.10,000
    c) Rs.20,000
    d) Rs.8,000

52. A company issued 1,00,000, 12% debentures of Rs.100 each. Calculate the amount of interest on debentures.
    a) Rs.12,000
    b) Rs.1,20,000
    c) Rs.12,00,000
    d) None of the above

53. E ltd. had allotted 10,000 shares to the applicants of 14,000 shares on pro rata basis. The amount Payable on application is Rs.2. F applied for 420 shares. The number of shares allotted and the amount carried forward for adjustment against allotment money due from F =?
    a) 60 shares; Rs.120
    b) 340 shares; Rs.160
    c) 320 shares; Rs.200
    d) 300 shares; Rs.240

54. When debentures are issued as collateral security, interest is paid on:
    a) Nominal Value of Debentures
    b) Face Value of Debentures
    c) Discounted Value of Debentures
    d) No interest is paid

55. Z & Co. forfeited 100 shares of Rs. 10 each for Non-Payment of Final Call of Rs. 2/share. All the shares were re-issued at Rs. 9/share. What amount will be transferred to Capital Reserve a/c?
    a) Rs. 700
    b) Rs. 800
    c) Rs. 900
    d) Rs. 1,000

56. Barath Ltd. issued 25,000 equity shares of Rs. 10 each payable at Rs. 2 on application, Rs. 3 on allotment, Rs. 2 on first call and the balance on Final Call. Archit who has 1,000

shares, paid full value of shares on allotment. The amount to be debited to bank a/c at the time of receipt of First call money will be:

   a) Rs. 50,000

   b) Rs. 47,000

   c) Rs. 49,000

   d) Rs. 48,000

57. On 1.1.2011, X Co. Ltd decided to forfeit 800 equity shares of Rs. 10 each due to non-payment of second and final call of Rs. 5. On 1.3.2011, company re-issued 400 forfeited shares at Rs. 7 as fully paid. What will be the amount to be transferred to capital reserve a/c?

   a) Rs. 1,600

   b) Rs. 2,800

   c) Rs. 800

   d) Rs. 1,200

58. Called up Share capital (46,000 shares of Rs. 10 each) = Rs. 4,60,000

   Calls – in – arrears = Rs. 7,500

   Proposed Dividend = 5%

   Amount of proposed dividend will be:

   a) Rs. 22,625

   b) Rs. 25,000

   c) Rs. 23,000

   d) None of these

59. 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. 14,000

   b) Rs. 12,000

   c) Rs. 10,000

   d) None of these

60. A company issued 10,000 equity shares of Rs. 10 each at a premium of 20% for the redemption of 15,000 Preference Shares of Rs. 10 each. If the company had sufficient Profit, the amount transferred to capital redemption reserve would be:

   a) Rs. 50,000

   b) Rs. 1,00,000

   c) Rs. 1,50,000

   d) Rs. 30,000

SECTION – B
MERCANTILE LAW
(40 MARKS)

61. A proposal when accepted becomes a

    a) Promise

    b) Contract

    c) Offer

    d) Acceptance

62. 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

63. Stranger to a ……………. can sue.

    a) Contract

    b) Consideration

    c) Promise

    d) Agreement

64. X , who is a dealer in coconut oil only, decides to sell 100 ton oil@ Rs.20000 per ton. Then the contract is

    a) Valid contract

    b) Void contract

    c) Voidable contract

    d) Uncertain contract

65. In relation to a contract the term *"consensus – ad – idem"* under the Indian Contracts Act, 1872 means

    a) Reaching an agreement

    b) Reaching of contract

    c) General consensus

    d) Meeting of minds upon the same thing in the same sense

66. A contract can be discharged by

    a) Mutual agreement and performance

    b) Lapse of time and operation of law

    c) Breach of contract

    d) All of these

67. Which amounts to fraud

    a) false representation as to fact

    b) a mere opinion

    c) a statement of expression

    d) a statement of intention

68. Essential feature of a contingent contract is

    a) Performance to depend on happening or non-happening of an event in future

    b) Performance depends only on happening of an event in future

    c) Performance depends only on non-happening of an event in future

    d) None of the above

69. Generally , the following damages are not recoverable?

    a) Ordinary damages

    b) Special damages

    c) Remote damages

    d) Nominal damages

70. Acceptance of consideration lesser than that agreed is known as

    a) Recission

    b) Novation

    c) remission

    d) alteration

71. In case of anticipatory breach of contract the

    a) Contract automatically comes to an end

    b) Promisor is discharged of his liability

    c) Promisee has no remedy

    d) Promisee can claim damages

72. X makes an offer to Y on 20th by a letter which reaches Y on 22nd. Y posts letter of acceptance on 24th which reaches W on 27th. The communication of acceptance is complete as against Y on

    a) 22th

    b) 24th

    c) 27th

    d) 20th

73. The Contract of *"Uberrimae Fidei"* means a contract :

    a) Of good faith

    b) Of goodwill

c) Guaranteed by a surety

d) Of utmost good faith

74. X agrees to Y to buy a car for Rs.50 lakh but refuses to perform the agreement. X is entitled to claim

    a) Reasonable amount of damages

    b) Differences between the agreed price and the market price of car on the date of breach

    c) Rs.50 lakh

    d) Reasonable amount but not more than Rs.50 lakhs

75. The consideration must be at the desire of the

    a) Promisor

    b) Promisee

    c) Third party

    d) None of the above

76. The claim on the basis of doctrine of 'quantum meruit' may arise

    a) When the contract is terminated by breach

    b) When something has been done non-gratuitiously

    c) When the contract is divisible

    d) In all of above

77. 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

78. Auction sale is an example of:

    a) An executed contract

    b) A tacit contract

    c) An executory contract

    d) An implied contract

79. 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

80. 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) None of these

81. In case of illegal agreements , the collateral agreements are:

    a) Valid

    b) Void

    c) Voidable

    d) Any of these

82. A agrees to pay Rs.500 to B if it rains and B promises to pay like amount if it does not rain, this contract /agreement is:

    a) Quasi contract

    b) Contingent contract

    c) Wagering contract

    d) Voidable contract

83. Which of the following is not the right of unpaid seller?

    a) To resell

    b) To stop the goods in transit

    c) Of lien

    d) To demand back the goods

84. Lien in the sale of goods Act 1930, is a right to:

    a) Regain possession of goods

    b) Retain possession of goods

    c) Give away possession of goods

    d) All of the above

85. 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

86. Delivery of the key of a warehouse where goods are lying amounts to:

    a) Actual delivery

    b) Symbolic delivery

    c) Constructive delivery

d) None of these

87. In case of 'sale on approval' , the ownership in goods is transferred to the buyer when he
    a) Accepts the goods
    b) Fails to return the goods
    c) Adopts the transactions
    d) In all the above cases

88. Doctrine of 'Caveat Emptor' under the Sale of Goods Act,1930 denotes that
    a) Seller must try the goods before sale
    b) Seller must take care of the goods sold
    c) Buyer must try the goods before purchase
    d) Buyer must be aware before of goods

89. A finder of goods has the power to sell the goods and transfer better title to the buyer, if the owner of the goods cannot be found with
    a) Reasonable diligence
    b) Ordinary diligence
    c) Due diligence
    d) Lack of diligence

90. Where the seller delivers a quantity of goods larger than contracted for ,the buyer:
    a) Cannot accept the whole
    b) Cannot reject the whole
    c) May accept the contracted quantity and reject the excess
    d) None of these

91. ………………. is/are the 'document of title to goods'
    a) Railway receipt or multimodal transport document
    b) Warrant or order for delivery of goods
    c) Warehouse keeper's certificate
    d) All the above

92. Dissolution of a firm may take place
    a) By the adjudication of all the partners or of all the partners but one as insolvent
    b) As a result of any agreement between all the partners
    c) By the business of the firm becoming unlawful
    d) All of the above

93. Registration of firm can be effected:
    a) At the time of its formation
    b) At any time after its formation

c) On or after the formation of firm

d) None of these

94. Each of the partner is

a) Principals as well as agents

b) Only agents of the firm

c) Only representatives of the firm

d) Only co-partners of the firm

95. 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

96. An unregistered firm does not have

a) Right to file a suit against third party

b) Right to acquire property

c) Right to transfer property

d) None of the above

97. Which of the following acts are beyond the scope of 'implied authority' of a partner?

a) Submit a dispute relating to business of a firm for arbitration

b) Open a bank account in his own name on behalf of the firm

c) Acquire immovable property on behalf of the firm

d) All of the above

98. A rented a house from X for carrying on the business of the firm. After one month A did not pay the rent. B and C are other partners of the firm. X can claim his rent from:

a) A only

b) All the partners

c) B and C only

d) A and C only

99. 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 exercised in good faith

d) All of these

100. Property of the firm shall be held by the use of the partners

   a) For charitable purposes

   b) For private purposes of the partners

   c) For business purposes as well as private purposes

   d) Exclusively for business purposes

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13th

KSA MODEL EXAM

FREE CPT MODEL EXAM DEC 2017 QUESTION PAPER BOOKLET

DATE: 10.12.2017

SESSION – II (Afternoon)

Time: 2 Hours (2.00 pm to 4.00 pm)   Maximum Marks: 100

SECTION – C : GENERAL ECONOMICS (50 Marks)

SECTION – D : QUANTITATIVE APTITUDE (50 Marks)

This test is divided into two sections.
Please follow the instructions given in the booklet
and answer the questions.

ALL THE BEST

Total No. of Questions **– 100**   Total No. of Printed Pages - **20**

Time Allowed **– 2** Hours   Maximum Marks - **100**

KSA

INSTRUCTIONS:

i) The Question Paper Booklet will consist of 100 objective type questions. Each question will be of one mark and for every question, four suggested answers will be given in the booklet. The candidate is required to select one amongst the suggested answers from the OMR Answer Sheet and darken the circles with HB pencil viz. A or B or C or D, as the case may be.

ii) For each correct answer, one mark will be awarded. For each wrong answer, 1/4th of the mark earmarked for each question will be deducted. Multiple darkened circles for a question will be treated as wrong answer. And, for questions not answered i.e. blanks, a zero will be given.

iii) **Scoring a Minimum of 30% in each subject/sections and an aggregate of 100 Marks is a pre-requisite to clear CA-CPT Exams**.

iv) Candidate should write in the OMR answer sheets, the correct Question Paper Booklet No., Roll Number and Question Booklet Code as given to him/her viz. A or B or C or D, with ball point pen and darken appropriate circles with HB Pencil. In case any candidate fills in this information wrongly, the Academy will not take any responsibility for rectifying the mistake. The Question Booklet Code as darkened by the candidate will be final and the result will be processed on the basis of the circle darkened by him/her.

v) **Every candidate must sign the attendance register with Pen in each session separately against his/her name in the appropriate place. It may be noted that every candidate must present himself in both the sessions compulsorily. In case a candidate is present in the morning session and absent in the Afternoon session or vice – versa, due to any reason whatsoever he/she will be deemed to be absent in both sessions of CPT and his/her result will not be processed / prepared / published. In other words the result of such candidates shall be cancelled**

Question Paper No. : 13579   **A**

OMR No. : [ ]

SRO No : [ ]   **Name :** [ ]

Roll No : [ ]   **Signature of the Candidate :** [ ]

SECTION – C
GENERAL ECONOMICS
(50 MARKS)

1. Welfare definition of economics includes the following except

    a) Economics studies human behaviour

    b) Economics deals with material activities

    c) Economics is neutral between ends

    d) None of the above

2. Deductive method is based on

    a) Collection of data

    b) Classification of data

    c) Testing of hypothesis

    d) All of the above

3. Increase in employment in a country will mean

    a) Movement from PPF to a point inside frontier

    b) Movement from a point inside frontier to PPF

    c) No movement

    d) Both (a) & (b)

4. Mixed economy has following features except

    a) Co existence of public and private sectors

    b) Decentralized planning

    c) Dual pricing

    d) Right to work

5. Micro economics is called

    a) Allocation theory

    b) Price theory

    c) Partial equilibrium analysis

    d) All of the above

6. Expansion and contraction of demand are called

    a) Changes in quantity demanded

    b) Movement along the same demand curve

    c) Changes in demand due to changes in price only

    d) All the above

7. Horizontal demand curve means
    a) Perfectly elastic demand
    b) Price elasticity is equal to infinity
    c) Both a and b
    d) None of the above

8. In a theatre price of entrance ticket is increased from Rs.120 to Rs.200. Therefore number of visitors declined from 300 to 200. Calculate Arc elasticity of demand.
    a) 0.67
    b) 0.8
    c) 1.5
    d) 2.0

9. Supply means
    a) Quantity supplied at a particular price and particular time
    b) It is not stock
    c) It is a flow concept
    d) All the above

10. Law of DMU implies
    a) Total Utility is maximum when MU is zero
    b) At consumer equilibrium, price = MU
    c) Human wants are satiable
    d) All the above

11. Indifference curve slopes downward because as one commodity is increased, the other commodity is decreased in order to maintain
    a) Same satisfaction
    b) Increase in satisfaction
    c) Decrease in satisfaction
    d) Maximum satisfaction

12. If 2 goods are perfect substitutes
    a) MRS will be constant
    b) IC will be straight line
    c) Both a & b
    d) None of the above

13. Which of the following statement is false

a) Land is gift of nature

b) Land varies in fertility

c) Land has fixed supply

d) Land is an active factor

14. Under the law of variable proportion at the II stage when MP curve cuts AP curve

a) MP = AP

b) AP will be maximum

c) Both a & b

d) None of the above

15. When all factors are increased by 10%, the total output increases by same 10%, it is called

a) Constant returns to scale

b) Linearly homogeneous production function

c) Cobb douglas production function

d) All the above

16. Economic costs include

a) Explicit costs

b) Implicit costs

c) Both a & b

d) None of the above

17. Average fixed curve will be

a) Falling curve

b) Convex and sloping downward

c) Will not touch X axis or Y axis

d) All the above

18. Total output is zero. The total cost of production is Rs.240. find out AFC of 2units

a) Zero

b) Cannot find out

c) Rs.120

d) None of the above

19. If the supply is constant, an increase in demand will lead to

a) Increase in equilibrium price and quantity

b) Decrease in equilibrium price and quantity

c) Both a & b

d) Cannot predict quantity and price

20. A producer is making loss, but he cannot afford to shut down at this point of time. Therefore he will try to minimize his loss in the short run
    a) By covering AC
    b) By covering AVC
    c) By covering fixed costs
    d) By covering fixed and variable costs

21. Under perfect competition , long run equilibrium or full equilibrium implies the following conditions
    a) MC = MR
    b) MC = AC
    c) AC = AR
    d) All the above

22. Monopoly implies the following features
    a) Single seller
    b) Cross elasticity of demand is zero
    c) Barriers to entry
    d) All the above

23. Equilibrium under price discrimination is achieved under the following condition
    a) MC = MRa =MRb
    b) Elasticity of demand is different in the sub markets
    c) Both a & b
    d) None of the above

24. Long run equilibrium under monopolistic competition has the following features
    a) MC =MR
    b) P =AC
    c) Firms have excess capacity
    d) All the above

25. Kinked demand curve theory means
    i. If one firm reduce the price, other firms also reduce the price
    ii. If one firm increases the price, other firms will not increases the price
    iii. If one firm reduces the price, other firms will not reduce the price
    iv. If one firm increases the price, other firms will increases the price

a) Only (i)

b) Both (i) & (ii)

c) Both (ii) & (iv)

d) Both (ii) & (iii)

26. Which of the following is not correctly matched?

a) Gini index – measures inequality of income

b) HDI – based on indicators like literacy, standards of living and longevity

c) UDC – low percapita income

d) Mixed economy – centralized planning

27. National manufacturing policy (NMP) , 2011 aims at increasing the share of manufacturing sector to index's GDP to

a) 15%

b) 25%

c) 34%

d) 12%

28. Under MSME Act,2006, a small enterprise means investment

a) Upto Rs.25 lakhs

b) Between Rs.25 lakhs and Rs.5 crores

c) Between Rs.5 crores to Rs.10 crores

d) Less than Rs.25 lakhs

29. NNP at factors cost is equal to

a) GNP at market price plus indirect taxes

b) GNP at market price minus depreciation

c) GNP at market price minus indirect taxes plus subsidiaries minus depreciation

d) GNP at market price minus NIFA

30. State which of the following is wholly exempted from Income tax in India

a) Salary income

b) Income from house property

c) Income from business or profession

d) Agricultural income

31. In the theory of demographic transaction II stage implies

a) High birth rate and low death rate

b) High birth and death rates

c) Low birth and death rates

d) Low birth rate and high death rate

32. Work force refers to

a) Labour force which is employed

b) Population which is employed

c) Population which is forced to work

d) Labour force which is unemployed

33. Disguised unemployment refers to

a) A situation where there are surplus workers having zero marginal productivity

b) Less employees plus zero marginal productivity

c) Both a & b

d) None of the above

34. Fiscal deficit refers to

a) Total revenue minus total expenditure + borrowing and other liabilities

b) Total receipts minus total expenditure

c) Budget deficit minus interest payment

d) None of the above

35. Tendulkar committee estimates poverty in india (2011-12) at

a) 45.3%

b) 37.2%

c) 34.8%

d) 21.9%

36. Stagflation is

a) Inflation with recession

b) Inflation with high employment

c) Inflation with high rate of unemployment

d) Inflation in developed countries

37. Which of the following is not part of current account in balance of payments of a country?

a) Exports and imports of goods

b) Exports and imports of services

c) External borrowing

d) None of the above

38. _____ measures the operational efficiency of thermal plant

a) Power storage factor

b) Plant load factor

c) Power leakage factor

d) Plant leakage factor

39. NABARD was established on the recommendation of

a) Public accounts committee

b) Sivaraman committee

c) Narasimha committee

d) None of the above

40. Under the new industrial policy 1991, _____ industries reserved for public sector

a) 5

b) 7

c) 8

d) 2

41. At present 100% FDI is allowed in

a) Defence

b) Drugs and pharmaceuticals

c) Banks

d) Insurance

42. _____ refers to disposal of public sector unit's equity in the market.

a) Globalisation

b) Privatisation

c) Liberalization

d) Disinvestment

43. Devaluation means

a) To increase the value of domestic currency in terms of foreign currency

b) To reduce the value of domestic currency in terms of foreign currency

c) To increase the value of foreign currency

d) To keep the value of the domestic currency constant

44. Which is the soft loan window of the world bank ?

a) IFC

b) MIGA

c) IDA

d) ICSID

45. Which of the following pairs are not correctly matched?

a) WTO – promotes MTA

b) IMF – provides loans to members to correct deficits in B.OP

c) RBI – grants loans to customers

d) IBRD – gives long terms loans for reconstruction and development

46. M3 used by RBI for measuring money supply in the country includes

a) Currency with the public and demand deposits of banks

b) M1 + M2

c) M1 + Time deposits

d) All the above

47. _____ refers to that portion of total deposits which a commercial bank has to keep with itself in the form of liquid assets viz – cash, gold or approved government securities

a) CRR

b) SLR

c) SCC

d) Repo rate

48. When RBI wants to control credit , it will adopt the following steps:

a) Raise the bank rate

b) Raise CRR or SLR

c) Sell securities in the open market

d) All the above

49. After nationalization of banks in India the share of priority sector credit in the total bank credit had in 2013 increased to

a) 36 %

b) 41 %

c) 45 %

d) 60 %

50. Which of the following is not a function of RBI?

a) Controller of note issue

b) Custodian of foreign exchange reserves

c) Banker's bank

d) Formulating fiscal policy

51. If $\dfrac{1}{\log_a x} + \dfrac{1}{\log_{a^2} x} + \dfrac{1}{\log_{a^3} x} = 12$. Find a.

   a) X

   b) x^2

   c) $\sqrt{x}$

   d) None

52. If a, b, c are positive consecutive Integers, find $\log(ac + 1)$.

   a) $\log b$

   b) $\log c$

   c) $2 \log b$

   d) None

53. $\log_3 4 . \log_4 5 . \log_5 6 . \log_6 7 . \log_7 8 . \log_8 9 =$

   a) 2

   b) 3

   c) 1

   d) None

54. If $4^x = 5^y = 20^z$ Then Z is

   a) xy

   b) $\dfrac{1}{xy}$

   c) $\dfrac{x+y}{xy}$

   d) $\dfrac{xy}{x+y}$

55. If $\dfrac{a}{3} = \dfrac{b}{4} = \dfrac{c}{5}$ find $\dfrac{a+b+c}{a}$

   a) 4

   b) 2

   c) 12

   d) None

56. Find the Quadratic equation if one roof is $5 + \sqrt{3}$.

   a) $x^2 + 10x + 22 = 0$

   b) $x^2 - 10x - 22 = 0$

   c) $x^2 - 10x + 22 = 0$

   d) None

57. The roots of a Quadratic equation $x^2 + px + 100 = 0$ are equal find p.

    a) 20

    b) -20

    c) +20 or -20

    d) None

58. For what value of K The lines $3x - 4y + 10 = 0$ and $Kx + 8y - 1 = 0$ are Parallel.

    a) -6

    b) 6

    c) 3

    d) None

59. The Linear inequations are $2x + y \leq 10$ $x - y \leq 5$ Test the points $(0,0)$ $(2,1)$ are in the Feasible Region.

    a) First Point alone lies

    b) Second Point alone lie

    c) Both the points lie

    d) None of the point lies

60. The difference between compound Interest and Simple Interest on a certain sum for 2 years at 10% p. a is Rs.10 find the sum.

    a) Rs.990

    b) Rs.1095

    c) Rs.1000

    d) None

61. The effective rate of interest corresponding Nominal Rate of Interest 8% Compounded half yearly's.

    a) 8.6%

    b) 8.16%

    c) 8.4%

    d) None

62. Find the future value of an annuity of Rs.6000 made yearly for 5 years at 10% p.a Compounded annually Given $(1.1)^5 = 1.6105$.

    a) 36630

    b) 36360

    c) 36036

    d) None

63. In how many ways, 8 Papers for an Examination can be arranged, so that the Best Paper and the Worst Papers are not consecutive.

    a) 30420
    b) 30240
    c) 32040
    d) None

64. In a gathering of 8 Persons, each person Shake hands with every Persons. Find how many shake hands exchanged.

    a) 56
    b) 28
    c) 64
    d) None

65. A number lock has 4 Rings, each is marked '0 to 9'. In how many ways the lock can't be opened.

    a) $(10^2 - 1)$
    b) $(10^3 - 1)$
    c) $(10^4 - 1)$
    d) None.

66. Between 15 and 35 insert 4 AMS. Find the sum of the 4. Arithmetic Means inserted.

    a) 100
    b) 115
    c) 150
    d) None.

67. The Sum of n Terms of an A.P $(3n^2 + 4n)$ Find 10th Term.

    a) 67
    b) 61
    c) 76
    d) None

68. If $x = 1 + \frac{1}{5} + \frac{1}{5^2} \ldots \ldots \infty$ $y = 1 + \frac{1}{4} + \frac{1}{4^2} \ldots \ldots \infty$ Find $\frac{1}{y} - \frac{1}{x}$

    a) $\frac{15}{8}$
    b) $\frac{8}{15}$
    c) $\frac{3}{5}$
    d) $\frac{-1}{20}$

69. $f(x) = 2x + 10$; $g(x) = x^2$ find $fog(5)$

    a) 60

    b) 400

    c) 100

    d) None

70. If Set A = {letters of the word TRIANGLE} No. of proper Subsets of A.

    a) 256

    b) 255

    c) 512

    d) 1

71. In a class 100 Students 10 Students failed in Economics and Accountancy. 60 Passed in Accountancy and 40 Passed in Economic. Find No. of Students Passed in Accountancy but failed in Economics.

    a) 30

    b) 50

    c) 90

    d) None

72. Evaluate $\lim_{x \to 0} \frac{5x + |x|}{7x - 3|x|}$

    a) $\frac{5}{7}$

    b) $\frac{5}{4}$

    c) Does not exist

    d) None

73. $f(x) = x - k$ if $x < 2$,

       $= 2x - 3$ if $x \geq 2$

   $f(x)$ is continuous at $x = 2$. Find k

    a) 1

    b) -1

    c) 0

    d) None

74. If $y = x^x$ find $\frac{dy}{dx}$

    a) $y \log(1 + x)$

    b) $y + \log ex$

    c) $\log(1 + x)$

d) None

75. Evaluate $\int_0^{10} \frac{x^3}{x^3+(10-x)^3} dx$

    a) 10

    b) 0

    c) 5

    d) None

76. $\sum(x - 30) = 400$; n=20 Find $\bar{x}$

    a) 70

    b) 50

    c) 20

    d) None

77. The Geomentric Mean of $x_1 \ x_2 \ x_3 \ ... ... \ x_n$ is G1. Find the GM of $5x_1 \ 5x_2 \ 5x_3 \ 5x_4 \ ... ... \ 5x_n$ is

    a) G_1

    b) $5G_1$

    c) $\sqrt{5}G_1$

    d) None

78. Find the Harmonic Mean of $1, \frac{1}{2}, \frac{1}{3} \ ... . \frac{1}{n}$

    a) N

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

    c) $\frac{2}{n+1}$

    d) None

79. Seven observations are written in the ascending order of value. The median is 32. If the first 3 observations are decreased by 5, find the median of the resulting series.

    a) 32

    b) 27

    c) 37

    d) None

80. If $4x - 5y + 60 = 0$ and the Mode of x is 40. Find the Mode of y.

    a) 44

    b) 32

    c) 40

    d) None

81. If $V(x) = 15$ find $V(2x + 7) is$

a) 15

b) 225

c) 60

d) None

82. The Variance of the first 23 Natural Nos. is

a) $\sqrt{44}$

b) 44

c) 23^2

d) *None*

83. Mean and S.D of Set A are 25, and 10 ; and for Set B 40 and 12. Which Set is more Consistent.

a) Set A

b) Set B

c) Any one set

d) Data insufficient

84. Two observations are 20 and 30. Find the co-efficient of variation.

a) 20%

b) 40%

c) 10%

d) None

85. If $r(x, y) = -0.82$ Find $r\left(2x - 1, -\frac{y}{4} + 10\right)$

a) -0.82

b) 0.82

c) 0.18

d) None

86. Sum of the difference in the Ranks is

a) N

b) 1

c) 0

d) *None*

87. Two Regression co-efficient are 0.6 and 0.5 find the Percentage of Variations Unexplained.

a) 30%

b) 70%

c) 50%

d) None

88. A die is rolled on. Find the expectation of face numbers.

   a) 7

   b) 3.5

   c) 6

   d) None

89. In Poisson Distribution, which of the following is True.

   a) Mean> variance

   b) Mean< variance

   c) Mean = variance

   d) None

90. In a Poisson Distribution, if $p(x = 8) = p(x = 9)$ find the mode.

   a) 8

   b) 9

   c) 8 and 9

   d) None.

91. The Parameter of Normal Distribution is $N(10,25)$ Find Mean Deviation about mode.

   a) 3.375

   b) 4

   c) 10

   d) None

92. In Binomial Distribution Maximum variance is

   a) $\frac{4}{n}$

   b) $\frac{n}{4}$

   c) N

   d) None

93. A Problem in Statistic is given to two students A and B. The chance that A Solves it 70% and B has chance 80% Find the Probability that the Problem is Solved.

   a) 56%

   b) 60%

   c) 94%

   d) None

94. If $p(A) = 0.45 \ p(A \cap B) = 0.25$; $p(B) = 0.35$ find $P(A/B) =$

   a) $\frac{5}{7}$

b) $\frac{5}{9}$

c) $\frac{1}{4}$

d) None

95. The S.D of sampling Distribution is

   a) Standard Error

   b) Probable Error

   c) Sampling Error

   d) None

96. Fisher's Index Number fails to satisfy .... Test.

   a) Factor Reversal Test

   b) Time Reversal Test

   c) Circular test

   d) None

97. $\sum p_0 q_0 = 250$ $\sum p_1 q_0 = 400$ find the price index, using appropriate Index formula.

   a) 160%

   b) 625%

   c) 325%

   d) None

98. The point of intersection of Two Ogives represents.

   a) Mean

   b) Median

   c) Mode

   d) None

99. From the following calculate the no. of students in the interral $20 - 60$

Class	Below 20	Below 40	Below 60	Below 80	Below 100
No. of. students	40	63	90	109	125

   a) 50

   b) 23

   c) 35

   d) None

100. If $r = 0$, then two Regression lines are

    a) Parallel

    b) Perpendicular

    c) Coincident

    d) None

ROUGH