

- (1) Ans. a
 Explanation:
 Debit
 Because when customer with draws money then cash out flow takes place for bank, so bank credits cash account and debits customer account for withdrawal from bank.
- (2) Ans. d
 Explanation:
 Rs. 80000
 As Cheque of Rs. 20000 was collected by bank on 2nd February, 2006, it means balance as per pass book of Rs. 60000 as on 31st Jan., 2006 is without including above Rs. 20000. Whereas in cash book this amount (Rs. 20000) is included on 25th January, 2006. So balance as per cash book on 31st Jan., 2006 will be Rs. 20000 more than balance as per pass book, i.e. 60000 + 20000 = Rs. 80000
- (3) Ans. c
 Explanation:
 Cheques deposited and cleared.
 Because amount of such cheque is already included in both the books i.e. balance as per pass book and balance as per cash book.
- (4) Ans. a
 Explanation:
- | | | |
|--------------------------------|--|--------|
| Balance as per Cash Book (Cr.) | | 20,500 |
| + Cheque returned (unpaid) | | 25,000 |
| | | 45,500 |
| - Direct deposit by a customer | | 50,000 |
| Balance as per Pass Book (Cr.) | | 4,500 |
- (5) Ans. a
 Explanation:
- | | | |
|--|--|--------------|
| Cash Book Balance: | | 10000 |
| Less: Deposited but not cleared | | (500) |
| Add: Not recorded in Cash book | | <u>1000</u> |
| Pass Book Balance | | <u>10500</u> |
- (6) Ans. a
 Explanation:
- | | | |
|-------------------------------------|--|---|
| Pass Book Balance | | — |
| Less: Direct Deposit in Bank | | = |
| Added | | ± |
- (7) Ans. a
 Explanation:
- | | | |
|-------------------------------------|--|--------------|
| Cash Book Balance | | 10800 |
| Less: Wrong debit by bank | | (500) |
| Less: Direct Payment by bank | | <u>(450)</u> |

- Pass book balance 9850
- (8) Ans. c
Explanation:
Cash Book + ?
Add: + 233
Pass Book + 233
- (9) Ans. b
Explanation:
16490
Dr. Balance as per cash book 15,000
Add: Cheque issued but not presented for payment 2,150
Less: Cheque deposited but not cleared 660
Cr. Balance as per pass book 16,490
- (10) Ans. b
Explanation:
Rs. 255
Overdraft as per pass book 450
Add: Cheque drawn but not presented for payment 105
Less: Cheque sent for collection but not credited by bank 300
Overdraft as per cash book 255
- (11) Ans. c
Explanation:
Entry in the Books of Drawer (Dishonored of Bill)
Drawee a/c Dr.
 To Bank a/c
- (12) Ans. a
Explanation:
Entry in the Books of Rohit
Raj. a/c Dr. 5200
 To B/R a/c 5000
 To Discount a/c 200
- | Dr. | | Discount A/c | Cr. |
|-------------------|---------------|---------------------|---------------|
| Particular | Amount | Particular | Amount |
| | | By Raj. | 200 |
- (13) Ans. c
Explanation :
Amount Received = $2000 - (2000 \times \frac{3}{12} \times \frac{6}{100}) = 1970$
Amount send to Sohan = $1970 \times \frac{1}{2} = 985$
- (14) Ans. d
Explanation:
Drawer & Drawee in agreed ratio.
As the bill amount is utilized by both the parties, discount is also shared.

- (15) Ans. c
Explanation:
Bill can be produced to notary public for all the reasons to dishonor.
- (16) Ans. c
Explanation:
If any bill endorse by drawer the drawer called endorser.
- (17) Ans. c
False, because a bill can be endorse several time.
- (18) Ans. c
Bill written on 12th June 06
Add 2 months
12 Aug 06
Add 3 days grace 3
15 Aug 06
On 15th Aug public holiday so due for payment on 14 aug 06.
- (19) Ans. a
Explanation:
In case of insolvency a bill is treated as dishonored.
- (20) Ans. a
Explanation:
At the time renewal of bill, first old bill cancelled.
- (21) Ans. a
Explanation: Interest = $30000 \times \frac{14}{100} \times \frac{3}{12} = \text{Rs. } 1050$
- (22) Ans. a
Explanation: Bad Debt = $75000 \times 40\% = \text{Rs. } 30000$
- (23) Ans. a
Explanation:
Percentage of Amt. remitted by Ram to Aslam = $\frac{19600}{5800} \times 100 = 33.33\%$ or $\frac{1}{3}$
Ram's Share = $1 - \frac{1}{3} = \frac{2}{3}$
Ratio = Ram : Aslam
2 : 1
Discount on second bill = $84000 - 82200 = 1800$
Ram's Share of Discount = $1800 \times \frac{2}{3} = 1200$
- (24) Ans. c
Explanation:
Debtor A/c Dr.
To Bill sent to the bank for collection A/c

- (25) Ans. b
Explanation:
B/P A/c Dr.
To Drawer A/c
- (26) Ans. b
Explanation:
Rs. 16130
- | | |
|---|--------|
| Over draft as per pass book | 10,000 |
| Add: Cheque drawn but not presented for payment | 6,000 |
| Add: Bank charges recorded twice in cash book | 30 |
| Add: Cheque deposited in bank but not recorded in cash book | 100 |
| Overdraft as per Cash Book | 16,130 |
- (27) Ans. a
Explanation:
Rs. 2370
- | | |
|--|-------|
| Balance as per pass book | 2,430 |
| Add: Cheque paid but not yet credited | 1,390 |
| Add: Bank charges entered in pass book | 260 |
| Less: Cheques issued but not presented for payment | 1,710 |
| Balance as per cash book | 2,370 |
- (28) Ans. a
Explanation:
Rs. 9500
- | | |
|---|--------|
| Balance as per cash book | 10,000 |
| Add: Cheque issued and presented on 4 th April | 2,300 |
| Less: Cheque sent to bank but not credited | 2,000 |
| Less: B/P paid by bank but not entered in cash book | 800 |
| Balance as per pass book | 9,500 |
- (29) Ans. c
Explanation:
Rs. 18000
- | | |
|---------------------------------------|--------|
| Balance as per pass book | 20,000 |
| Add: Cheque deposited but not cleared | 5,000 |
| Less: Cheque issued but not presented | 7,000 |
| Balance as per cash book | 18,000 |
- (30) Ans. a
Explanation:
Added
Because bank has already included dividend amount in it's book upon collection but the same is not included in cash book balance. So to arrive at balance as per pass book it will be added in cash book balance.
- (31) Ans. a
Explanation:

The agreement is void

(32) Ans. a

Explanation:

When the letter of acceptance is put into a course of transmission

(33) Ans. d

Explanation:

	A	B	C	D
(d)	2	3	4	1

(34) Ans. a

Explanation:

Y is bound by the contract

(35) Ans. a

(36) Ans. a

(37) Ans. c

(38) Ans. c

Explanation:

Promise should not be such for which promiser is already bound. Since it the legal liability of police inspector to investigate, hence consideration can not be given. Agreement is void.

(39) Ans. b

Explanation:

According to Sec 4 of Indian contract act 1872 communication of offer is completed when it comes to the knowledge of that person to whom it was made.

(40) Ans. d

Explanation:

According to sec 19 of Indian contract act 1872, contracts which are caused by coercion, undue influence , Fraud , mis – statement, will be void able at the will of aggrieved party.

(41) Ans. c

Explanation:

Consensus ad idem means parties should be agreed on same thing in same manner.

(42) Ans. c

Explanation:

According to section 20 of Indian contract Act 1872, if both the parties to the contract are unknown of any fact than Agreement will be void.

(43) Ans. c

Explanation:

Restrain in marriage is immoral. According to sec 23 of Indian contract Act 1872, agreements which are immoral will be void.

(44) Ans. a

Explanation:

It is valid contract because the commodity which is to be delivered is capable of being ascertained.

(45) Ans. a

Explanation:

Because it is against public policy. These are void as per provisions contained under sec 23 of Indian contract Act 1872.

(46) Ans. b

Explanation:

These are void agreements as provisions contained v/s 29 of Indian contract Act 1872.

(47) Ans. b

Explanation:

According to section 56 of Indian contract act 1872, contracts which are impossible in nature will be void.

(48) Ans. c

(49) Ans. d

(50) Ans. a

(51) Ans. b

Explanation:

The term company demand denotes the demand for the products of a particular company.

(52) Ans. b

Explanation:

Because these goods are substitutes.

(53) Ans. a

Explanation:

Since if price of petrol increases quantity demanded of car goes down hence cross elasticity is negative.

(54) Ans. c

Explanation:

These two commodities were termed as giffen goods by Sir Robert Giffen. This is an exception of law of demand

(55) Ans. a

Explanation:

Because the goods are totally unrelated hence there is no relation between these goods hence the cross elasticity would be zero.

(56) Ans. d

Explanation:

Since substitute goods are those goods which are used in place of one another.

(57) Ans. a

Explanation:

$$\text{Income elasticity} = \frac{\% \text{ Change in Quantity Demanded}}{\% \text{ Change in Income}}$$

$$= \frac{20\%}{50\%}$$

$$\text{So } e_i = \frac{20\%}{50\%} = 0.4 \text{ Ans.}$$

(58) Ans. c

Explanation:

Since in case of luxury goods the elasticity is $e > 1$

(59) Ans. b

Explanation:

Since it implies that price is constant to whatever changes is there in quantity demanded.

(60) Ans. b

Explanation:

Since

$$e_i = \frac{\% \text{ Change in demand}}{\% \text{ Change in Income}}$$

OR

$$e_i = \frac{50\%}{20\%} = 2.5 \text{ which is } e > 1$$

and in case of luxury goods $e > 1$

(61) Ans. a

Explanation:

According to Robbins "Economics is the science which studies human behaviour as a relationship between ends and scarce means which have alternative uses." Hence, this definition is related with "point of time".

(62) Ans. a

Explanation:

Under this method, "the laws are deduced logically on the basis of certain fundamental assumptions or accepted actions or truths which have been established and handed down from generation to generation, conclusion and generalisations are drawn.

(63) Ans. b

(64) Ans. c

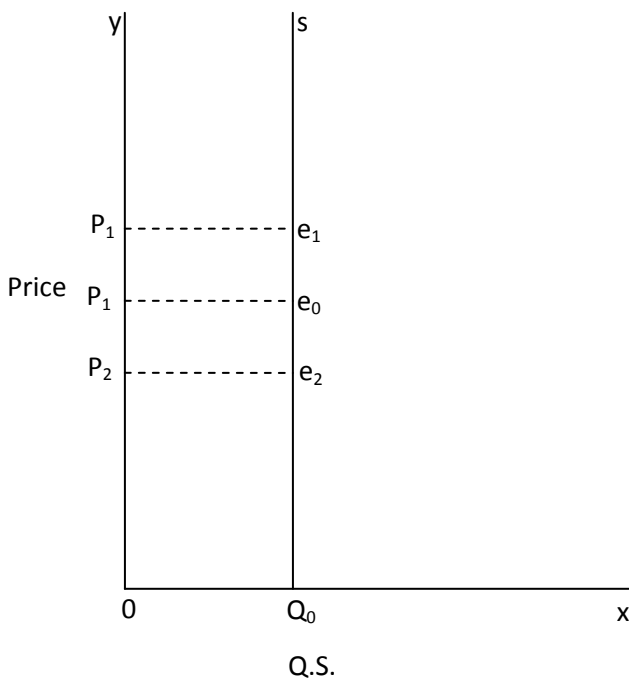
Explanation:

Prof. A.C. Pigou has given the concept of "Economic Welfare." According to Pigou, "The range of our inquiry becomes restricted to that part of social welfare that can be brought directly or indirectly into relation with the measuring rod of money.

(65) Ans. a

(66) Ans. d

- (67) Ans. d
 Explanation:
 In case of a decrease in unemployment: - A movement from a point inside the PPF to a point on the PPF. It means, the source are fully utilized because people gets employment.
- (68) Ans. b
 Explanation:
 As there is growth in technology so it will lead to economic growth.
- (69) Ans. b
- (70) Ans. a
- (71) Ans. b
- (72) Ans. d
 Explanation:
 There is a positive relationship between price and quantity supplied of commodity. When price increases then profit of seller also increases hence he sells more units of commodity.
- (73) Ans. a
 Explanation:
 If there is no change in Quantity supplied it means quantity supplied remains unchanged then elasticity will be zero.



- (74) Ans. a
 Explanation:
 Because There is a positive relationship between good's price and quantity supplied. Hence, the slope of supply curve is upward.

(75) Ans. a

Explanation:

Contraction in supply means "Decrease in quantity supplied is due to decrease in price of goods concern."

(76) Ans. d

Explanation:

$$\text{Let } 6^x = 5^y = 30^z = k$$

$$\therefore 6^x = k \Rightarrow 6 = k^{1/x} \quad \dots(1)$$

$$\therefore 5^y = k \Rightarrow 5 = k^{1/y} \quad \dots(2)$$

$$\text{and } 30^z = k \Rightarrow 30 = k^{1/z} \quad \dots(3)$$

$$\therefore 6 \times 5 = 30$$

$$(k^{1/x})(k^{1/y}) = (k^{1/z})$$

$$k^{1/x+1/y} = k^{1/z}$$

$$\text{Hence } \frac{1}{x} + \frac{1}{y} = \frac{1}{z}$$

$$\Rightarrow \frac{y+x}{xy} = \frac{1}{z}$$

$$\Rightarrow z = \left(\frac{xy}{x+y} \right)$$

(77) Ans. b

Explanation:

$$\frac{6^{n+2} - 30 \times 6^{n-1}}{6^n \times 10}$$

$$\Rightarrow \frac{6^n \cdot 6^2 - 5 \times 6 \times 6^n \cdot 6^{-1}}{6^n \times 10}$$

$$\Rightarrow \frac{6^n [36 - 5]}{6^n \times 10}$$

$$\Rightarrow \frac{31}{10} \text{ Ans.}$$

(78) Ans. a

Explanation:

$$\text{Given } A + B + C = 385$$

$$\text{again } A = \frac{2}{9}(B+C)$$

$$\Rightarrow \frac{9A}{2} = B+C$$

$$\text{So } A + \frac{9A}{2} = 385$$

$$\frac{11A}{2} = 385$$

$$A = 70$$

(79) Ans. b

Explanation:

$$3a = 4b \text{ and } 5c = 2b$$

$$\text{or } 3a = 4b = 10c \quad (\text{multiply } 5c = 2b \text{ by } 2 \text{ and then put equal})$$

$$\text{Let } 3a = 4b = 10c = k$$

$$a = k/3, \quad b = k/4, \quad c = k/10$$

$$\text{and Ratio is } \frac{k}{3} : \frac{k}{4} : \frac{k}{10} \text{ or } 20:15:6$$

$$\text{so } a : c \text{ is } \boxed{10:3}$$

(80) Ans. b

Explanation:

$$\left(\sqrt{x} - \frac{1}{\sqrt{x}}\right)^2 = x + \frac{1}{x} - 2 = 3 + 2\sqrt{2} + 3 - 2\sqrt{2} - 2$$

$$\left(\sqrt{x} - \frac{1}{\sqrt{x}}\right)^2 = 4$$

$$\left(\sqrt{x} - \frac{1}{\sqrt{x}}\right) = 2$$

(81) Ans. c

Explanation:

$$\left(\frac{x+2}{x+1}\right)\left(\frac{x+3}{x+2}\right)\left(\frac{x+4}{x+3}\right)\left(\frac{x+5}{x+4}\right)$$

$$\frac{x+5}{x+1}$$

(82) Ans. c

Explanation:

$$a:b = b:c$$

$$b^2 = ac$$

$$a^4 : (b^2)^2$$

$$a^4 : (ac)^2$$

$$a^4 : a^2c^2$$

$$a^2 : c^2$$

(83) Ans. d

Explanation:

$$(a^3 + b^3), (a^2 - ab + b^2), (a - b), x$$

$$(a^3 + b^3)x = (a^2 - ab + b^2)(a - b)$$

$$x = \frac{(a^2 - ab + b^2)(a - b)}{(a^3 + b^3)}$$

$$x = \frac{(a^2 - ab + b^2)(a - b)}{(a + b)(a^2 - ab + b^2)}$$

$$x = \frac{a - b}{a + b}$$

(84) Ans. a

Explanation:

Income	Expenditure	Saving
100	75	25
120	82.5	37.5

$$\text{His savings are increased by} = \frac{12.5}{25} \times 100 = 50\%$$

(85) Ans: (c)

Explanation:

Let the no. of deer and peacocks are x and y

$$x + y = 80 \dots\dots\dots(i)$$

$$4x + 2y = 200 \dots\dots\dots(ii)$$

By solving the eqⁿ (i) and eqⁿ(ii)

$$y = 60$$

(86) Ans. b

Explanation:

$$16 \left(\frac{a-x}{a+x} \right)^3 = \frac{a+x}{a-x}$$

$$\left(\frac{a-x}{a+x} \right)^4 = \left(\frac{1}{2} \right)^4$$

$$\frac{a-x}{a+x} = \frac{1}{2}$$

$$\Rightarrow 2a - 2x = a + x$$

$$a = 3x$$

$$\therefore x = \frac{a}{3}$$

(87) Ans. d

Explanation: Let the sides of a triangle are in $6x, 4x$ and $3x$

$$\text{Then } 6x + 4x + 3x = 52$$

$$x = 4$$

$$\text{The length of the smallest side} = 3 \times 4 = 12 \text{ cm}$$

(88) Ans. c

Explanation:

Let x years be the present age of the man and sum of the present ages of the two sons be y years.

By the condition $x = 3y$ (i)
 and $x + 5 = 2(y + 5 + 5)$ (ii)
 From (i) & (ii) $3y + 5 = 2(y + 10)$
 or $3y + 5 = 2y + 20$
 or $3y - 2y = 20 - 5$
 or $y = 15$
 $\therefore x = 3 \times y = 3 \times 15 = 45$
 Hence the present age of the man is 45 years.

(89) Ans. b

Explanation:

Quartile deviation does not depend on extreme values. So quartile deviation can be calculated for open end classes.

(90) Ans. b

Explanation:

$$\text{Standard Deviation } (\sigma) = \sqrt{\text{Variance}}$$

$$= \sqrt{100} = 10$$

$$\therefore \text{Mode} = 3 \text{ Median} - 2 \text{ Mean}$$

$$29 = (3 \times 23) - 2 \text{ Mean}$$

$$\text{Mean} = (69 - 29) / 2 = 20$$

$$\therefore \text{Coefficient of variation (CV)} = \frac{\sigma}{\bar{X}} \times 100$$

$$\therefore \text{CV} = \frac{10}{20} \times 100 = 50\%$$

(91) Ans. a

Explanation:

Arrange the data in ascending order:

$$x/5, x/3, x/2, x$$

M = Simple Average of two middle terms

$$M = \frac{\frac{x}{2} + \frac{x}{3}}{2} = 10$$

$$\frac{x}{2} + \frac{x}{3} = 20$$

$$\frac{5x}{6} = 20$$

$$x = 24$$

(92) Ans. b

Explanation:

$$n = 32, \sigma = 5, \Sigma x = 80$$

$$\sigma = \sqrt{\frac{\Sigma x^2}{n} - (\bar{x})^2}$$

$$(5)^2 = \frac{\Sigma x^2}{32} - 6.25$$

$$\Sigma x^2 = 1000$$

(93) Ans. a
Explanation :

$$\text{Average Speed} = \frac{100}{\frac{60}{30} + \frac{20}{20} + \frac{20}{10}} = 20 \text{ km / hr.}$$

(94) Ans. b
Explanation:

$$\text{G.M.} = (2 \times 2^2 \times 2^3 \times 2^4 \times 2^5 \times 2^6)^{1/6}$$

$$= 2^{7/2}$$

(95) Ans. a
Explanation:

(96) Ans. c
Explanation: $q_1 = 104$, $QD = 26$
 $QD = \frac{Q_3 - Q_1}{2}$
 $Q_3 = 26 \times 2 + 104 = 156$

(97) Ans. a
Explanation:
 A.M. = $(16 + 4)/2 = 10$
 G.M. = $\sqrt{16 \times 4} = 8$
 H.m. = $\frac{2 \times 16 \times 4}{16 + 4} = 6.4$

(98) Ans: a
Explanation:
 The revised salary = $50 \times 5850 - 8600 - 5400 - 6800 - 4500 = 289800$
 The revised average salary = $\frac{289800}{50} = 5796$

(99) Ans. d
Explanation:
 $n = 25$
 $A = 45$
 $\Sigma d = -55$
 $\bar{x} = A + \frac{\Sigma d}{n}$
 $= 42.8$

(100) Ans. b
Explanation:
 Given x takes $x_1, x_2, \dots, x_{10}, -x_1, -x_2, \dots, -x_{10}$

$$\therefore \sum_{i=1}^{20} x_i = 0$$

and given $\sum_{i=1}^{20} x_i^2 = 40$

$$\begin{aligned} \therefore \text{S.D. of } x &= \sqrt{\frac{\sum_{i=1}^{20} x_i^2}{n} - \left(\frac{\sum_{i=1}^{20} x_i}{n}\right)^2} \\ &= \sqrt{\frac{40}{20} - \left(\frac{0}{20}\right)^2} = \sqrt{2} \end{aligned}$$
