

- (1) Ans. a
 Explanation:
 Normal Loss is a part of production so its cost is to be borne by remaining goods unit in given question total cost of Rs.
 10000 Litre @ 100 = 10,00,000
 Freight 8000
 Total Cost 1008000
 is treated cost of 9000 litre and out of 8000 litre sold. So Value of remaining 1,000 litre calculate as under.

$$\frac{1008000}{9000} \times 1000 = 112000 \text{ Ans.}$$

- (2) Ans. d
 Explanation:

Consignment A/c At cost

To Goods on Consignment	100,000	By Deepak [Sale]	100,000
To Cash [consignor exp.] (6,000 + 2,000)	8000	By value of stock	29,500
To Deepak [consignee exp.]	16000	With Deepak	
To Deepak [Comm[2% on 100,000]	2000		
To P & L Acc. (profit)	3500		
	129500		129500

Value of Stock	
Purchase cost 100,000 × ¼ =	25000
Consignor Exp. 8000 × ¼ =	2000
Consignee non selling exp. 10,000 × ¼ =	2500
	29500

- (3) Ans. a
 Explanation:
 To promote credit sale consignors pay consignee commission known as delectre commission.
- (4) Ans. c
 Explanation:
 Consignment A/c Show Profit / Loss on consignment so nature of this A/c is nominal
- (5) Ans. b
 Explanation :
 Suppose Invoice Price Rs. 100,
 Profit @ 20% i.e. Rs. 20,
 Cost = Rs. 80,

$$\text{Profit on cost} = \frac{20}{80} \times 100 = 25\%$$
 Cost = Rs. 1,20,000,

$$\text{Profit @ 25% i.e. } 1,20,000 \times \frac{25}{100} = \text{Rs. } 30,000$$

- (6) Ans. d
Explanation:
Expenses = 50000+1400+2800+5600 = Rs. 59800
- (7) Ans. d
Explanation:
Let IP = 100
SP = 100 + 10% = Rs. 110
IP of goods sold = $\frac{352000}{110} \times 100 = Rs. 320000$
Total goods = 320000 × 2 = Rs. 640000
Let CP = 100
IP = 100 + 25% = 125
 $Cost = \frac{640000}{125} \times 100 = Rs. 512000$
- (8) Ans. a
Explanation:
After providing Del crede commission liability of bad debts is to be bear by consignee
- (9) Ans. a
Explanation:
Depreciation on straight line basis = $\frac{15,00,000}{15} = 1,00,000$
So Rs. 1,00,000 depreciation for each year
Now revalued by Rs. 3,00,000
So depreciation On revalued amount = 3,00,000/12 = 25,000
Total dep. For the year 2006 = 100000 + 25000 = 1,25,000
- (10) Ans. b
Explanation:
Depreciation = $\frac{5,200 - 200}{10} = Rs. 500$
Balance in first year = 5200-500 = 4700
Balance in second year = 4700-500 = 4200
Balance in third year = 4200-500 = 3700
- (11) Ans. a
Explanation:
Depreciation on office furniture
8000 × 5% = 400
Depreciation on machine
 $\frac{10}{100} \times 80000 = 8000$
Depreciation on factory building
 $2,00,000 \times \frac{5}{100} = 10,000$
= 18,400

(12) Ans. d
Explanation:

Purchase cost =		Rs. 50,000
(+) Shipping and forecasting charges =	=	2,000
(+) Import duty =		1,000
(+) Carriage Inwards =		1,000
(+) Repair Charges =		500
(+) Installation Charges =		200
(+) Brokerage =		400
(+) Iron Paid =		<u>100</u>
		<u>55,200</u>

(13) Ans. a
Explanation :
Cost of Boiler: -

	Rs.	Cost	20000
Purchase Cost	10000	(-) Dep. 1 st Year @10% p.a.	2000
Add: Shipping and forwarding charges	2000	WDV	18000
Import Duty	7000	(-) Dep 2 nd year @ 10% p.a.	1800
Installation exp.	1000	WDV	16200
Total Cost	20000	(-) Dep 3 rd year @ 10% p.a.	1620
		WDV . or closing balance	14580

(14) Ans. a
Explanation :
Depreciable value = Cost – scrap value.
Depreciation = $\frac{5000 \text{ units}}{60,000 \text{ units}} \times (63000 - 3000) = \text{Rs.}5000$

(15) Ans. b
Explanation :

Depreciation on machinery = $10,000 \times 10\% \times \frac{3}{12} = 250$

Depreciation on furniture = $20,000 \times 5\% \times \frac{3}{12} = 250$

Total Depreciation → 250 + 250 = Rs. 500

(16) Ans. c
Explanation:

Value as 1/4/13 =	Rs. 120000
Less: Depreciation for F.Y. 2013-14 (120000 × 20%)	<u>(24000)</u>
Value as on 1/4/14	<u>96000</u>
Less: Depreciation for F.Y. 2014-15 96000 × 20% × 6/12 =	<u>(9600)</u>
Value as on 30/9/14 =	<u>86400</u>
Sale price	Rs. 60000
Loss : 86400-60000 =	Rs. 26400

- (17) Ans. c
 Explanation:
 % profit on cost, on goods sold

$$= \frac{240000 - 160000}{160000} \times 100 = 50\%$$
 Cost of remaining stock =
 Total cost of purchase - Cost of goods sold
 $240000 - 160000 = 80000$
 Sales value of goods taken over
 $= 80000 + (50\% \text{ of } 80,000) = \text{Rs. } 120000$
- (18) Ans. b
 Explanation:
 Joint venture A/c is credited with the agreed value of stock taken over by co-venturer i.e. Rs. 15000
- (19) Ans. a
 Explanation:
 When each co-ventures record only his own transactions and no separate set of books of A/c is maintained, to find out profit or loss, memorandum joint ventures A/c is prepared.
- (20) Ans. a
 Explanation:
 Profit = Sales Value of price of land - purchase price of piece of land = 60000 - 30000 = Rs. 30000
- (21) Ans. a
 Explanation:
 Generally when size of venture is big the co venture keep separate set of accounts for joint venture transactions.
- (22) Ans. b
 Explanation:
 Value of 10 kg as under
 $\frac{\text{Purchase price } 10 \text{ kg}}{20} \times 20 = 200$
 Exp.

$$\frac{500}{100} \times 10 = \frac{50}{250} \text{ Ans.}$$
- (23) Ans. d
 Explanation:
 Stock Reserve Account is not opened in joint venture this A/c open in consignment A/c
- (24) Ans. b
 Explanation:
 Profit on sales = 80000 - 60000 = 20000

$$\% \text{ profit on cost} = \frac{20000}{60000} \times 100 = 33\frac{1}{3}\%$$
 Cost of remaining stock = 70000 - 60000 = 10000

Sales value of remaining stock
 $= 10000 + 33\frac{1}{3}\% \text{ of } 10000 = 13333$

(25) Ans. a

Explanation:

13000

Bank overdraft as per cash book	15,000
Add: Cheque deposited but not cleared	4,000
Less: Cheque issued but not cashed	6,000
Bank overdraft as per bank statement	13,000

(26) Ans. b

Explanation:

Rs. 16000

Dr. Balance as per Cash Book	15,000
Add: Cheque issued but not presented	2,000
Less: Cheque deposited but not cleared	1,000
Balance as per pass book	16,000

(27) Ans. a

Explanation:

Added by Rs. 300

As bank has added charges of Rs. 300 twice and cash book has recorded charges only once so bank overdraft as per bank statement is more than bank overdraft as per cash book by Rs. 300. So to arrive at overdraft balance as per pass book we have to add Rs. 300 in overdraft balance as per cash book.

(28) Ans. c

Explanation:

Bill is after sight bill

Acceptance is on 17 April, 09.

Due date = 17 April, 09 + 30 days = 20 May, 09

(29) Ans. d

(30) Ans. c

Solution: Amount Due = 60500 + 500 = Rs. 61000

Amount Payable = 61000 - 2% = Rs. 59780

(31) Ans. c

Explanation: Must be illusory.

(32) Ans. b

Explanation: Something in return.

(33) Ans. c

Explanation: Doing or abstaining from doing something at the desire of the promisor

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- (34) Ans. a
Explanation: is discharged
- (35) Ans. d
Explanation: Cancellation of the existing contract.
- (36) Ans. a
Explanation: Voidable at the option of the other party
- (37) Ans. d
Explanation: All of the above are incorrect.
- (38) Ans. c
Explanation: Can sue any one of them for the entire promise
- (39) Ans. c
Explanation: Exercise option either (a) OR (b) is available
- (40) Ans. c
Explanation: Remote damages
- (41) Ans. c
Explanation: Suit for Specific Performance
- (42) Ans. d
Explanation: Nominal damages
- (43) Ans. c
Explanation: Valid
- (44) Ans. a
Explanation: Can be enforced by B
- (45) Ans. b
Explanation: Void
- (46) Ans. b
Explanation: A contingent contract
- (47) Ans. a
Explanation: Collateral and Uncertain
- (48) Ans. b
Explanation: B has made a counter offer to A
- (49) Ans. a
Explanation: Which is made by words either spoken or written
- (50) Ans. c
Explanation: Voidable contract

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- (51) Ans. b
Explanation:
Utility hypothesis forms the basis for the theory of consumer's behaviour, because utility of good determines that a consumer will purchase the good or not.
- (52) Ans. d
Explanation:
The slope of IC curve is MRS_{xy} which is equal to
$$\frac{MU_x}{MU_y} [MU_x : MU_y]$$
- (53) Ans. c
Explanation:
Because this is known as MRS_{xy} . Marginal rate of good X for good Y always diminishes.
- (54) Ans. b
- (55) Ans. a
- (56) Ans. a
- (57) Ans. b
- (58) Ans. c
- (59) Ans. a
- (60) Ans. a
- (61) Ans. c
- (62) Ans. b
- (63) Ans. c

(64) Ans. a

(65) Ans. c

(66) Ans. b

(67) Ans. d

Explanation:

According to Marshall, "Utility is measurable in terms of money".

(68) Ans. c

Explanation:

According to this approach consumer derives equal satisfaction out of different combination of two goods.

(69) Ans. a

Explanation:

Because more units of goods consumed by the consumer.

(70) Ans. a

Explanation:

Because in case of perfect substitute goods, MRS_{xy} is constant.

(71) Ans. a

Explanation:

Indifference curves slope downward left to right because MRS_{xy} always decreases.

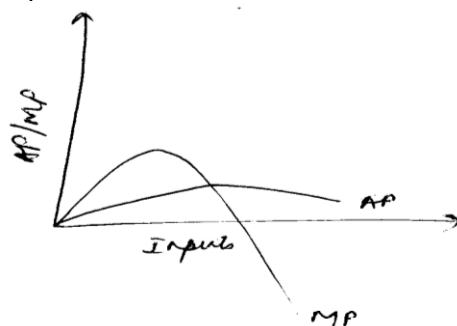
(72) Ans. d

Explanation:

Since increasing returns leads to saving at every level hence it is called economies of scale.

(73) Ans. d

Explanation:



As when AP falls, MP also falls but $MP < AP$

(74) Ans. c
 Explanation:
 Production function refers to the physical relationship between input & output.

(75) Ans. a
 Explanation:
 In labour surplus economy labour will be available in abundance.

(76) Explanation : (c)

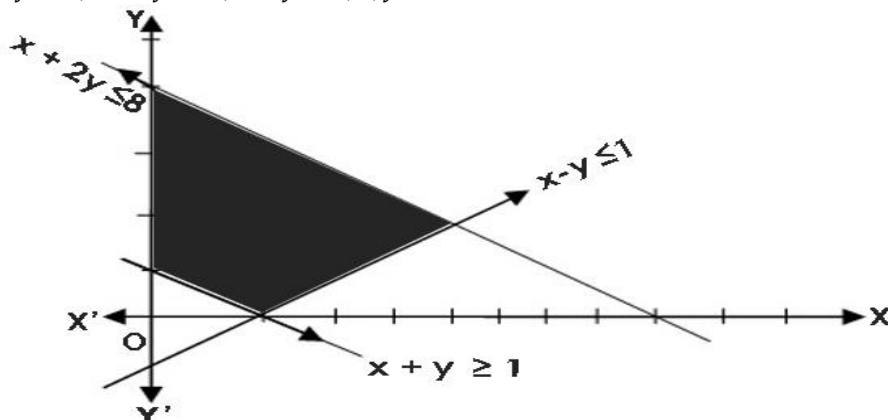
$$\frac{25x}{100} + \frac{10 \times 2x}{100} + \frac{5 \times 3x}{100} = 30$$

$$: x = 50$$
 then the number of 5 p coins = $3 \times 50 = 150$

(77) Ans. B
 Explanation: The points (X_1, Y_1) , (X_2, Y_2) and (X_3, Y_3) will be collinear if.
 $X_1(Y_2 - Y_3) + X_2(Y_3 - Y_1) + X_3(Y_1 - Y_2) = 0$
 $a(b-1) + 0(1-0) + 1(0-b) = 0$
 $ab - a - b = 0$
 $\frac{1}{a} + \frac{1}{b} = 1$

(78) Ans. C
 Explanation:
 $= \log(1+2+3) = \log 6$
 $= \log(1 \times 2 \times 3)$
 $= \log 1 + \log 2 + \log 3$

(79) Ans. c
 Explanation:
 The linear constraints for which the shaded region in the given figure is the solution set, are
 $x - y \leq 1; x + 2y \leq 8; x + y \geq 1; x, y \geq 0$



(80) Ans. C

Explanation:

Let the total Capital be Rs. X

$$\text{Then } \left(\frac{X}{3} \times \frac{7}{100} \times 1\right) + \left(\frac{X}{4} \times \frac{8}{100} \times 1\right) + \left(\frac{5X}{12} \times \frac{10}{100} \times 1\right) = 561$$

$$X = 6600$$

(81) Ans. a

Explanation:

$$\begin{aligned} A &= \frac{R}{r} \left[(1+r)^n - 1 \right] \\ &= \frac{6000}{0.09} \left[(1+0.09)^8 - 1 \right] \\ &= \text{Rs. } 66170.84 \end{aligned}$$

(82) Ans. a

Explanation:

First Time

$$A = 3x$$

$$P = x$$

$$n = 6$$

$$\therefore 3x = x \left[1 + \frac{r}{100} \right]^6$$

$$3 = \left[1 + \frac{r}{100} \right]^6$$

Second Time

$$A = 27x$$

$$P = x$$

$$n = ?$$

$$27x = x \left[1 + \frac{r}{100} \right]^n$$

$$(3)^3 = \left[1 + \frac{r}{100} \right]^n$$

$$\left\{ \left[1 + \frac{r}{100} \right]^6 \right\}^3 = \left(1 + \frac{r}{100} \right)^n$$

$$\left(1 + \frac{r}{100} \right)^{18} = \left(1 + \frac{r}{100} \right)^n \Rightarrow n = 18$$

(83) Ans. b

Explanation:

$${}^{n+2}C_r = {}^{n+2}C_{10-r}$$

$$\text{or } n+2 = r+10-r$$

$$\text{or } n = 8$$

$$\text{then } {}_8C_6 = \boxed{28}$$

(84) Ans. C

Explanation:

We have DRCTR IEO

$$= \frac{6! \times 3!}{2!} = 2160$$

(85) Ans. D

Explanation:

$$\text{Required number of numbers} = 5 \times 4 \times 1 = 20$$

(86) Ans. (C)

$$\text{Here } 5^{x+1} + 5^{2-x} = 125 + 1 = 126.$$

$$\text{or } 5^x \cdot 5 + 5^2 \cdot 5^{-x} = 126.$$

$$\text{Put } 5^x = y \text{ so that (1) becomes : } 5y + \frac{25}{y} = 126 \Rightarrow 5y^2 - 126y + 25 = 0$$

$$\text{or } 5y^2 - 125y - y + 25 = 0 \text{ or } 5y(y - 25) - 1(y - 25) = 0$$

$$(y - 25)(5y - 1) = 0 \Rightarrow y = 25, y = 1/5$$

$$\text{When } y = 25. \text{ Then } 5^x = 25 \Rightarrow 5^x = 5^2 \Rightarrow x = 2.$$

$$\text{When } y = 1/5, \text{ then } 5^x = 1/5 = 5^{-1} \Rightarrow x = -1.$$

Hence the solution set is $(-1, 2)$.

(87) Explanation: (a)

$$\frac{A}{B} = \frac{2}{3}, \frac{B}{C} = \frac{1}{4}$$

$$A:B:C = 2:3:12$$

$$A's \text{ share} = \text{Rs. } 510 \times \frac{2}{17} = \text{Rs. } 60$$

(88) Ans. D

Explanation:

$$\begin{aligned} \text{No. of ways} &= 7C_4 \times 3C_2 + 7C_3 \times 3C_3 \\ &= 105 + 35 = 140 \end{aligned}$$

(89) Ans. b

Explanation:

When $r = \pm 1$ angle between the regression lines is 00, so lines are Coincide.

(90) Ans. b

Explanation:

$$\text{We know that if } u = \frac{x-a}{b} \text{ and } v = \frac{y-c}{d}, \text{ then } r_{xy} = \frac{bd}{|b||d|} r_{uv}$$

$$u = -5x + 6 = \frac{x - 6/5}{(-1/5)}, v = \frac{(y - 20/3)}{(7/3)}$$

$$\text{Here } b = -1/5, d = 7/3$$

Since $b = -1/5$ and $d = 7/3$ are of opposite sign, so $r_{uv} = -r_{xy} = -0.58$.

(91) Ans. c

(92) Ans. c

(93) Ans. b

Explanation:

$$r = \frac{\text{Cov}(x,y)}{\sqrt{\text{Var}(x)\text{Var}(y)}} = \frac{-16.5}{\sqrt{2.89 \times 100}}$$

$$= \frac{-16.5}{\sqrt{289}} = -\frac{16.5}{17} = -0.97.$$

(94) Ans. a

(95) Ans. a

Explanation:

$$r = \sqrt{b_{xy} \times b_{yx}}$$

$$0.75 = \sqrt{\frac{5}{4} \times b_{xy}}$$

$$\frac{0.5625 \times 4}{5} = b_{xy}$$

$$b_{xy} = 0.45$$

(96) Ans: b

Explanation:

$$r = \frac{\sum dx dy}{n \cdot \sigma_x \cdot \sigma_y}$$

$$\therefore \frac{\sum dx dy}{n} = r \cdot \sigma_x \cdot \sigma_y$$

$$0.5 = \frac{120}{n \cdot \frac{90}{n} \cdot 8}$$

$$n = 10$$

(97) Ans. c

Explanation:

Year	Price	Quantity
1990	100%	160% = 1.60
2000	100%	70% = 0.70

$\therefore \text{Value} = \text{Price} \times \text{Quantity}$

$\therefore V_{1990,2000} = (1.60 \times 0.70) \times 100$

$= 112\%$

$\therefore +12\%$ Value will be changed.

(98) Ans. c

Explanation:

Hence we are given the following data :

Year	Cost of living index	Wages
1990	100	900
1993	170	?

Projected wages of a worker in 1993

$$= \frac{\text{Income in 1990} \times \text{Cost of living index in 1993}}{\text{Cost of living index in 1990}}$$

$$= \frac{900 \times 170}{100} = \text{Rs.1530}$$

His extra income during 1993 should be

$$= 12 \times (1530 - 900) \text{ rupees}$$

$$= \text{Rs. } (12 \times 630) = \text{Rs. 7560}$$

(99) Ans. b

Explanation :

$$\frac{L}{P} = \frac{\frac{\sum p_1 q_0}{\sum p_0 q_0}}{\frac{\sum p_1 q_1}{\sum p_0 q_1}} = \frac{\frac{20 + 5x}{15}}{\frac{10 + 2x}{7}} = \frac{28}{27}$$

$$= \frac{140 + 35x}{150 + 30x} = \frac{28}{27}$$

$$x = 4$$

(100) Ans. b

Explanation:

Chain index number for

$$1993 : \frac{103 \times 100}{100} = 103$$

$$1994 : \frac{103 \times 105}{100} = 108.15$$

$$1995 : \frac{108.15 \times 112}{100} = 121.13$$

$$1996 : \frac{121.13 \times 108}{100} = 130.82$$
