

## CA CPT Account Test : Bills of Exchange

Test ID :156

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### Instruction for Question 1 To 100 MCQ

- Qn.1) Mr. A and Mr. B are in the need of money. A draws bill on B for Rs. 1000. B accepts the bill and returns it to A. A discounts the bill for Rs. 960. A remits half of the proceeds to Mr. B i.e.** [1]  
A. 500 B. 1000 C. 960 D. 480
- Qn.2) Under which circumstances drawer and payee is same person** [1]  
A. When drawer discounted the bill with banker B. When drawer endorse the bill to the third party C. When drawer held the bill till maturity D. When drawee rejects to accept the bill
- Qn.3) When the bill are to be produced to notary public:** [1]  
A. At the time of drawing the bill B. At the time of acceptance of the bill C. At the time of dishonour of the bill D. At the time of "bill for collection"
- Qn.4) On June 5, 2005 X he draws a bill at three months on Y for Rs. 5000 against sale of goods. Y accepts the bill. In the books of X, the entry will be –** [1]  
A. 5-6-2005  
Y Dr. 5000; To Bills Receivable A/c 5000  
B. 5-9-2005  
Y Dr. 5000; To Bills Payable A/c 5000  
C. 5-6-2005  
Y Dr. 5000; To Sales A/c 5000  
D. 5-6-2005  
Bills Receivable A/c Dr. 5000; To Y 5000
- Qn.5) A draws a bill for Rs. 10,000 on B for 2 months. He gets it discounted from bank @ 12%. They agreed to share the proceeds equally. How much amount is received by A?** [1]  
A. Rs. 5,000 B. Rs. 4,900 C. Rs. 4,000 D. None of the above
- Qn.6) On 1.1.05 X draws a bill on Y for Rs. 50,000 for 3 months. X got the bill discounted on 4.4.05 at 12% rate. The amount of discount on bill will be:** [1]  
A. 1500 B. 1600 C. 1800 D. 1450
- Qn.7) On 1.1.05 X draws a bill on Y for Rs. 10,000. At maturity Y request X to renew the bill for 2 months at 12% P.a interest. Amount of interest will be:** [1]  
A. 200 B. 150 C. 180 D. 190
- Qn.8) If a bill of exchange is drawn on 23.10.2005, stating that three months after date, pay to ABC, the sum of Rupees XXXX, the due date of the bill is –** [1]  
A. 26.1.2006 B. 25.1.2006 C. 23.1.2006 D. 24.1.2006
- Qn.9) Which of the following instrument is not a negotiable instrument:** [1]  
A. Bearer cheque B. Promissory note C. Bill of exchange D. Crossed cheque
- Qn.10) Mr. A draws a bill on Mr. B for Rs. 1000. Mr. B accepts and returns to Mr. A. Mr. A discounted the bill for Rs. 960. Mr. A. remitted half of the proceeds to Mr. B. i.e. Rs. 480 (i.e. 500 – 20, B's share of discount). Before the due date, both were still in need of money and hence could not manage own share of amount. But to honour the first bill and for further accommodation, Mr. B draws a new bill on Mr. A for Rs. 1500. Mr. A accepts the new bill and returns to Mr. b. Mr. B discounts the new bill with his bank at R.s 1440 (Discount Rs. 60). Out of the proceeds of 2nd bill, Mr. B honours the 1st bill. From the balance amount Mr. B remits ½ to Mr. A after deducting proportionate discount. B remits** [1]  
A. Rs. 500 B. Rs. 480 C. Rs. 720 D. Rs. 220
- Qn.11) A bill of exchange requires:** [1]  
A. Noting B. Registration C. Acceptance D. None of the above
- Qn.12) The promissory note should be signed by:** [1]  
A. Drawer B. Drawee C. Payee D. Promiser
- Qn.13) S draws 2 bills of exchange on 1.1.06 for Rs. 3,000 and Rs. 5,000 respectively. The bill of exchange** [1]

for Rs. 3,000 is for 2 months, while the bill of exchange for Rs. 5,000 is for 3 months. These bills are accepted by K. On 4.3.06 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 20.03.06 K retires the acceptance for Rs. 5000 the interest rebate i.e. discount being Rs. 50. 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. 1236 B. 1854 C. 3090 D. 3000

- Qn.14)** On 18.02.05 A draw a bill on B for Rs. 10,000. B accepted the bill on 21.02.05. The bill is drawn for 30 days after sight. The due date of the bill will be: [1]  
A. 24.3.05 B. 22.3.05 C. 26.3.05 D. 21.3.05
- Qn.15)** Out of the following bills, bill after date is [1]  
A. Pay B Rs. 500 at sight B. Pay B Rs. 500 after sight C. Pay B Rs. 500 on presentment D. None of these
- Qn.16)** Nanda informs Kamesh that Shanti's acceptance for Rs. 4000 endorsed to Nanda has been dishonored. Noting charges Rs. 100. In the books of Kamesh, the following entry will be passed – [1]  
A. Nanda Dr. 4100; To Shanti 4100 B. Bills payable Dr. 4100; To bills receivable 4100 C. Shanti Dr. 4100; To Nanda 4100 D. Shanti Dr. 4000; Noting charges Dr. 100; To Nanda 4100
- Qn.17)** On 1.1.2005 X draws a bill on Y for Rs. 30,000 for 3 months. At maturity Y requests X to accept Rs. 10,000 in cash and for balance to draw a fresh bill for 2 months together with 12% p.a. interest, amount of interest will be: [1]  
A. Rs. 400 B. Rs. 600 C. Rs. 480 D. Rs. 760
- Qn.18)** Who bears the interest charges on renewal of a bill of exchange on dishonourment? [1]  
A. Drawer B. Payee C. Drawee D. Endorsee
- Qn.19)** Endorsement of bill means: [1]  
A. Transfer of right on the bill from the drawee to the creditors B. Transfer of right on the bill from the creditors to the drawee C. Transfer of right on the bill from the drawer to the creditors D. Transfer of right on the bill from the creditors to the drawer
- Qn.20)** A draws a bill for Rs. 15,000 which is accepted by B. They agree to share the proceeds in the ratio of 3 : 2. A discounts the bill with the bank at 10% p.a., maturity 2 months. What amount will be remitted by A to B after discounting the bill? [1]  
A. Rs. 6,000 B. Rs. 7,500 C. Rs. 5,900 D. Rs. 7,375
- Qn.21)** When an endorsed bill is dishonoured, for the endorsee, it becomes the liability [1]  
A. of the drawee B. of the drawer C. of the payee D. of the endorser
- Qn.22)** If bill drawn on 3rd July, 2006 for 40 days, payment must be made on \_\_\_\_\_ [1]  
A. 16th. Aug. 2006 B. 15th. Aug. 2006 C. 12th. Aug. 2006 D. 14th. Aug. 2006
- Qn.23)** In case of sudden holiday, maturity date falls on: [1]  
A. Next following day B. Previous day C. On the same day D. None of the above
- Qn.24)** P sold goods to Q for Rs. 2,00,000. Q paid cash Rs.60,000, P allowed a discount of 2% on the balance. What is the amount of the bill drawn by P on Q. [1]  
A. 1,96,000 B. 1,37,200 C. 1,40,000 D. 1,36,000
- Qn.25)** On 1.3.2006 X draws a bill on Y for 3 months for Rs. 20,000 on 4.5.2006 Y pays the bill of X at 12% discount, the Amount of discount will be: [1]  
A. 200 B. 400 C. 600 D. 100
- Qn.26)** Till the discounted bill is paid by the acceptor, it remains [1]  
A. a contingent liability for the acceptor B. a contingent liability for the drawer C. a contingent liability for the bank D. a liability for the drawer
- Qn.27)** The purpose of accommodation bill is: [1]  
A. To finance actual purchase or sale of goods B. To facilitate trade transmission C. When both parties are in need of funds D. At will
- Qn.28)** "Liability on account of bills discounted with Bank" will be treated as: [1]

A. Not a liability B. Current liability C. Deferred liability D. Contingent liability

- Qn.29) The Noting charges levied on dishonour of an endorsed bill by the Notary Public are to be born by:** [1]  
A. Drawer of the bill B. Holder of the bill C. Endorser of the bill D. Person responsible for dishonour
- Qn.30) Who is the acceptor of "Bill of Exchange"?** [1]  
A. Debtor B. Creditor C. Seller D. None of the above
- Qn.31) X draws a bill on Y for Rs. 20,000 on 1.1.05 for 3 months after sight, date of acceptance is 6.1.05. Due date of the bill will be** [1]  
A. 8.1.05 B. 9.4.05 C. 10.1.05 D. 11.1.05
- Qn.32) A draws bill on B for Rs. 1000. B accepts and returns it to A. Mr. A discounted the bill for Rs. 960. Mr. A used money. Before / on the due date Mr. A sends to Mr. B.** [1]  
A. Rs. 1000 B. Rs. 960 C. Rs. 1960 D. None of these
- Qn.33) M sold goods worth of Rs. 50,000 to N. On 1.10.05, N immediately accepted a three month bill. On due date N requested that the bill be renewed for a fresh period of 3 months. N agrees to pay interest @ 18% p.a in cash. How much interest to be paid in cash by N?** [1]  
A. 2250 B. 1800 C. 2000 D. 1100
- Qn.34) A draws a bill on B for Rs. 50,000 for 3 months. At maturity, the bill returned dishonoured, noting charges Rs. 500. 40 paise in a rupee is recovered from B's estate. The amount of deficiency to be recorded on insolvency in the books of B will be** [1]  
A. Rs. 20,200 B. Rs. 30,300 C. Rs. 19,800 D. Rs. 19,000
- Qn.35) A bill of Rs. 12,500 drawn by Shyam is accepted by Ram & Shyam gets its discounted @ 12% p.a. due 3 months hence. The discounting charges borne by Shyam is:** [1]  
A. Rs. 375 B. Rs. 1,500 C. Rs. 250 D. Rs. 1,000
- Qn.36) In each of the following, one is correct. Indicate the correct answer. On 1.4.09, X drew bill of Rs. 1,00,000 after sight for 3 months on Y who accepted the bill on 1.5.09. On 4.6.09, the bill was discounted at 12% pa. At maturity, the bill returned dishonoured, due to Y's insolvency, noting charges Rs. 500 and 40 paise in a rupee is recovered from Y's estate. The amount of deficiency in Y's books will be** [1]  
A. Rs. 60,000 B. Rs. 40,000 C. Rs. 60,300 D. Rs. 40,200
- Qn.37) Suman drew a bill on Sonu for Rs. 4500 for mutual accommodation in the ratio 2:1. Sonu accepted the bill and returned to Suman. Suman discounted the bill for Rs. 4230 and remitted 1/3rd proceeds to Sonu. Before the due date, not having funds to meet the bill, Sonu drew a bill on Suman for Rs. 6,300 on the same terms as to mutual accommodation. The second bill was discounted for Rs. 6120. The first bill was honored on the due date and a net amount of Rs. 1080 was remitted to Suman by Sonu. The proportionate discount charge on both the bills is to be borne by Suman is:** [1]  
A. 180 B. 150 C. 300 D. 120
- Qn.38) A bill is drawn on 29th Jan' 06 for one month after date. The date of acceptance is 2nd Feb 06. The bill is drawn on one month after date basis. The due date of the bill will be:** [1]  
A. 28th Feb B. 1st March C. 2nd March D. 3rd March
- Qn.39) Pankaj renews his acceptance to Maharaja for Rs. 1200 by paying Rs. 400 in cash and accepting a fresh bill for balance plus interest at 12% p.a. for 3 months. In the books of Maharaja, the entry will be –** [1]  
A. Pankaj Dr. 1224; To Bills receivable A/c 824; To Cash 400 B. Cash A/c Dr. 400; Bills receivable Dr. 824; To Pankaj A/c 1224 C. Cash A/c Dr. 400; Bill receivable A/c Dr. 800; To Pankaj A/c 1200 D. Cash A/c Dr. 400; Bills receivable A/c Dr. 824; To Pankaj A/c 1200; To Discount A/c 24
- Qn.40) How many parties are there in a promissory note?** [1]  
A. 5 B. 4 C. 3 D. 2
- Qn.41) X draws bill on Y. X endorsed the bill to Z. The payee of the bill will be** [1]  
A. X B. Y C. Z D. None
- Qn.42) Noting charges are paid by** [1]  
A. the acceptor B. the payee C. the drawer D.

- Qn.43) From the following information, find out who can draw the bill if Mr. A sold goods to B:** [1]  
A. A will draw a bill on B B. B will draw a bill on A C. None D. Third party will draw a bill on A
- Qn.44) On 1.1.06 Vikas draws a bill of exchange for Rs. 10,000 due for payment after 3 months on Ekta. Ekta accepts to this bill of exchange. On 4.3.05 Ekta retires the bill of exchange at a discount of 12% p.a. Which of the discount is correct for premature payment in the books of Ekta?** [1]  
A. 120 B. 100 C. 140 D. 160
- Qn.45) Dishonour of a bill is recorded in** [1]  
A. Journal Proper B. Sales Book C. Purchase Book D. Bills Receivable Book
- Qn.46) On June 5, 2005 X he draws a bill at three months on Y for Rs. 5000 against sale of goods. Y accepts the bill. On the due date, Y pays cash to X against the bill. In the books of Y, the entry on payment will be –** [1]  
A. 8-9-2005  
Bills payable A/c Dr. 5000; To Cash A/c 5000  
B. 5-6-2005  
Bills payable A/c Dr. 5000; To X 5000  
C. 5-9-2005  
Bills payable A/c Dr. 5000; To cash A/c 5000  
D. 8-9-2005  
X Dr. 5000; To cash A/c 5000
- Qn.47) On 1st January, 2012 Mohan draws upon Sohan a bill of exchange at three months of Rs.2,000 for mutual accommodation. On 4th January, 2012 Mohan discounts the bill @ 6% per annum and sends half of the proceeds to Sohan. The amount of proceeds sent to Sohan will be:** [1]  
A. Rs.1,000 B. Rs.970 C. Rs.985 D. Rs.2,000
- Qn.48) Gouri sold goods to Gupta on 1.6.06 for Rs. 1600. Gupta immediately accepted a three months bill. On due date Gupta requested that the bill be renewed for a fresh period of two months. Gouri agrees provided interest at 9% was paid immediately in cash. What will be the amount of interest in the books of Gouri?** [1]  
A. 20 B. 25 C. 24 D. 28
- Qn.49) Days of grace is** [1]  
A. at maturity on the third day after the day on which it is expressed to be payable B. at maturity on the third day from the day on which it is expressed to be payable C. On the third day from the day on which it is presented for payment. D.
- Qn.50) A bill drawn and accepted on 23rd Oct. 2005, for three months will be due for payment on** [1]  
A. 26th Jan. 2006 B. 23rd Jan. 2006 C. 25th Jan. 2006 D. 27th Jan. 2006
- Qn.51) A bill of exchange is** [1]  
A. drawn on specified banker B. an unconditional undertaking signed by the maker C. an unconditional order signed by the maker D.
- Qn.52) Which of the following accounts is debited in the books of the drawee when the endorsed bill is honoured on due date?** [1]  
A. Endorsee's account B. Bills receivable account C. Bills payable account D.
- Qn.53) Which account is to be credited when an endorsed cheque is dishonoured?** [1]  
A. Debtor B. Bills Receivable C. Endorsee D. Payee
- Qn.54) A draws a bill on B for Rs. 1,00,000. A endorsed the bill to C. The bill return dishonoured. Noting charges Rs. 1,000. B request A to accept the amount at 2% discount by a single cheque. The cheque amount will be** [1]  
A. 98,000 B. 98,980 C. 99,000 D. 99,980
- Qn.55) Preeti accepted a 90 days bill of Rs. 10,000 drawn by Jeet on 5.2.2006. On 13.3.2006 Preeti wished to retire the bill. Jeet offered @ 12% p.a. What is the amount of rebate:** [1]  
A. Rs. 150 B. Rs. 187 C. Rs. 184 D. None
- Qn.56) Bills received discounted by the drawer will be recorded by the drawee in \_\_\_\_** [1]  
A. Journal B. Ledger C. Trial Balance D. No where

- Qn.57) On 1.1.05 X draws a bill on Y for Rs. 30,000. At maturity Y request X to draw a fresh bill for 2 months together with 12% pa interest. Noting charges Rs. 100. The amount of interest will be [1]  
A. 600 B. 602 C. 500 D. 550
- Qn.58) On 1.8.05 X drew a bill on Y “for 30 days after sight”. The date of acceptance is 8.8.05. The due date of the bill will be: [1]  
A. 8.9.05 B. 10.9.05 C. 11.9.05 D. 9.9.05
- Qn.59) If a bill of exchange is drawn on 31.1.2005, stating that one month after date, pay to ABC, the sum of Rupees XXXX, the due date of the bill is – [1]  
A. 28.2.2005 B. 2.3.2005 C. 1.3.2005 D. 3.3.2005
- Qn.60) Which of the following statement is true: [1]  
A. Noting charge is an expense to be borne by drawer B. Noting charges is an expense to be borne by drawee C. Noting charges is an expense to be borne by payee D. Noting charges is an expense to be borne by bank
- Qn.61) If the bill is accepted and the amount is given before the due date (i.e. maturity), then the bill is said to be: [1]  
A. Cancelled B. Accepted C. Retired D. Dishonour
- Qn.62) Ram draws on Aslam a bill for Rs. 60,000 on 1.4.01 for 2 months. Aslam accepts the bill and sends it to Ram who gets it discounted for Rs. 58,800. Ram immediately remits Rs. 19,600 to Aslam. On due date, Ram being unable to remit the amount due accepts a bill for Rs. 84,000 for 2 months which is discounted by Aslam for Rs. 82,200. Aslam sends Rs. 14,800 to Ram out of the same. How much discount will be borne by Ram at the time of 14,800 remittances. [1]  
A. 1200 B. 1800 C. 1100 D. 800
- Qn.63) A cheque is a [1]  
A. promissory note B. cash C. bills of exchange D. None of these
- Qn.64) On 1.1.05 X draws a bill on Y for Rs. 15000 for 3 months. At maturity Y request X to accept Rs. 5000 in cash and for balance to draw a fresh bill for 2 months together with 12% P.a interest, amount of interest will be: [1]  
A. 200 B. 300 C. 240 D. 380
- Qn.65) Bills receivable discounted is entered in [1]  
A. Journal B. Ledger C. Cash Book (Bank) D. No Where
- Qn.66) On 1.6.05 X drew 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 drew a bill on Y for 2 months at 12% p.a. Interest amount will be: [1]  
A. 410 B. 420 C. 440 D. 400
- Qn.67) The Acceptor of a Bills of Exchange is the \_\_\_\_ [1]  
A. Debtor B. Creditor C. Seller D. None
- Qn.68) A draws a bill on B for rs.30,000 for mutual accommodation. Adiscounted that bill for Rs.28,000 from bank and remitted Rs.14,000 to B. On due date A will send to B [1]  
A. Rs.14000 B. Rs.14,500 C. Rs.15,000 D. Rs.15,500
- Qn.69) How long is the period of days of grace in case of a bill: [1]  
A. Three days B. Two days C. Four days D. One day
- Qn.70) M/s Bhaskaran & Co. drew a 3 months of rs.6000 on M/s Patel & Co. on 1.1.2012 payable to M/s Surendran & Co. or bearer. Here the payee will be: [1]  
A. M/s bhaskaran & Co. B. M/s patel & co. C. M/s Surendrean and Co. or bearer D. All of the above
- Qn.71) Ram gets Ghosh's acceptance for Rs. 12,000 discounted at 2 months at 12% p.a. The amount of discount will be: [1]  
A. 240 B. 120 C. 360 D. Nil
- Qn.72) A Bill is drawn for 3 months on May 12th. The due date of the bill date is \_\_\_\_ [1]  
A. 15th August B. 14th August C. 16th August D. 12th August

- Qn.73) **When an accommodation bill is discounted and the amount received is shared by the two parties, the discount is borne by the-** [1]  
A. Drawee only B. Drawer only C. Drawer and Drawee equally D. Drawer and Drawee in agreed ratio
- Qn.74) **When a bill is renewed, then entry will be:** [1]  
A. No entry will be passed B. Entries for cancellation of old bill and renewal of bill C. Entry for renewal of bill D. None of these
- Qn.75) **Which of the following statements is not true?** [1]  
A. Noting charges are expenses of drawer B. The bill of exchange must contain an order to pay C. The drawer and payee can be same person D. A bill of exchange can be endorsed (i.e. passed on to another person).
- Qn.76) **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?** [1]  
A. Rs. 28,500 B. Rs. 19,000 C. Rs. 30,000 D. Rs. 20,000
- Qn.77) **If a bill of Exchange is drawn on 5.1.2005, stating that 20 days after date, pay to ABC, the sum of Rupees XXXX, the due date of the bill is-** [1]  
A. 21.1.2005 B. 28.1.2005 C. 20.1.2005 D. None of the above
- Qn.78) **On 1.1.05 X draws a bill on Y for Rs. 20,000 for 3 months due date of the bill will be** [1]  
A. 1.4.05 B. 3.4.05 C. 4.4.05 D. 4.5.05
- Qn.79) **Mohit, the acceptor of the bill has to honour a bill on 31st March 2012. Due to financial crisis, he is unable to pay the amount of bill for further 3 months. Rohit agrees to extend the credit period by drawing a new bill for Rs.20,500 together with interest of Rs.1000 in cash. In this case old bill of Rs.20,000 will be considered as:** [1]  
A. Discounted B. Dishonoured C. Cancelled D. Retired
- Qn.80) **Which of the following statement is not true about a bill of exchange** [1]  
A. It is conditional order to pay B. If liability of a drawer is secondary and conditional C. It can be made payable to bearer D. It need to be accepted
- Qn.81) **On 15.08.05 X draws a bill on Y for 3 months for Rs. 20,000. 18th Nov was a sudden holiday, due date of the bill will be** [1]  
A. 17th Nov B. 18th Nov C. 19th Nov D. 15th Nov
- Qn.82) **U/s 12 of the Negotiable Instrument Act, all the instruments which are not inland instruments are** [1]  
A. Not valid in India B. Local instruments C. Foreign instruments D. None
- Qn.83) **If the due date is a public holiday, what will be the due date of the bill:** [1]  
A. Following day B. Preceding day C. The same day only D. One month later
- Qn.84) **Ram's acceptance to Din for Rs. 8,000 renewed at 3 months on the condition that Rs. 4,000 be paid in cash immediately and the remaining amount will carry interest @ 12% pa. The amount of interest will be:** [1]  
A. 120 B. 80 C. 90 D. 160
- Qn.85) **A bill drawn and accepted on 23rd Nov., 2005 for two months will be due for payment on** [1]  
A. 27th Jan. 2006 B. 26th Jan. 2006 C. 23rd Jan. 2006 D. 25th Jan. 2006
- Qn.86) **Birbal drew a 3 month bill on Satyapal for rs.5000. On due date satyapal approached Birbal to renew the bill for another month @12% p.a. Amount of the new bill will be:** [1]  
A. Rs.5000 B. Rs.5050 C. Rs.4050 D. None of three
- Qn.87) **Days of grace are added to** [1]  
A. The date of maturity of the bill to arrive at due date B. The due date to arrive at the date of maturity C. The date of drawing to arrive at the date of maturity D. The date of acceptance to arrive at the date of maturity

- Qn.88) How many days are added as days of grace for calculating the date of maturity of a term bill?** [1]  
A. 4 days B. 3 days C. 2 days D. None of these
- Qn.89) Kumar draws a bill on Rajat for Rs.50,000 and they agree to share the proceeds in the ratio of 3:2. Kumar got it discounted for Rs. 47,500. What will be the amount remitted to Rajat by Kumar** [1]  
A. 28,500 B. 19,000 C. 30,000 D. 20,000
- Qn.90) A bill drawn and accepted on 12th June, 2006 for two months will be due for payment on \_\_\_\_\_** [1]  
A. 14th Aug. 2006 B. 15th Aug. 2006 C. 16th Aug. 2006 D. 12th Aug. 2006
- Qn.91) A cheque of Rs.35,000 received by M/s Nandini was endorsed to M/s Chandini on account of full settlement of rs.35,500 on 1st October 2012. Chandini deposited the same into the bank on 4th October 2012. In the books of m/s Chandini, the amount to be debited on 1st October 2012 will be:** [1]  
A. Cash account rs.35,000 and discount account Rs.500 B. Bank account Rs.35,000 and Discount account Rs.500 C. Cash account Rs.35,500 D. Bank account Rs.35500
- Qn.92) Which of the following is not a foreign bill:** [1]  
A. A bill drawn in India, on a person resident outside India and made payable outside India B. A bill drawn outside India, on a person resident outside India C. A bill drawn outside India, made payable in India D. A bill drawn on a person resident in India made payable in India
- Qn.93) Ayub informs Maharaja that Sandashiv's acceptance for Rs. 2000 endorsed to Ayub has been dishonored. Noting charges amounted to Rs. 50. In the books of Maharaja, the entry will be –** [1]  
A. Sadashiv Dr. 2000; To Ayub 2000 B. Sadashiv Dr. 2050; To Ayub 2000; To Noting Charges 50 C. Sadashiv Dr. 2050; To Ayub 2050 D. Sadashiv Dr. 2000; Noting charges Dr. 50; To Ayub 2050
- Qn.94) Mr. A draws a bill on Mr. Y for Rs. 30,000 on 1.1.06 for 3 months. On 4.2.06 X got the bill discounted at 12% rate. The amount of discount will be:** [1]  
A. 900 B. 600 C. 300 D. 650
- Qn.95) Fees paid in cash to Notary public is charged by** [1]  
A. Drawer B. Drawee C. Holder of bill of exchange D. None
- Qn.96) A promissory note does not require:** [1]  
A. Noting B. Discounting C. Acceptance D. None of the above
- Qn.97) For mutual accommodation of A and B, B accepted a bill drawn on him by A for 2 months Rs. 6000. The said bill is discounted at 12% pa and remitted 1/3rd of the proceeds to B. The amount remitted by A to B will be:** [1]  
A. 2000 B. 1960 C. 1920 D. 1900
- Qn.98) On 1st April, A sold goods worth Rs. 10,000 to B. B drew a bill for 3 months. A discounted the bill from the bank at 15% p.a. then the amount received on account of bill will be:** [1]  
A. Rs. 10,000 B. Rs. 9,625 C. Rs. 9,000 D. Rs. 8,500
- Qn.99) Mr. Bobby sold goods worth Rs. 25,000 to Mr. Bonny. Bonny immediately accepted a bill on 1.11.01, payable after 2 months. Bobby discounted this bill @ 18% p.a. on 15.11.01. On the due date Bonny failed to discharge the bill. Later on Bonny become insolvent and 50 paise is recovered from Bonny's estate. How much amount of bad debts will be recorded in the books of Bobby:** [1]  
A. 12,500 B. 9,437 C. 11,687 D. 13,650
- Qn.100) Parties to the bills of exchange are** [1]  
A. drawer, drawee and payee B. debtor, creditor and banker C. payer, payee and banker D.