

THE MAHARAJA SAYAJIRAO UNIVERSITY OF BARODA, VADODARA

Ph. D. ENTRANCE TEST (PET) – 27th January 2019

Signature of Invigilators

Roll. No.

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(in figures as in Hall Ticket)

Commerce
(19/13)

Roll No. _____

(in words)

Maximum Marks: 50

No. Of Printed Pages : 8

Instruction for the Candidate:

1. Write your Roll Number in the space provided on the top of this page.
2. This paper consists of **FIFTY (50)** multiple choice type questions. Each Question carries **ONE (1)** mark.
3. At the commencement of examination, the question booklet will be given to you. In the first 5 minutes, you are requested to open the booklet and compulsorily examine it as below:
 - a. To have access to the Question Booklet, tear off the paper seal on the edge of this cover page, Do not accept a booklet without sticker seal and do not accept an open booklet.
 - b. Tally the number of pages and number of questions in the booklet with the information printed on the cover page. Faculty booklets due to pages/questions missing or duplicate or not in serial order or any other discrepancy should be got replaced immediately by a correct booklet from the invigilator within the period of 5 minutes. Afterwards, neither the Question Booklet will be replaced nor any extra time will be given.
 - c. After this verification is over, the Test Booklet Number should be entered on the OMR Answer Sheet and the OMR Answer Sheet Number should be entered on this Test Booklet.
4. Each item has four alternative responses marked (A), (B), (C) and (D). You have to darken the circle as indicated below on the correct response against each item.

Example: (A) ● (C) (D) where (B) is correct response.
5. Your responses to the items are to be indicated on the OMR Answer Sheet under Paper – II only. If you mark your response at any place other than in the circle in the OMR Answer Sheet, it will not be evaluated.
6. Read instructions given inside carefully.
7. Rough Work is to be done in the end of this booklet.
8. If you write your Name, Roll Number, Phone Number or put any mark on any part of the OMR Answer Sheet, except for the space allotted for the relevant entries, which may disclose your identity, or use abusive language or employ any other unfair means, such as change of response by scratching or using white fluid, you will render yourself liable to disqualification.
9. You have to return the original OMR Answer Sheet to the invigilator at the end of the examination compulsorily and must not carry it with you outside the Examination Hall. You are however, allowed to carry original question booklet and duplicate copy of OMR Answer Sheet on conclusion of examination
10. Use only Blue/ Black Ball point pen.
11. Use of any calculator or log table etc., is prohibited.
12. There shall be no negative marking.

Commerce
(19/13)

Note: This paper contains **FIFTY (50)** multiple-choice questions. Each Question carries **ONE (1)** mark.

- 01) The formula of Point elasticity of demand = _____
A) Lower segment + Upper segment
B) Upper segment+ Lower segment
C) Lower segment / Upper segment
D) Upper segment / Lower segment
- 02) When Change in price leads to less change in demand in the relative sense, the elasticity of demand is _____
A) $E_d=1$
B) $E_d < 1$
C) $E_d > 1$
D) $E_d=0$
- 03) When Production function is studied by varying the amount of all factors it is under
A) Law of Variable Proportion
B) Law of Returns to Scale
C) Law of Substitution
D) Law of Diminishing Return
- 04) If the demand curve of commodity is parallel to Y axis then it shows
A) highly elastic demand
B) perfectly inelastic demand
C) perfectly elastic demand
D) unitary elastic demand
- 05) Which law has been derived from the Law of Diminishing Marginal Utility?
A) Law of Supply
B) Law of diminishing returns to factor
C) Law of Consumption
D) Law of Demand
- 06) The locus of the points of tangency between the equal product curves and the Isocostlines is called
A) Isoquant
B) Expansion path
C) Equilibrium
D) Least Cost
- 07) Which of the following is not an assumption of indifference curve analysis?
A) Rationality
B) Transitivity
C) Satiety
D) Ordinal Utility
- 08) MU is negative when TU is
A) Rising
B) Constant
C) Declining
D) Negative
- 09) Another name of Law of Equi-Marginal Utility is
A) Law of Substitution
B) Law of Total Utility
C) Law of Complementary
D) Law of Diminishing Utility
- 10) $\Delta TU/\Delta Q$ means
A) Total Utility
B) Average Utility
C) Marginal Utility
D) Zero Utility
- 11) Bank founded by winner of the Nobel Peace Award 2006 Mr. Muhammad Yunus is:
A) Grameen Bank
B) Swadeshi Bank
C) Rashtriya Bank
D) Mahila Bank
- 12) Which of the following organizations is known as the market regulator in India?
A) AMFI
B) IBA
C) SEBI
D) NSDL

- 13) FDI refers to:
- Future derivative instrument
 - Fixed deposit interest
 - Foreign direct investment
 - Fixed deposit investment
- 14) Banks in India are offering M-Banking facility to their customers. What is the full form of 'M' in M-Banking?
- Money
 - Message
 - Mutual-fund
 - Mobile Phone
- 15) Regulator of credit rating agencies in India is:
- SIDBI
 - RBI
 - SEBI
 - CIBIL
- 16) Which of the following is NOT an institutional credit agency?
- Payment Banks
 - Commercial Banks
 - Regional Rural Banks
 - Money Lenders
- 17) NABARD was established in the year:
- 1975
 - 1977
 - 1980
 - 1982
- 18) Concept of micro-finance was launched initially in which of the following country?
- Bangladesh
 - Egypt
 - Israel
 - India
- 19) If RBI sells securities in the open market it will lead to:
- Increase in the market rate of interest
 - Increase In rates of foreign exchange
 - Increase in money supply
 - Reduction in cash reserve of commercial
- 20) With reference to a cheque which of the following is the drawee bank?
- The bank that collects the cheque
 - The payee's bank
 - The bank upon which the cheque is drawn
 - The endorser's bank
- 21) Business expansion is most rapid when the economy is experiencing
- Prosperity
 - Recession
 - Depression
 - Revival
- 22) The basic approach to industrial policy prior to the initiation of economic reforms in 1991 was
- Promoting Competition
 - Regulation
 - Liberalization
 - Globalization
- 23) IDRA was adopted to facilitate
- Regulation of business by Government
 - Globalization
 - Increase in competition
 - Privatization of Industry
- 24) Industrial licensing aimed at controlling business expansion at the
- Entry level
 - Exit level
 - Merger level
 - Expansion level
- 25) The efficiency with which the firm converts raw material in to work in process is indicated by
- Raw material inventory turnover ratio
 - Work in process inventory turnover ratio
 - Finished goods inventory turnover ratio
 - Overall inventory turnover ratio

26) If the standard material cost per unit includes:

Material A	2 pieces @ Re.1	=Rs.2
Material B	3 pieces @ Rs.2	=Rs.6
Total		Rs. 8

Material issued -- Material A 2050 pieces
and Material B 2970 pieces and

Units produced =1000 the Material usage
variance will be

- A) Rs.10 favourable
- B) Rs.10 unfavourable
- C) Rs.300 unfavourable
- D) Rs.30 favourable

27) According to AS 14, Amalgamations may be
either of two types:

- A) Amalgamation and absorption
- B) Merger and purchase
- C) Amalgamation and reconstruction
- D) External reconstruction and internal
reconstruction

28) If for an all equity company, the Net Operating
income of a company is Rs.100000, corporate
tax rate is 30 percent, personal tax rate on
equity is 10 percent and overall capitalization
rate is 14 percent the value of company as per
Miller Model will be:

- A) Rs. 1,00,000
- B) Rs. 5,00,000
- C) Rs.10,00,000
- D) Rs.12,60,000

29) On application of IRR technique for given data
with reference to capital budgeting decision it
may result into multiple IRR, if

- A) The cash flows in the early stage of project
exceeds the cash flows in the later stage of
project
- B) The cash flows in the later stage of project
exceeds the cash flows in the early stage of
project
- C) The cash flows reverse their sign more
than once during the life of project
- D) The cash flows for each year are same

30) Baumol's Cash Management Model provides
formal approach for determining firm's
optimum cash balance

- A) Under certainty
- B) Under uncertainty
- C) Under both certainty as well as
uncertainty
- D) Under constant debt equity ratio

31) If the rate of return on investment opportunity
is likely to be 15 percent, the opportunity cost
of capital to be 10 percent, the earnings per
share is Rs.10 and dividend payout ratio is 60
percent, the price of share according to
Gordon Model will be :

- A) Rs.106
- B) Rs.130
- C) Rs.150
- D) Rs.400

32) A factoring service where book debts are
purchased by factor assuming 100 percent
credit risk is known as

- A) Full service non-recourse factoring
- B) Full service recourse factoring
- C) Maturity factoring
- D) Bill discounting

- 33) 'The government relaxes the foreign exchange controls and announces full convertibility of the Indian rupee' is an illustration of
- Systematic risk
 - Un systematic risk
 - Unique risk
 - Total risk
- 34) P, a non-resident in India, received (during previous year 2017-18) interest of Rs. 5,00,000 from B Ltd. (resident of India) which utilized the money borrowed from P for carrying on business outside India . Then
- P is taxable for interest of Rs. 5,00,000
 - P is not taxable for interest of Rs. 5,00,000
 - B Ltd. is taxable for interest of Rs. 5,00,000
 - B Ltd. is not taxable for interest of Rs. 5,00,000
- 35) Unabsorbed depreciation
- cannot be carried forward to subsequent years
 - can be carried forward for a period of 8 years
 - can be carried forward for a period of 10 years
 - can be carried forward for indefinite period
- 36) In summary assessment under section 143(1)
- The assessment is completed on the basis of return submitted by the assessee without calling the assessee when no adjustments are required to be made
 - The assessment is completed on the basis of return submitted by the assessee after calling the assessee when no adjustment is required
 - The assessment is completed after issuing notice to the assessee to take case for scrutiny
 - The assessment is completed after making adjustment for disallowance of deduction claimed under section 10AA due to filing of return beyond specified due date without informing the assessee
- 37) Extrinsic factors are called as _____.
- Motivational factors
 - Maintenance factors
 - All of the above
 - None of the above
- 38) _____ is a strategic management function.
- Personnel management
 - Human resource management
 - All of the above
 - None of the above
- 39) Which one of the following options represents this statement "What place do you want your product to hold in the consumer's mind"?
- Product
 - Positioning
 - Promotion
 - Place
- 40) Marketing researchers usually draw conclusions about large groups of consumers by studying which of the following small component of the total consumer population?
- Group
 - Sample
 - Target group
 - Audience
- 41) Which one of the following three-step process represents "Perception"?
- Motivation, personality and attitudes
 - Collecting, eliminating and organizing information inputs
 - Receiving, organizing and interpreting information inputs
 - Anticipating, classifying and discarding information inputs
- 42) Which one of the following is NOT the stage that customers go through in the process of adopting a new product?
- Awareness
 - Interest
 - Evaluation
 - Culture

- 43) Which of the following are a form of product that consists of activities, benefits or satisfactions offered for sale that are essentially intangible and do not result in the ownership of anything?
- A) Line extensions
 - B) Services
 - C) Brands
 - D) Supplements
- 44) New product development starts with which one of the following steps of new product development?
- A) Idea screening
 - B) Idea generation
 - C) Test marketing
 - D) Concept testing
- 45) Fast-food restaurants offer tasty and convenient food at affordable prices; they contribute to fatness that harms consumer health. Which one of the following concepts is NOT being followed by this company?
- A) Product concept
 - B) Production concept
 - C) Societal marketing concept
 - D) Marketing concept
- 46) Which one of the following product requires a lot of advertising, personal selling and other marketing efforts because consumer either does not know about it or knows about it but does not normally think about buying?
- A) Specialty products
 - B) Shopping products
 - C) Industrial products
 - D) Unsought products
- 47) Business markets can be segmented on the basis of all of the following variables EXCEPT:
- A) Personal characteristics
 - B) Behavioral Factors
 - C) Selling approaches
 - D) Demographic factors
- 48) A marketer has brought same products in the market for all segments without considering the needs and wants of the customers. Which one of the following strategy is being practiced by the marketer?
- A) Undifferentiated marketing strategy
 - B) Differentiated marketing strategy
 - C) Concentrated marketing strategy
 - D) Custom marketing strategy
- 49) Which of the following are those products purchased for further processing or for use in conducting a business?
- A) Unsought products
 - B) Specialty products
 - C) Shopping products
 - D) Industrial products
- 50) Which one of the following categories refers to a group of products that are closely related because they function in a similar manner, are sold to the same customer groups, are marketed through the same type of outlets, or fall within given price ranges?
- A) Product line
 - B) Line extension
 - C) Private brand
 - D) Product bandwidth
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Rough Work: