

THE MAHARAJA SAYAJIRAO UNIVERSITY OF BARODA, VADODARA

Ph. D. ENTRANCE TEST (PET) – 7<sup>th</sup> August 2022

Signature of Invigilator

Paper - II  
Commerce (22/13)

Roll.  
No.

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Maximum Marks: 50

No. Of Printed Pages: 8

**Instruction for the Candidate:**

1. This paper consists of **FIFTY (50)** multiple choice type questions. Each Question carries **ONE (1)** mark.
2. There is no Negative Marking for Wrong Answer.
3. A separate OMR Answer Sheet has been provided to answer questions. Your answers will be evaluated based on your response in the OMR Sheet only. No credit will be given for any answering made in question booklet.
4. Defective question booklet or OMR if noticed may immediately replace by the concerned invigilator.
5. Write roll number, subject code, booklet type, category and other information correctly in the OMR Sheet else your OMR Sheet will not be evaluated by machine.
6. Select most appropriate answer to the question and darken appropriate oval on the OMR answer sheet, with black / blue ball pen only. **DO NOT USE PENCIL** for darkening. In case of over writing on any answer, the same will be treated as invalid. Each question has exactly one correct answer and has four alternative responses (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.
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. Calculators, Log tables any other calculating devices, mobiles, slide rule, text manuals etc are **NOT** allowed in the examination hall. If any of above is seized from the candidates during examination time; he/ she will be immediately debarred from the examination and corresponding disciplinary action will be initiated by the Center Supervisor as deemed fit.
10. **DO NOT FOLD** or **TEAR** OMR Answer sheet as machine will not be able to recognize torn or folded OMR Answer sheet.
11. **You have to return the 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 on conclusion of examination.



**Paper - II**  
**Commerce (22/13)**

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

- 01) Activity Based Costing is defined as cost attribution to ----- on the basis of benefits received from indirect activities.
- A) Cost Drivers
  - B) Cost Pools
  - C) Cost Units
  - D) Cost Objects
- 02) If the estimated amount of depreciation on equipment for a period is Rs. 25,000, the adjusting entry to record depreciation would be-
- A) Debit depreciation expense Rs. 25,000; credit equipment account Rs. 25,000
  - B) Debit equipment account Rs. 25,000; credit depreciation account Rs. 25,000
  - C) Debit depreciation expense Rs. 25,000; credit accumulated depreciation Rs. 25,000
  - D) Debit accumulated depreciation Rs. 25,000; credit equipment expense Rs. 25,000
- 03) An Entity reports opening and closing inventory of Rs. 56,000 and Rs. 44,000 respectively. It has sold goods for Rs. 5,00,000 at a gross profit margin of 20%. The inventory turnover ratio would be-
- A) 8 times per year
  - B) 7 times per year
  - C) 6 times per year
  - D) 10 times per year
- 04) Which of the following is not recognized as principle qualitative characteristics of accounting information-
- A) Understandability
  - B) Relevance
  - C) Reliability
  - D) Verifiability
- 05) XYZ Ltd. Has Current ratio of 1.5: 1 and Net Current Assets of Rs. 5,00,000. What is the amount of Current Assets?
- A) Rs. 5,00,000
  - B) Rs. 10,00,000
  - C) Rs. 15,00,000
  - D) Rs. 25,00,000
- 06) A project has a Profitability Index of 1.30. It means
- A) That NPV is less than Zero.
  - B) That Payback period is more than one year.
  - C) That the project earns Rs. 1.30 for every Re.1 invested in the project.
  - D) That IRR is 1.30 times that of hurdle rate.
- 07) Which of the following is not relevant in the group of Accounting Standard Setting bodies?
- A) FASB
  - B) IASB
  - C) NFRA
  - D) IRDA
- 08) An auditor shall express an adverse (Negative) opinion when \_\_\_\_\_
- A) Obtained sufficient appropriate audit evidence
  - B) Misstatements are material and pervasive
  - C) Misstatements are material
  - D) Reservation is material but not pervasive
- 09) An asset shall not be classified as Current when-
- A) It is expected to be realized in its normal operating cycle
  - B) It is held primarily for the purpose of trading
  - C) It is expected to be realized after twelve months from the reporting period.
  - D) It is equivalent to cash.
- 10) Under Equi-Marginal Utility Theory of Marshall, the consumer will attain equilibrium as per one of the following conditions:
- A) The ratio of marginal utilities of individual commodities will be equal to their price ratio.
  - B) Marginal Utility curve is tangential to Price Line.
  - C) The satisfaction obtained from each commodity are equal
  - D) At the point of equilibrium, the marginal utility on money starts rising.
- 11) If the Demand of a commodity decreases, when income increases, the commodity is said to be \_\_\_\_\_.
- A) Normal
  - B) Abnormal
  - C) Superior
  - D) Inferior.

- 12) If the two commodities in question are substitutes, the cross elasticity of demand would be \_\_\_\_\_.
- Zero
  - Negative
  - Positive
  - Uncertain
- 13) If the production function is homogeneous with constant returns to scale everywhere, the returns to a single variable factor will be \_\_\_\_\_.
- Increasing
  - Diminishing
  - Constant
  - Increasing initially and then remain constant
- 14) In case of Neutral Technical Progress, marginal product of both factors will increase by the same proportion so that \_\_\_\_\_.
- The Marginal Rate of Technical Substitution along the radius will increase.
  - The Marginal Rate of Technical Substitution along the radius will remain constant.
  - The Marginal Rate of Technical Substitution along the radius will decrease.
  - Cannot be ascertained from given information.
- 15) Sargent Florence in 1953 discussed the reasons for \_\_\_\_\_.
- U shape of short run average cost curve.
  - U shape of short run marginal cost curve.
  - L shape of long run marginal cost curve.
  - L shape of long run average cost curve.
- 16) A comparison of perfect competition and monopoly suggests that \_\_\_\_\_.
- Under monopoly both output and price will be higher.
  - Under monopoly both output and price will be lower.
  - Under monopoly output will be higher and price will be lower.
  - Under monopoly output will be lower and price will be higher.
- 17) The total return from the investment during a given period of time in which the investor holds an asset is known as \_\_\_\_\_.
- Internal Rate of Return
  - Coupon Rate
  - Realised Return
  - Holding Period Return
- 18) A financial market in which the investor can hedge against possible future contingencies is said to attain \_\_\_\_\_.
- Fundamental Valuation Efficiency
  - Full Insurance Efficiency
  - Operational Efficiency
  - Information Arbitrage Efficiency
- 19) Moral Suasion is a \_\_\_\_\_ type of credit control policy.
- Featured and distinguished
  - Quantitative
  - Qualitative and selective
  - Terminative and formal
- 20) How many banks were nationalised on July 19, 1969?
- 12
  - 13
  - 14
  - 15
- 21) Central Bank of India is \_\_\_\_\_ bank of our country.
- Central.
  - Commercial.
  - Co-operative.
  - Federal.
- 22) The Headquarter of World Trade Organisation is located as \_\_\_\_\_.
- Geneva
  - London
  - Washington D C.
  - Paris
- 23) The old Consumer Protection Act of 1986 is replaced by \_\_\_\_\_.
- Consumer Protection Act, 2018
  - Consumer Protection Act, 2019
  - Consumer Protection Act, 2020
  - Consumer Protection Act, 2021
- 24) In order to protect domestic industries in India, the Government has traditionally followed a policy of \_\_\_\_\_.
- Quantitative restrictions on exports.
  - Quantitative restrictions on imports.
  - Devaluation of Indian currencies.
  - Devaluation of foreign currencies.

- 25) Each worker is compared with all other employees in the group, for every trait, the worker is compared with all other employees. This is \_\_\_\_\_ method of performance appraisal.
- Graphic rating scale
  - 360 degree
  - Paired comparison
  - Critical incident method
- 26) \_\_\_\_\_ aims at protecting and preserving the physical and psychological health of employees through various welfare measures.
- Compensation
  - Motivation
  - Training & development
  - Maintenance
- 27) \_\_\_\_\_ is the process of collecting information relating to the operations and responsibilities pertaining to specific job.
- Job evaluation
  - Job specification
  - Job analysis
  - Job design
- 28) What does stand for PDCA?
- Policy - Direction-Control-Analysis
  - Plan-Delegation-Control-Act
  - Plan- Do-Check-Act
  - Program-Decision-Committee -Action
- 29) Which of the following is not one of the characteristics of functional based organization structure?
- Emphasis on Sub-goals
  - Line and Staff Division
  - Pyramid Growth of the Organization
  - Lack of well-defined Authority
- 30) Attribute listing is a:
- Idea Screening Technique
  - Idea Generating Technique
  - Idea Rating Technique
  - None of the above
- 31) A niche market is:
- A market based on character of a region
  - A market where one product is offered for all buyers
  - A market arrived by defining a group with distinctive set of traits who seek a special combination of benefits
  - All of the above
- 32) Service Organization is:
- An organization that transforms resources into intangible outputs that create utility for customers
  - An organization which works non-commercial lines to serve the society
  - An organization which is facilitating function of the manufacturing business
  - None of these
- 33) DAGMAR in marketing means
- Defining advertising goals for measuring advertising results
  - Determining advertising goals through market and advertisement research
  - Defining advertising goals for measuring advertising research
  - None of the above
- 34) Density of population, age-composition of population constitutes \_\_\_\_\_ environment.
- Social
  - Cultural
  - Demographic
  - Competitive
- 35) According to CAPM cost of equity ( $K_e$ ) is
- $R_f + (R_m - R_f) \beta$

- 38) If GBP/USD spot is 1.5677/1.5685 and GBP/USD 1 month forward 1.5575/1.5585 the annualized forward
- premium is 7.7291 percent
  - discount is 7.7291 percent
  - premium is 12 percent
  - discount is 12.24 percent
- 39) For a company if the branch is located in the foreign country, to take the capital budgeting decision
- Cash flows denominated in foreign currency should be converted to home currency before deriving present value of the same if NPV is to be derived in home currency
  - Cash flows denominated in foreign currency should not be converted to home currency before deriving present value of the same if NPV is to be derived in home currency
  - Cash flows denominated in foreign currency should be converted to home currency before deriving present value of the same if NPV is to be derived in foreign currency
  - There is no need to derive the cash flows attributable to the investment
- 40) Long term capital gain arising on transfer of share is
- Exempted in all situations
  - Is chargeable in all situations
  - Is exempt from tax only if the long term capital asset are eligible shares, purchased on or after March 1, 2003 but before March 1, 2004 and the tax payer held it for a period of 12 months or more
  - Is chargeable to tax if the long term capital asset are eligible shares, purchased on or after March 1, 2003 but before March 1, 2004 and the tax payer held it for a period of 12 months or more
- 41) When an asset is put to use for less than 180 days in the year of acquisition
- Depreciation is available for the entire year
  - Depreciation on that asset is not available for the year of acquisition
  - Depreciation is not available for the entire block
  - Depreciation for that asset is restricted to 50% of the amount calculated at the percentage prescribed in the case of block of asset comprising such asset
- 42) If the donation is given to National Sports Fund
- 100% deduction will be available under section 80 C of the Income tax Act
  - 75% deduction as a percentage of gross qualifying amount will be available under section 80 G of the Income tax Act
  - 100% deduction as a percentage of Net qualifying amount will be available under section 80 G of the Income tax Act
  - 50% deduction as a percentage of Net qualifying amount will be available under section 80 G of the Income tax Act
- 43) Tax avoidance
- Takes into account the loopholes of the law to reduce tax liability within the frame work of the law
  - Is an attempt to reduce tax liability with the help of unfair means
  - Is unlawful
  - Is same as tax management
- 44) The payment of the advance tax is to be made in case where advance tax payable is
- Rs. 10000 or more, in one installment on or before 15 March of relevant previous year
  - Rs. 25000 or more, in two installments on or before 15 September and 15 March of relevant previous year
  - Rs. 100000 or more, in four installments on or before 15 June, 15 September, 15 December and 15 March of relevant previous year
  - Rs. 10000 or more, in four installments on or before 15 June, 15 September, 15 December and 15 March of relevant previous year
- 45) DK and KD claim certain goods from a railway company as rival owners. KD takes delivery of the goods by agreeing to compensate the railway company against loss in case DK turns out to be the true owner. Find out the nature of Contract...
- Contract of Indemnity
  - Contract of Guarantee
  - Contract of trust
  - Contract of pledge

- 46) Articles of Association of Company contains rules and regulations excluding
- A) Increase, alteration and reduction of share capital
  - B) Rules permitting the payment of dividend out of capital
  - C) Rules relating to transfer or transmission of shares
  - D) Rules relating to borrowing powers of the company
- 47) What as per Competition Act,2002 refers to sale of goods or provisions for service, at the price which is below the cost to eliminate competitors
- A) Predatory Price
  - B) Precatory Price
  - C) MRP
  - D) GST Price
- 48) Why an invention should be patented?
- A) It gives protection to a patentable invention.
  - B) It gives legal recognition to the invention
  - C) It makes others aware of the fact as to whom does the invention belong
  - D) Patenting one's invention make useful data relating to the invention available to other inventions for further research and development.
- 49) Karl pearson correlation coefficient measures
- A) Only linear relation between variables
  - B) Only nonlinear relation between variables
  - C) Linear as well as nonlinear relation between variables
  - D) Neither linear nor nonlinear relation between variables
- 50) Critical region is a region of
- A) Rejecting null hypothesis
  - B) Rejecting alternative hypothesis
  - C) Accepting null hypothesis
  - D) Indecision

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**Rough Work:**