

THE MAHARAJA SAYAJIRAO UNIVERSITY OF BARODA, VADODARA

Ph. D. ENTRANCE TEST (PET) 2025

Signature of Invigilator

Roll.
No.

--	--	--	--	--	--

Paper - II
Commerce

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) ● (B) ● (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

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

- 01) Which of the following is a characteristic of the business environment?
A) Uncertainty
B) Homogeneity
C) Predictability
D) Static nature
- 02) When the RBI lowers the Cash Reserve Ratio (CRR), it leads to:
A) Increase in banks' lending capacity
B) Decrease in liquidity
C) Reduction in public spending
D) Increase in inflation control
- 03) Which of the following is the simplest and most common mode of entry into international business?
A) Joint Venture
B) Exporting
C) Licensing
D) Franchising
- 04) Tariff barriers are mainly used to:
A) Promote free trade
B) Discourage export
C) Attract foreign direct investment
D) Protect domestic industries
- 05) The European Union (EU) is an example of which level of integration?
A) Free trade area
B) Customs union
C) Economic union
D) Common market
- 06) According to which concept, an accountant assumes that business will continue to operate in future for an indefinite period until it is liquidated in the immediate future?
A) Money Measurement concept
B) Going Concern Concept
C) Business Entity Concept
D) Cost Concept
- 07) Under marginal costing the cost of product includes:
A) Prime costs only.
B) Prime costs and variable overheads.
C) Prime costs and fixed overheads.
D) Prime costs and factory overheads
- 08) The P/V ratio of a product is 0.6 and profit is Rs.9,000. The margin of safety is:
A) Rs. 5,400
B) Rs.15,000
C) Rs. 22,500
D) Rs.3,600
- 09) The ratio that explains how efficiently companies use their assets to generate revenue is
A) Revenue asset ratio
B) Receivable turnover ratio
C) Income ratio
D) Asset turnover ratio
- 10) The Kind of audit generally conducted between two annual audits is known as-----
A) Continuous audit
B) Internal audit
C) Interim audit
D) Final audit
- 11) If the Cross Elasticity of Demand is negative, then the commodities under consideration are
A) Giffen Goods
B) Inferior Goods
C) Substitute Goods
D) Complementary Goods
- 12) When a company looks forward to earning an extra revenue by selling one more unit of goods, it arrives at understanding
A) Additional revenue due to total sales
B) Marginal revenue
C) Total revenue due to additional costs.
D) None of the above
- 13) Indifference curves will not cut each other as the intersection point implies that the
A) The transitivity condition is violated
B) The transitivity condition is upheld
C) Transitivity becomes consistent
D) Consistently, utility is not transitive
- 14) The long-run empirical cost curve is
A) L-shaped
B) U-shaped
C) Upward sloping
D) None of the above
- 15) The inefficiencies in monopolistic competition can lead to
A) Dead-weight loss
B) Excess production
C) Abnormal prices
D) Abnormal loss
- 16) Which statement best describes the "time value of money"?
A) Money has the same value always
B) Money today is worth more than the same amount in the future
C) Money loses value over time only because of inflation
D) Money in the future is worth more than money today
- 17) Why do firms need to know their cost of capital?
A) To calculate employee wages
B) To decide if projects are profitable
C) To set the price for their products
D) To avoid paying taxes

- 18) What is the primary purpose of hedging in foreign exchange markets?
- To make extra profits
 - To reduce or manage risk from exchange rate movements
 - To reduce or manage risk from fixed exchange rates
 - To predict stock prices as per international stock markets
- 19) Which of the following is a disadvantage of a fixed exchange rate system?
- No government intervention
 - Frequent and predictable changes in the currency values
 - Loss of independent monetary policy
 - High inflation always
- 20) What is the eurocurrency?
- Currency used only in Europe
 - Any currency deposited outside its home market
 - Only the euro
 - Currency used for online shopping
- 21) Which measure of central tendency is most affected by extreme values?
- Mode
 - Median
 - Mean
 - None of the above
- 22) If all the values in a dataset are equal, the standard deviation will be
- 1
 - Negative
 - Undefined
 - Zero
- 23) The sum of probabilities of all possible outcomes of a random experiment is
- 0
 - 0.5
 - 1
 - Depends on the event
- 24) Which of the following sampling methods divides the population into groups and then randomly selects groups?
- Stratified sampling
 - Cluster sampling
 - Systematic sampling
 - Snowball sampling
- 25) Which of the following is a requirement for using the Chi-Square test?
- Data must be normally distributed
 - Observations must be independent
 - Sample size must be less than 30
 - Data must be in the ratio scale
- 26) As a person moves upward which of the nature of skill loses its application in relative manner as per Robert Katz's 'Management skills' approach?
- Conceptual Skill
 - Technical Skill
 - Decision making skill
 - Interpersonal skill
- 27) Which technique is used when decision is complex, and outcome of a later situation is dependent on outcome of the former decision?
- Game Theory
 - Linear programming
 - Decision Tree
 - Waiting Line Model
- 28) Which of the following is not an essential feature of Strategic Decisions?
- They affect a major part of the organization
 - They contribute directly to the achievement of organizational objectives
 - They are generally non programmed in nature Decisions
 - They are deciding operational aspects of activities
- 29) Legitimate right to decide about others course of actions and behavior is known as _____.
- Authority
 - Power
 - Accountability
 - Zone of indifference
- 30) Which of the following statement is Incorrect according to Herzberg's Two Factor Theory?
- Hygiene Factors Can Prevent Dissatisfaction
 - Hygiene Factors can lead to satisfaction
 - Motivational Factors can lead to satisfaction
 - Possibility of growth can motivate people
- 31) Which organization supervises commercial banks in India?
- SEBI
 - IRDAI
 - RBI
 - TRAI
- 32) What is the main role of the Reserve Bank of India (RBI)?
- Distributing cash to people
 - Regulating school education
 - Controlling monetary policy
 - Selling insurance policies
- 33) Which financial market handles long-term funds and investments?
- Money Market
 - Foreign Exchange Market
 - Commodity Market
 - Capital Market

- 34) Scheduled commercial banks are listed in which RBI document?
 A) Red Book
 B) Banking Manual
 C) Second Schedule of the RBI Act
 D) Finance Bill
- 35) Which of the following is part of India's financial system?
 A) Grocery shops
 B) Banks and NBFCs
 C) Police stations
 D) Hospitals
- 36) Market segmentation is the process of:
 A) Dividing the overall market into smaller, more homogeneous groups
 B) Targeting all consumers with the same marketing message
 C) Ignoring the differences between customers
 D) Focusing on the needs of a single, large customer group
- 37) Which of the following is NOT a component of "Promotion Mix"?
 A) Advertising
 B) Sales Promotion
 C) Distribution
 D) Public relations
- 38) _____ is the collection and interpretation of information about forces, events, and relationships that may affect the organization.
 A) Environmental scanning
 B) Stakeholder analysis
 C) Market sampling
 D) Opportunity analysis
- 39) Which of the following is a strategic marketing planning tool?
 A) The market share/market growth (BCG) matrix
 B) The consumer scanning model
 C) A market vulnerability/business opportunity matrix
 D) Market sheet analysis
- 40) In _____ segmentation, buyers are divided into different groups based on lifestyle or personality and values.
 A) Geographic
 B) Demographic
 C) Psychographic
 D) Behavioral
- 41) Mark the incorrect Statement from the following:
 A) Company may be with Limited or Unlimited liabilities of its members
 B) Company is an artificial Legal person
 C) Company has Citizenship of the nation
 D) Company has domicile or residence of its own
- 42) Regarding 'Corporate Personality' of company, mark the incorrect statement from among the following:
 A) A shareholder cannot be held liable for the acts of the company even if he holds the entire share capital
 B) Company does not hold its property as an agent or trustee for its members
 C) Company has a seal of its own and its assets are separate and distinct from those of its members
 D) Members can sue others to enforce company's rights
- 43) Which among the following is not appropriate regarding interpretation of 'Perpetual Succession' of Company?
 A) An incorporated company never dies, except when it is wound up as per law
 B) Separate Personality of a company is unaffected by death or departure of any member, and it remains the same entity, despite total change in the membership
 C) Members may come and go, but the company can go on forever
 D) The shares are said to be movable property and not freely transferable
- 44) Which among the following statement is incorrect with regard to the doctrine of 'Lifting and piercing of Corporate Veil' of a company?
 A) The separate personality of a company is a statutory privilege, & it must be used for legitimate business purposes only
 B) When fraudulent and dishonest use is made of the legal entity, the individuals concerned will not be allowed to take shelter behind the corporate personality
 C) The doctrine has Statutory recognition in the Companies Act, 2013
 D) Courts shall have to take permission of the Central Government before invoking the doctrine
- 45) Which of the following statement is incorrect with reference to the 'Doctrine of Ultra vires'?
 A) Acts ultra vires to Directors but intra vires to Articles and Memorandum cannot be ratified.
 B) Acts Ultra vires to Articles and but intra vires to Memorandum can be ratified.
 C) Acts Ultra vires to memorandum cannot be ratified by Shareholders even with unanimous resolution.
 D) Acts ultra vires to the Companies Act, 2013 shall be void ab initio
- 46) Assertion (A): Deemed resident is always 'Resident but not Ordinarily Resident in India'.
 Reason (R): The conditions of deemed resident are exception to basic condition u/s 6(1).
 Codes:
 A) Both (A) and (R) are true.
 B) (A) is true, but (R) is false.
 C) (A) is false, but (R) is true.
 D) Both (A) and (R) are false

- 47) Mr. Gill is an Indian citizen. Currently, he is in employment with a multinational company and posted in Malaysia. During the previous year 2024-25, he comes to India for a visit of 175 days. In earlier 4 years, He is in India for more than 370 days. Determine the residential status of Mr. Gill for the assessment year 2025-26. His annual Indian income for the previous year 2024-25 is Rs. 15,50,000.
- A) Resident and ordinarily resident
 - B) Resident but not ordinarily resident
 - C) Non-resident in India
 - D) None of these
- 48) Mr. A receives a gross salary Rs 1,50,000 p.m. from Amul & Co. in the financial year 2024-25. The professional tax deducted from his salary is Rs. 200 p.m. What would his taxable salary be for the financial year 2024-25 after claiming all the deduction u/s 16, if he opts for old tax regime?
- A) Rs. 18,00,000
 - B) Rs. 17,97,600
 - C) Rs. 17,47, 600
 - D) None of these
- 49) Mr. B, an American citizen, comes to India for the first time during the P.Y. 2020-21. During the financial years 2020-21, 2021-22, 2022-23, 2023-24 and 2024-25 he was in India for 45 days, 80 days, 120 days, 50 days and 180 days, respectively. Determine his residential status for the A.Y. 2025-26.
- A) Resident in India
 - B) Resident but not ordinarily resident
 - C) Non-resident in India
 - D) Resident and ordinarily resident
- 50) Which of the following is not allowed to claim for deduction u/s 80C?
- A) Contribution to PPF
 - B) Payment of principal of home loan
 - C) Registration fee paid at the time of buying house
 - D) Payment of interest on home loan

Rough Work: