ENTRANCE EXAMINATION FOR ADMISSION, MAY 2013.

Ph.D. (COMMERCE)

COURSE CODE : 105

Register Number :

Signature of the Invigilator
(with date)

COURSE CODE : 105

Time : 2 Hours   Max : 400 Marks

Instructions to Candidates :

1. Write your Register Number within the box provided on the top of this page and fill in the page 1 of the answer sheet using pen.

2. Do not write your name anywhere in this booklet or answer sheet. Violation of this entails disqualification.

3. Read each of the question carefully and shade the relevant answer (A) or (B) or (C) or (D) in the relevant box of the ANSWER SHEET using HB pencil.

4. Avoid blind guessing. A wrong answer will fetch you –1 mark and the correct answer will fetch 4 marks.

5. Do not write anything in the question paper. Use the white sheets attached at the end for rough works.

6. Do not open the question paper until the start signal is given.

7. Do not attempt to answer after stop signal is given. Any such attempt will disqualify your candidature.

8. On stop signal, keep the question paper and the answer sheet on your table and wait for the invigilator to collect them.

9. Use of Calculators, Tables, etc. are prohibited.

1. The degree of financial leverage reflects the responsiveness of:

   (A) Operating income to changes in total revenue

   (B) EPS to changes in EBIT

   (C) EPS to changes in total revenue

   (D) None of the above

2. The rate of discount at which NPV of a project becomes zero is also known as

   (A) Average rate of return   (B) Internal rate of return

   (C) Alternate rate of return   (D) Invisible rate of return

3. The very specific and detailed guide to action is called:

   (A) Rule   (B) Procedure

   (C) Policy   (D) Strategy

4. Which function is regarded as the essence of management ?

   (A) Planning   (B) Organising

   (C) Directing   (D) Coordinating

5. Which one of the following is evident from an organisation chart ?

   (A) Authority relationship   (B) All channels of communication

   (C) Division of work   (D) Responsibility relationship.

6. What is mass marketing ?

   (A) Offering the same products and marketing mix to all consumers

   (B) Offering variety of products to the entire market

   (C) Offering differentiated products to all customers

   (D) Following concentrated marketing strategy

7. Market gridding means

   (A) Establishing and running a web marketing facility

   (B) A method of survey of expert's opinion

   (C) Managing brands and developing brand equity

   (D) An analytical technique which facilities dividing a market into segments

8. Imperial Bank was established on January 27, 1921 on the advice of:

   (A) J.M. Keynes   (B) Lord Illingworth

   (C) King George V   (D) Winston Churchill

9. CRA stands for

    (A) Capital Adequacy Norms   (B) Capital rate average

    (C) Cost rate average   (D) Cost reserve ratio

10. A agrees to buy from B a certain horse for Rs. 1,000. It turns out that horse was dead at the time of bargain, though neither party was aware of the fact. This agreement is:

    (A) Valid   (B) Voidable

    (C) Void   (D) None of the above

11. The Indian Partnership Act was established on

    (A) 1932   (B) 1832

    (C) 1947   (D) 1956

12. Delivering the keys of a godown in which goods sold are stored amounts to:

    (A) Actual delivery   (B) Symbolic delivery

    (C) Delivery by attornment   (D) None of the above

13. The auditory of a Government Company is appointed or reappointed by　.

    (A) The comptroller and Auditor General of India

    (B) Board of Director

    (C) Share Holders

    (D) ICAI

14. Implied agency arises:

    (A) Out of necessity   (B) From the conduct of the parties

    (C) By operation of law   (D) All the above

15. Actual value less estimated value is known as

    (A) Absolute error   (B) Relative error

    (C) Positive error   (D) Negative error

16. It is a predetermined cost on a scientific basis taking into consideration all the factors relating to costs like raw material consumption rate, labour efficiency, machine efficiency etc.,

    (A) Estimated cost   (B) Budget cost

    (C) Standard cost   (D) None of all

17. The best suited fund for the business people is

    (A) Income fund   (B) Balanced fund
    (C) Growth fund   (D) Taxation fund

18. 'Advance – decline ratio is a ratio applicable in

    (A) Fundamental analysis   (B) Trend analysis
    (C) Technical analysis   (D) Cost – benefit analysis

19. 'Window dressing' is associated with

    (A) Current ratio   (B) Quick ratio
    (C) Debt – Equity ratio   (D) Proprietary ratio

20. If a negative value appear in the solution values (X_B) column of the simplex table, then _

    (A) The solution is optimal   (B) The solution is infeasible
    (C) The solution is unbounded   (D) (A) and (B)

21. Which of the following is correctly matched?

    (A) Pictogram – oral presentation of data

    (B) Histogram – graphic presentation of data

    (C) Histogram – diagrammatic presentation of data

    (D) Cartogram – diagrammatic and graphic

22. Causation always implies

    (A) Correlation   (B) Regression
    (C) Mean   (D) Mode

23. With the lower significance level of probability of rejecting a null hypothesis that is actually true

    (A) Decrease   (B) Remains the same
    (C) Increase   (D) None of the above

24. A technique used when selecting clusters of different sizes is called

    (A) Cluster sampling

    (B) One-stage sampling

    (C) Two-stage sampling

    (D) Probability proportional to size or PPS

25. Accepting null hypothesis when it is incorrect, is known as

    (A)   Error of statistics   (B)   Error of sampling

    (C)   Error of data   (D)   None of the above

26. Homemade leverage is concept applied in

    (A)   MM approach   (B)   NI approach

    (C)   NOI approach   (D)   Traditional approach

27. 'DAX' is the stock index related to the stock exchange locafed in

    (A)   Germany   (B)   France

    (C)   Mexico   (D)   Brazil

28. The Forward Rate in equal to the spot rate to prevail on the days of settlement of forward contract is as per

    (A)   Purchasing Power Parity Theory   (B)   Interest Rate Parity Theory

    (C)   Unbiased Forward Rate theory   (D)   International Fisher Effect

29. Bond Washing transaction relate to

    (A)   Salary   (B)   Income from Business

    (C)   Capital Gain   (D)   Income Other Sources

30. The first foreign entity to issue Indian Depository Receipts.

    (A)   Standard Chartered Bank   (B)   Citi Bank

    (C)   HSBC   (D)   Royal Bank of Scotland

31. For the Assessment Year 2012-2013 Short term Capital Gain on Sale of shares is taxed at

    (A)   20%   (B)   15%

    (C)   30%   (D)   None of the above

32. Exemption for capital gains arising from the transfer of land used for agricultural purpose is given under section

    (A)   54   (B)   54 D

    (C)   54 B   (D)   54 EC

33. Profit and loss is arrived at as per

    (A)   Dual aspect Concept   (B)   Matching concept

    (C)   Realisation Concept   (D)   Money measurement concept

34. In which of the following account a third bank is involved

(A) NOSTRO Account (B) VOSTRO Account

(C) LORO Account (D) All of the above

35. Which one of the following is not an indirect tax?

(A) Customs Duty (B) Estate Duty

(C) Excise Duty (D) Octroi Duty

36. Which of the following is not a limitation of SWOT (Strengths, Weaknesses, Opportunity, Threats) analysis?

(A) Organizational strengths may not lead to competitive advantage

(B) SWOT gives a one-shot view of a moving target

(C) SWOT's focus on the external environment is too broad and integrative

(D) SWOT overemphasizes a single dimension of strategy

37. XYZ Corp. is entering on the objective of low-cost, high quality, on-time production by curtailing idle productive facilities and workers. The XYZ Corp. is taking advantage of a _____ system.

(A) Just-In-Time (JIT) (B) Last In, First Out (LIFO)

(C) Highly mechanized (D) First In, First Out (FIFO)

38. In finance we refer to the market for short-term government and corporate debt securities as the _____ market.

(A) Capital (B) Primary

(C) Secondary (D) Money

39. Who is the present commerce minister of India?

(A) Anand Sharma (B) S.M Krishna

(C) Vilas raoDeshmukh (D) P. Chidambaram

40. DTAA refers to

(A) Double Taxation Avoidance Agreement

(B) Direct Tax American Agreement

(C) Double Taxation Aviation Agreement

(D) Direct Treaty of Avoidance Agreement

41. The duties of Company secretary regarding company meetings are restricted up to-

(A) Before company meeting (B) During company meeting

(C) After company meeting (D) In all the above situations

42. Partnership Deed is always?

    (A) Written   (B) Oral

    (C) Written or Oral   (D) Written and Oral

43. Which of the following appears in Cost Accounts and not in Profit and Loss Account ?.

    (A) Raw Materials

    (B) Rent of house of the owner of business

    (C) Works overhead

    (D) Selling and distribution expenses

44. An electronic check is one form of what?

    (A) e-commerce   (B) online banking

    (C) e-cash   (D) check

45. A set of possible values that a random variable can assume and their associated probabilities of occurrence are referred to as _____.

    (A) probability distribution   (B) the expected return

    (C) the standard deviation   (D) coefficient of variation

46. Who is the father of India's new economic policy of 1991?

    (A) Dr. Manmohan Singh   (B) Amartya Sen

    (C) PV Narasimha Rao   (D) Jawaharlal Nehru

47. Which of the following information forms available to the marketing manager can usually be accessed more quickly and cheaply than other information sources?

    (A) Marketing intelligence   (B) Marketing research

    (C) Customer profiles   (D) Internal databases

48. The descending order in which current assets should be shown in the balance sheet is:

    (A) Cash, Bank, Debtors , Stock   (B) Stock, Debtors, Bank, cash

    (C) Debtors, Stock, Bank, Cash   (D) Stock, Debtors, Cash, Bank

49. An organization structure is effective if it enables individuals to contribute to the objectives of the enterprise. This is known as.:

    (A) Scalar principle   (B) Principle of functional definition

    (C) Principle of unity of objectives   (D) None of the above

50. Two indifference curves cannot intersect each other because each indifference curve :
   (A) Represents a unique level of satisfaction
   (B) Slops downward in the graph
   (C) Convexes to the origin
   (D) Cannot touch the axis

51. Optimisation is emphasized when there are :
   (A) No constraints
   (B) Constraints of resources
   (C) Abundance of resources
   (D) No time constraint

52. Price effect is the sum of
   (A) Income effect and substitution effect
   (B) Cross effect and substitution effect
   (C) Income effect and inflation effect
   (D) Substitution effect and inflation effect

53. The rate at which RBI extends credit facilities to commercial banks :
   (A) Statutory liquidity rate
   (B) Reverse repo rate
   (C) Repo rate
   (D) Inter-bank offered rate

54. The growth rate of economy normally refers to the rate of increase of
   (A) GNP
   (B) GDP
   (C) NDP
   (D) NNP

55. Globalization places thrust on
   (A) Reduction of budget subsidies
   (B) Fall in transport costs
   (C) Promotion of extended competition
   (D) Removal of restrictions on MNCs

56. Under which test, the test statistics takes only positive value
   (A) x^2 test
   (B) t-test
   (C) Run-test
   (D) Z-test

57. Which of the following is not an example of compressed data?
   (A) Frequency curve
   (B) Frequency distribution
   (C) Data array
   (D) Histogram

58. Packaging together two or more products, usually complementary ones, to be sold for a single price is known as

    (A) Group pricing   (B) Reference pricing

    (C) Bundle pricing   (D) Multiple unit pricing

59. Fencing of dangerous machines in a factory is a

    (A) Labour health measure   (B) Labour safety measure

    (C) Labour welfare measure   (D) Labour rights measure

60. In transaction analysis of interpersonal relations the stimulus response pattern that underlies effective relations is

    (A) Parallel transaction   (B) Crossed transaction

    (C) Ulterior transaction   (D) Accidental transaction

61. India's foreign trade is characterized by

    (A) Surplus current account   (B) Deficit invisibles trade

    (C) Surplus visibles trade   (D) Deficit balance of trade

62. Which of the following is related to accounting standards?

    (A) GAAR   (B) GAAP

    (C) IAAS   (D) FASB

63. Which of the following is not included in the assumptions on which Myron Gordon proposed a model on stock valuation ?

    (A) Retained earnings, the only source of financing

    (B) Finite life of the firm

    (C) Taxes do not exist

    (D) Constant rate of return on firm's investment

64. BRICS includes

    (A) Bhutan, Romania, Indonesia, Chile and South Korea

    (B) Brazil, Russia, Indonesia, Chile and Sudan

    (C) Brazil, Russia, India, China and South Africa

    (D) Britain, Russia, India, Czechoslovakia, Sri Lanka

65. One of the items is not related with e-banking :

    (A) Demand Draft   (B) SPNS

    (C) ECS   (D) ATM

66. Sampling frame is:

   (A) A summary of the various stages involved in designing a survey

   (B) An outline view of all the main clusters of units in a sample

   (C) A list of all the units in the population from which a sample will be selected

   (D) A wooden frame used to display tables of random numbers

67. The standard error is a statistical measure of:

   (A) The normal distribution of scores around the sample mean

   (B) The extent to which a sample mean is likely to differ from the population mean

   (C) The clustering of scores at each end of a survey scale

   (D) The degree to which a sample has been accurately stratified

68. What effect does increasing the sample size have upon the sampling error?

   (A) It reduces the sampling error   (B) It increases the sampling error

   (C) It has no effect on the sampling error (D) None of the above

69. Which of the following is not a type of non-probability sampling?

   (A) Snowball sampling   (B) Stratified random sampling

   (C) Quota sampling   (D) Convenience sampling

70. The findings from a study of young single mothers at a university can be generalised to the population of:

   (A) All young single mothers at that university

   (B) All young single mothers in that society

   (C) All single mothers in all universities

   (D) All young women in that university

71. What is the difference between interval/ratio and ordinal variables?

   (A) The distance between categories is equal across the range of interval/ratio data

   (B) Ordinal data can be rank ordered, but interval/ratio data cannot

   (C) Interval/ratio variables contain only two categories

   (D) Ordinal variables have a fixed zero point, whereas interval/ratio variables do not

72. What is the difference between a bar chart and a histogram?

(A) A histogram does not show the entire range of scores in a distribution

(B) Bar charts are circular, whereas histograms are square

(C) There are no gaps between the bars on a histogram

(D) Bar charts represents numbers, whereas histograms represent percentages

73. What is an outlier?

(A) A type of variable that cannot be quantified

(B) A compulsive liar who is proud to be gay

(C) A score that is left out of the analysis because of missing data

(D) An extreme value at either end of a distribution

74. What is the function of a contingency table, in the context of bivariate analysis?

(A) It shows the results you would expect to find by chance

(B) It summarises the frequencies of two variables so that they can be compared

(C) It lists the different levels of p value for tests of significance

(D) It compares the results you might get from various statistical tests

75. If there were a perfect positive correlation between two interval/ratio variables, the Pearson's r test would give a correlation coefficient of:

(A) 0.328   (B) +1

(C) +0.328   (D) 1

76. Managing Earning through accounting Manipulation is known as

(A) Dirty surplus   (B) Earning management

(C) Management by earning   (D) Income surplus

77. _____ is the date at which the enterprise and the employee agree to share based payment arrangement

(A) Grant Date   (B) Closing Date

(C) Agreement Date   (D) Balance sheet Date

78. The currency used in presenting financial statement that currency is known as

(A) Domestic currency   (B) foreign currency

(C) Reporting currency   (D) None of the above

79. VRS is an example of
    (A) Termination benefit
    (B) Short term benefit
    (C) Long term benefit
    (D) Defined contribution plan

80. Joint control in joint venture is usually established by:
    (A) Equal holding of voting rights by all joint venture partners
    (B) An informal contractual arrangement
    (C) A contractual arrangement writing
    (D) A statutory requirement

81. The variable cost are the cost that tend to vary with level of activity and there is a linear relationship between volume and variable costs. These cost are called
    (A) Engineered cost
    (B) Re engineered cost
    (C) Sunk cost
    (D) Imputed cost

82. Systematic regulation of stock level is known as
    (A) Stock management
    (B) stock control
    (C) stock maintenance
    (D) stock valuation

83. Bill of material is comprehensive list of materials and prepared by
    (A) Engineering department
    (B) production department
    (C) purchase department
    (D) store department

84. HIFO is a method of
    (A) Pricing material issues
    (B) material pricing
    (C) costing
    (D) pricing

85. It is incidental residue from the material used in manufacturing operation which is recoverable and measurable with out processing
    (A) Defective
    (B) scrap
    (C) spoilage
    (D) waste

86. The security return is calculated by (Pt-today's price, Po yesterday's price)
    (A) $\dfrac{p0 - pt}{p0}$
    (B) $\dfrac{p0 - pt}{pt}$
    (C) $\dfrac{pt - p0}{p0}$
    (D) $\dfrac{pt - p0}{pt + p0/2}$

87. The value of the bond depends on
    (A) The coupon rate
    (B) Years to maturity
    (C) Expected yield to maturity
    (D) All the above

88. A stock of Rs 10 face value has declared 35% dividend for the current year. The stock is currently selling for Rs 40. What is its dividend yield?
    (A) 35%
    (B) 70%
    (C) 8.75%
    (D) 8.5%

89. Gross domestic product is a logical factor to analyse the economy in picking up a stock because it indicates
    (A) Inflation or deflation
    (B) The market value of assets
    (C) The status of the economy
    (D) The condition of the stock market

90. The rise of dividend tax from 10% to 20% in a broader sense affects
    (A) The investor
    (B) The corporate
    (C) The stock market
    (D) The financial institutions

91. In the bull market
    (A) The stock prices are increasing
    (B) Each peak is higher than the previous peak
    (C) Each bottom is higher than the previous bottom
    (D) (B) and (C)

92. The inflation free instrument is
    (A) Option bond
    (B) Index-linked guilt bond
    (C) Leasing
    (D) Deep discount bond

93. Customer's Protection fund is set up
    (A) To protect the investors against price fluctuations
    (B) To protect the broker in case of non payment of money by investors
    (C) To provide insurance to investors in case of default by the members
    (D) To protect the member and the investor

94. Asset generally not suitable for securitization is
    (A) Receivables from Government Department
    (B) Trade receivables
    (C) Hire Purchase finance receivables
    (D) Mortgage loans.

95. A man saves every year Rs. 4,000 and invests it at the end of the year at 10 per cent per annum compound interest. Calculate the total amount of his savings at the end of the third year.

(A) 13,260

(B) 13,230

(C) 13,240

(D) 13,250

96. The just- In- time inventory system is difficult to implement because

(A) It is a Japanese system

(B) It requires reliable suppliers who are easily accessible

(C) It requires the use of highly sophisticated manufacturing systems

(D) The traditional formula for EOQ cannot be applied

97. The assets that can be delivered against a futures contract are called

(A) Speculated assets

(B) Hedged assets

(C) Cash and carry arbitraged assets

(D) Carriable assets

98. Buying and selling call or put option with the same strike price but different expiration dates is called

(A) Long hedge

(B) Short hedge

(C) Horizontal option spread

(D) Nearby contract

99. When the strike price of an option is equal to the spot price of the underlying asset at the expiration date/exercise date, then the option is said to be

(A) Deep-in –the-money

(B) In-the-money

(C) Out-of-the-money

(D) At-the-money

100. Which of the following is not a benefit arising from "Netting"?

(A) Ensuring diversifications

(B) Creating liquidity

(C) Reducing the number of transactions actually executed

(D) None of the above