

PhD Entrance Exam

1. The oligopoly model in which the businessman assumes that his competitors output are fixed and simultaneously decide how much to produce is
 - a) Cournot oligopoly model
 - b) Stackelberg oligopoly model
 - c) Chamberlin's oligopoly model
 - d) Bertrand oligopoly model
2. According to Game Theory, if increased advertising, raises costs more than revenues and the profits of both firms decline, we have a
 - a) Positive-sum game
 - b) Non zero-sum game
 - c) Zero-sum game
 - d) Negative-sum game
3. A tax imposed upon monopoly profits
 - a) can be shifted forward
 - b) can be shifted backward
 - c) can be shifted both forward and backward
 - d) cannot be shifted
4. As per Micro, Small and Medium Enterprise Development Act, 2006, Medium Enterprises are defined as those with investments :
 - a) < 25 lakhs
 - b) 25 lakhs to 5 crores
 - c) 5 crores to 10 crores
 - d) > 10 crores
5. The demand and supply functions are given as : $P_d = 30 - 5x$ and $P_s = 3x - 10$ respectively ($x =$ quantity). The consumer surplus is
 - a) 125
 - b) - 62.5
 - c) 62.5
 - d) -125
6. Engel Curve denotes
 - a) Various amounts of a good which a consumer would be willing to purchase at various price levels.
 - b) Various amounts of a good which a consumer would be willing to purchase at various income levels.
 - c) Various amounts of a good purchased when the price of its substitutes tend to rise.
 - d) The relationship between income effect and substitution effect.
7. If debt is Rs 220, cash balance is Rs 20 and equity is Rs 300, then the gearing ratio is
 - a) 20%
 - b) 40%
 - c) 50%

- d) 30%
8. The mathematical formula for joint probabilities $P(AB) = P(A/B) \times P(B)$, holds when
- The events are statistically independent.
 - The events are statistically dependent.
 - The event is either independent or dependent.
 - None of the above
9. Indicate the cost of equity capital, based on capital asset pricing model, with the following information :
- Beta coefficient – 1.40 Risk-free rate of interest – 9%
- Expected Rate of Return on equity in the market – 16%
- 9.8%
 - 18%
 - 18.8%
 - 16%
10. Where does recognition of an Employee fall in Maslow's hierarchy of needs theory ?
- Self-actualisation
 - Security needs
 - Social needs
 - Esteem needs
11. Duty levied on the value of goods imported is referred to as
- Ad valorem Duty
 - Compound Duty
 - Specific Duty
 - Import Duty
12. Which of the following can be included in the current account of the balance of payments ?
- Purchase of goods from abroad
 - Sale of services abroad
 - Workers' remittances from aboard
 - Sale of copyright to foreigners
 - Direct investment in equity capital

Codes :

- (i), (ii) and (iii)
 - (i), (ii) and (iv)
 - (i), (ii), (iii) and (v)
 - (i), (ii), (iii) and (iv)
13. Who observed that a worker's behaviour and sentiments are closely related ?
- Peter Drucker
 - Elton Mayo
 - F.W. Taylor
 - Dale Yoder

14. Income elasticity of demand for food in developed countries is less than
- zero
 - 1
 - 2
 - 3
15. In case of Fixed Exchange Rate regime adjustment in Balance of Payments takes place through
- changes in price level
 - changes in exchange rate
 - changes in interest rate
 - none of the above
16. Given a production function $Q = AL^\alpha K^\beta$; $\alpha, \beta > 0$, increasing returns to scale requires that
- $\alpha + \beta = 1$
 - $\alpha + \beta = 0$
 - $\alpha + \beta > 0$
 - $\alpha + \beta > 1$
17. In a multiple regression with three independent variables, the regression coefficients are to be tested. Which test would be used ?
- Z test
 - F test
 - χ^2 test
 - T- test
18. Which of the following ratios are taken into consideration by a banker before sanctioning the loan?
- Proprietary Ratio
 - Stock-Turnover Ratio
 - Debt-Equity Ratio
 - All of the above
19. At which stage of product-life-cycle are the pricing decisions most complex ?
- Decline
 - Growth
 - Introduction
 - Maturity
20. Optimal input combination to minimize the cost for a given output will be at the point where :
- Isocost is tangent to Isoquant
 - MRTS between inputs is equal
 - Any movement from optimum point will lead to low level of output
 - All the above conditions are fulfilled.

21. If a chi-square test is to be performed on a contingency table with 3 rows and 4 columns, how many degrees of freedom should be used ?
- 6
 - 12
 - 8
 - 9
22. According to the Boston Consulting group, a business, which has a strong market share in a low growth industry is referred to as a
- Dog
 - Cash Cow
 - Star
 - Question mark
23. In the managerial grid, the managers who have little or no concern for production but are concerned only or people are known as what type of managers ?
- 1.1 Management
 - 5.5 Management
 - 9.1 Management
 - 1.9 Management
24. Financial leverage in a firm is positively affected by
- Intensity of tangible assets
 - Operating leverage
 - Profitability
 - Tax Rate
25. What does a high payout ratio indicate?
- A High Earning Per Share (EPS)
 - The management is not ploughing back enough profit.
 - The management is ploughing back profit.
 - The company is earning high profit.
26. The major provisions for employees' health and safety are contained in
- The Industrial Disputes Act, 1947
 - The Factories Act, 1948
 - The Industrial Employment (Standing Orders) Act, 1946
 - The Employees' Compensation Act, 1923
27. Out of the following, which are the important objectives of IMF ?
- To promote exchange rate stability
 - To create standby reserves
 - To print International currency notes
 - To establish a multilateral system of payments.
 - To maintain orderly exchange rate stability
 - To create employment

Codes :

- (ii), (iv), (v), (vi)
- (iii), (v), (vi)
- (i), (ii), (iv), (v)

- d) (i), (ii), (v), (vi)
28. Which of the following deductions will not come under Sec. 80 of the Income Tax Act ?
- a) Deduction in the case of a person with disability
 - b) Deduction for interest paid on loan taken for pursuing higher education
 - c) Deduction for interest on loan taken for the construction / purchase of house property
 - d) Deduction for repayment of any instalment of principal amount borrowed for the purchase / construction of house property
29. According to Henry Mintberg, managers perform three roles. Indicate the one role which is not among them.
- a) Decisional
 - b) Informational
 - c) Interpersonal
 - d) Supervisory
30. Which of the following techniques permits the complainant to remain anonymous ?
- a) The exit interview
 - b) The gripe-box system
 - c) The opinion survey
 - d) None of the above
31. Which of the following is not a welfare provision under the Factories Act, 1948 ?
- a) Canteen
 - b) Crèches
 - c) First Aid
 - d) Drinking water
32. In the social-cultural arena, marketers may not understand
- a) People's views
 - b) Organisation's views
 - c) Society's views
 - d) Government's views
33. If in the optimal solution of a linear programming problem, a non-basic variable has zero value in the $C_j - Z_j$ row, the problem
- a) has no feasible solution
 - b) has multiple optimal solutions
 - c) is unbounded
 - d) (a) and (b), but not (c)
34. The managerial process of developing and maintaining a viable fit between an organisation's objectives, skills, and resources, and its market opportunities is called
- a) Establishing strategic business units
 - b) Market-oriented strategic planning
 - c) Market research
 - d) Portfolio analysis

35. If a person buys one ticket of a State lottery, then the probability that he wins a price is 0.11. If a person buys one ticket each month for five months, what is the probability that he will win least one price ?
- 0.55
 - 0.50
 - 0.44
 - 0.56
36. The method of collecting money for Corporate Social Responsibility (CSR) by raising prices or following many other unethical ways is often described as :
- Reverse effect
 - Reverse Robinhood effect
 - Boomerang
 - Roosevelt effect
37. According to Fiedler's Contingency Model of Leadership, which one of the following is not a situational variable ?
- Leader-Member relations
 - Task structure
 - Position power
 - Maturity of followers
38. Holistic marketing does not include
- Internal Marketing
 - Integrated Marketing
 - Performance Marketing
 - Financial Marketing
39. Trade Union strike supporting a political cause and affecting production activities is a problem related to
- Socio-economic phenomenon
 - Ethical and technical phenomenon
 - Ethical and economic phenomenon
 - Socio-political phenomenon
40. Which of the legislations listed below do not form part of the marketing environment of India ?
- The Drugs and Cosmetics Act, 1940
 - The Prevention of Food and Adulteration Act, 1954
 - The Monopolies and Restrictive Trade Practices Act, 1969
 - Both (B) and (C)
41. Which of the following would generally require the largest sample size?
- Cluster Sampling
 - Simple random sampling
 - Systematic sampling
 - Proportional stratified sampling
42. Hypotheses in qualitative research studies usually _____.
- Are very specific and stated prior to beginning the study

- b) Are often generated as the data are collected, interpreted, and analyzed
 - c) Are never used
 - d) Are always stated after the research study has been completed
43. The statement of purpose in a research study should:
- a) Identify the design of the study
 - b) Identify the intent or objective of the study
 - c) Specify the type of people to be used in the study
 - d) Describe the study
44. The feasibility of a research study should be considered in light of:
- a) Cost and time required to conduct the study
 - b) Skills required of the researcher
 - c) Potential ethical concerns
 - d) All of the above
45. A good qualitative problem statement:
- a) Defines the independent and dependent variables
 - b) Conveys a sense of emerging design
 - c) Specifies a research hypothesis to be tested
 - d) Specifies the relationship between variables that the researcher expects to find
46. Which scientific method focuses on testing hypotheses developed from theories?
- a) Deductive method
 - b) Inductive method
 - c) Hypothesis method
 - d) Pattern method
47. Which of the following is not a type of comparative scaling?
- a) Rank Order Scaling
 - b) Q sort Scaling
 - c) Staple Scaling
 - d) Constant Sum Scaling
48. The samples within the group are heterogeneous and between the group are homogeneous
- a) Cluster Sampling
 - b) Quota Sampling
 - c) Stratified Sampling
 - d) Systematic Sampling
49. Which is not a part of longitudinal studies?
- a) Trend Studies
 - b) Cohort Panel
 - c) Panel Surveys
 - d) Causal Studies
50. Sampling is a method used to measure the characteristic of
- a) Population
 - b) Sample
 - c) Data
 - d) All of the above

51. In a Poisson distribution
- a) Mean & SD are equal
 - b) Mean, variance are equal
 - c) SD & variance are equal
 - d) Both (a) and (b)
52. When sample Size increases, Standard error
- a) Decrease
 - b) Does not change
 - c) Increase
 - d) Decrease Proportionality
53. In depth Interview is
- a) Structured and Personal Interview
 - b) Unstructured and Personal Interview
 - c) Structured and Group Interview
 - d) Unstructured and Group Interview
54. "Selection of sample that is a replica of the population" is known as
- a) Snow Ball Sample
 - b) Judgemental Sample
 - c) Convenience Sample
 - d) Quota Sample
55. Anova Technique is used in
- a) Multiple Samples
 - b) Unique Samples
 - c) Both
 - d) None of These
56. Research conducted to prove any immediate problem at hand is known as
- a) Basic Research
 - b) Applied Research
 - c) Action Research
 - d) None of These
57. A list of all the members without duplication is known as
- a) Sample Frame
 - b) Sample Design
 - c) Census
 - d) None of these
58. Testing hypothesis is a
- a) Inferential statistics
 - b) Descriptive statistics
 - c) Data preparation
 - d) Data analysis

59. Type – I error is known as

- a) Consumer's Risk
- b) Producer's Risk
- c) Interviewer's Risk
- d) None of these

60. Parametric tests are performed on

- i) Interval Scale ii) Ordinal Scale
- iii) Nominal Scale iv) Ratio Scale

Codes

- a) i and iii
- b) i and iv
- c) ii and iii
- d) ii and iv

Answer Key

PhD Commerce Entrance Exam

1	a	21	a	41	a
2	d	22	b	42	b
3	d	23	d	43	b
4	c	24	a	44	d
5	c	25	b	45	b
6	b	26	b	46	a
7	b	27	c	47	c
8	b	28	c	48	a
9	c	29	d	49	d
10	d	30	b	50	a
11	a	31	d	51	b
12	a	32	d	52	d
13	b	33	b	53	b
14	b	34	b	54	d
15	a	35	c	55	a
16	d	36	b	56	c
17	b	37	d	57	c
18	c	38	d	58	a
19	d	39	c	59	b
20	d	40	c	60	b