UGC NET JUNE 2026 — Commerce

Question Paper · 100 MCQs · Corrected student edition

1. Arrange the following statements in order (UGC NET Commerce June 2026)

A. The firm identifies one key benefit that provides consumers a compelling reason to choose the firm's offering

B. The firm develops a statement to articulate its benefits that can lead consumers to choose the offering

C. Consumers compare the offering against a benchmark / competing offering to evaluate the benefits and costs

D. A firm develops a value proposition, which is the benefits and costs associated with its offering

E. The firm communicates internally to the employees and externally to the customers

Choose the correct answer from the options given below:

1. D, A, C, E, B
2. D, B, A, C, E
3. D, E, C, B, A
4. D, A, B, E, C

2. Arrange the following marketing tactics in the correct sequence based on their application across stages of the Product Life Cycle, starting from Introduction Stage and ending at Decline Stage. (UGC NET Commerce June 2026)

A. The focus of the firm lies in maximizing market share of the product

B. The firm prices the product to match the competition

C. The firm reduces its expenditure on the product and cuts prices for the product

D. The firms use heavy sales promotions and entice trial to promote product.

E. The firm offers product extensions, service and warranty for the product

Choose the correct answer from the options given below:

1. D, A, E, B, C
2. D, B, E, A, C
3. D, C, A, B, E
4. A, E, D, B, C

3. Arrange the following in correct order: (UGC NET Commerce June 2026)

A. Develop an effective marketing message

B. Research the effect of the message on the target audience

C. Identify a clear target audience

D. Determine the desired response and set the communication objective accordingly

E. Identify and select the source through which the message will be delivered

Choose the correct answer from the options given below:

1. C, A, B, E, D
2. C, D, A, E, B
3. E, D, C, A, B
4. D, A, E, B, C

4. Which of the following statements are correct: (UGC NET Commerce June 2026)

A. Buying a packaged solution to a problem from a single seller, while avoiding all the separate decisions involved in a complex buying situation is known as Systems Selling.

B. Systems Selling is the same as Solutions Selling

C. The buying centre is a formally identified unit within a buying organization

D. Gatekeepers have the final authority to select the supplier and arrange terms of purchase

E. A business buying situation where the buyer wants to change product specifications is known as Modified Rebuy

Choose the most appropriate answer from the options given below:

1. A, C and E only
2. A, B and E only
3. B, C and E only
4. A, D and E only

5. Which of the following statements are true: (UGC NET Commerce June 2026)

A. Correlational points of parity are negative associations that arise from the existence of positive associations for the brand.

B. Points of Parity are associations designed to overcome perceived weakness of the brand with regard to competitors' points of difference.

C. The key to positioning is not so much in achieving a point of difference as is in achieving a point of parity.

D. Points of Parity are attributes that consumers view as essential to a legitimate offering within a certain product category

E. Perceptual Maps allow a firm to only identify points of difference and not points of parity

Choose the most appropriate answer from the options given below:

1. A, B, C and D only
2. B, C, D and E only.
3. A, B, D and E only
4. A, B, C and E only

6. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I

A. Conglomerate FDI

B. Efficiency-seeking FDI

C. Market-seeking FDI

D. Resource-seeking FDI

LIST-II

I. Direct investment overseas with sizeable market and growth in order to protect existing markets, counteract competitors, and to preclude rivals from gaining new markets.

II. Direct investment overseas so as to gain privileged access to resources vis-à-vis competitors.

III. Direct investment overseas so as to improve efficiency and/or seek advantages of process specialization or product rationalization.

IV. Direct investment overseas aimed at manufacturing products not manufactured by the firm in the home country.

Choose the correct answer from the options given below:

1. A-III, B-I, C-IV, D-II
2. A-III, B-IV, C-II, D-I
3. A-IV, B-III, C-I, D-II
4. A-IV, B-I, C-II, D-III

7. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I

A. Ethnocentric Orientation

B. Polycentric Orientation

C. Regiocentric Orientation

D. Geocentric Orientation

LIST-II

I. Home-country centred approach

II. Host-country centred approach

III. World-centred approach

IV. Region-centred approach

Choose the correct answer from the options given below:

1. A-II, B-III, C-I, D-IV
2. A-I, B-III, C-IV, D-II
3. A-I, B-II, C-IV, D-III
4. A-II, B-I, C-IV, D-III

8. The Millennium Development Goals include: (UGC NET Commerce June 2026)

A. Eradicate extreme poverty and hunger;

B. Addressing constraints to private sector investments;

C. Promote gender equality and empower women;

D. Strengthening and promoting SME sector;

E. Achieve universal primary education.

Choose the most appropriate answer from the options given below:

1. A, B, and C only
2. A, C, and E only
3. A, C, and D only
4. A, D, and E only

9. The major functions of WTO are : (UGC NET Commerce June 2026)

A. To facilitate the implementation, administration, and operation of trade agreements

B. Oversee the international monetary system

C. Settlement of differences and disputes among its member countries

D. Developing domestic financial markets through institution building and the use of innovative financial products

E. To provide a forum for further negotiations among member countries on matters covered by the agreements as well as on new issues falling within its mandate

Choose the most appropriate answer from the options given below:

1. A, B, and C only
2. A, C, and E only
3. A, C, and D only
4. A, D, and E only

10. The political environment mainly affects international business through: (UGC NET Commerce June 2026)

1. Laws and regulations only
2. Stability of government, foreign policies, and trade relations
3. Inflation and GDP growth
4. Customer tastes and preferences

11. Which of the following marketing systems are based on sustainable marketing principles (UGC NET Commerce June 2026)

A. Consumer-oriented Marketing

B. Societal Marketing

C. Sense-of-mission Marketing

D. Value oriented Marketing

E. Customer value Marketing

Choose the correct answer from the options given below:

1. B, C, D only
2. A, B, C, E only
3. A, B, D, E only
4. A, C, E only

12. The classification of buyer as Innovators, Early Adopters, Early Majority, Late Majority, and Laggards is based on: (UGC NET Commerce June 2026)

1. Buyers' readiness to try new products
2. Buyers' readiness to try existing products
3. Buyers' capability of trying new products
4. Buyers' inability to try new products

13. Which one of the following is NOT a non-formal rural-specific media? (UGC NET Commerce June 2026)

1. Audio-visual publicity vans
2. Puppet shows
3. Radio
4. Decorated bullock carts carrying advertisement panels

14. When the new offerings flood the market and the superiority of the established brand has to be re-emphasized, it is called: (UGC NET Commerce June 2026)

1. Brand Positioning
2. Brand Repositioning
3. Umbrella Positioning
4. Premier Positioning

15. Which of the following is a channel system that coordinates successive stages of production and distribution through the size and the power of one of the parties? (UGC NET Commerce June 2026)

1. Corporate Vertical Marketing System
2. Administered Vertical Marketing System
3. Contractual Vertical Marketing System
4. Horizontal Marketing System

16. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I

A. Default risk

B. Liquidity risk

C. Foreign Exchange risk

D. Sovereign risk

LIST-II

I. Adverse foreign currency exchange rate fluctuations.

II. Borrower may not pay interest and/or principal amount on time.

III. Associated with financial asset purchased in foreign country.

IV. Inability to convert security into cash easily.

Choose the correct answer from the options given below:

1. A-I, B-II, C-III, D-IV
2. A-II, B-III, C-IV, D-I
3. A-II, B-IV, C-I, D-III
4. A-IV, B-III, C-I, D-II

17. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I

A. Walter's Dividend Model

B. Growth rate under Gordon's model

C. Dividend signalling hypothesis

D. Information Asymmetry

LIST-II

I. The gap between information that management possesses and shared with shareholders.

II. If a firm has profitable investment opportunities, then its value is maximum when dividend payout ratio is 0%.

III. Product of retention ratio and return on equity.

IV. Dividend payment provides meaningful information.

Choose the correct answer from the options given below:

1. A-I, B-II, C-III, D-IV
2. A-II, B-III, C-IV, D-I
3. A-II B-IV, C-I, D-III
4. A-III, B-II, C-IV, D-I

18. Arrange the following financial instruments in increasing order of required rate of return under normal economic conditions. (UGC NET Commerce June 2026)

A. Equity Capital

B. Corporate Bonds

C. Treasury Bills

D. Preference Share Capital

E. Government Bonds

1. C, E, A, D and B
2. D, C, B, E and A
3. C, E, B, D and A
4. C, A, B, D and E

19. What is the most appropriate order of the operating cycle of a manufacturing company? (UGC NET Commerce June 2026)

A. Conversion of account receivables to cash.

B. Finished goods.

C. Sales on cash and credit.

D. From cash to purchase of raw material.

E. Work-in-progress stage.

Choose the correct answer from the options given below:

1. D, E, C, A and B
2. B, C, A, D and E
3. A, D, B, C and E
4. D, E, B, C and A

20. According to Modigliani and Miller hypothesis without taxes related to capital structure, which of the following statements are correct? (UGC NET Commerce June 2026)

A. The division of capital between debt and equity determines the value of the firm.

B. Value of the firm is determined by its earning capacity.

C. Value of the firm is independent of its capital structure.

D. Cost of equity rises with leverage.

E. Payment of dividend would increase the value of the firm.

Choose the most appropriate answer from the options given below:

1. C, D and E only.
2. A, B and C only.
3. A, C and D only.
4. B, C and D only.

21. Consider the following statements about bond portfolio management. (UGC NET Commerce June 2026)

A. An increase in interest rates will result in a decrease in value of bond price.

B. Duration is the weighted average life of a bond.

C. Convexity can be measured with the help of second derivative of price with respect to the yield.

D. An increase in interest rates will result in an increase in value of bond price.

E. Liquidity risk arises due to increase in exchange rates.

Choose the most appropriate answer from the options given below:

1. B, D and E
2. A, C and D
3. C, D and E
4. A, B and C

22. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I

A. Amalgamation

B. Absorption

C. External Reconstruction

D. Internal reconstruction

LIST-II

I. Involves the reorganization of financial structure of the company without liquidating the company.

II. Means formation of a new company to take over an existing company.

III. Means taking over of one or more existing company or companies by another existing company.

IV. Means where two or more existing companies are combined to form a new company.

Choose the correct answer from the options given below:

1. A-IV, B-III, C-II, D-I
2. A-I, B-II, C-III, D-IV
3. A-III, B-IV, C-II, D-I
4. A-II, B-I, C-IV, D-III

23. Which of the following statements are NOT true? (UGC NET Commerce June 2026)

A. The main objective of vouching is to examine the accounting entries recorded in the books of account with reference to documentary evidence in support thereof.

B. Vouching is also known as backbone of auditing.

C. Verification of assets implies 'proving the truth' or 'confirmation' of assets as on date of balance sheet.

D. Intangible assets are those assets, which have physical existence.

E. One of the objective of vouching is to make assurance as to assets are free from any charge or mortgage.

Choose the most appropriate answer from the options given below:

1. D and E Only
2. C, D and E Only
3. A, D and E Only.
4. A, B and C Only

24. Which of the following statements are correct? (UGC NET Commerce June 2026)

A. Dividend on equity shares is paid before payment of dividend on preference share.

B. Dividend on preference shares is paid after payment of dividend on equity share.

C. When a public company desire to raise capital by issuing its shares to the public ,it has to issue a prospectus.

D. After the application money (in the case of issue of equity share) and allotment money, the subsequent instalments are called calls.

E. If the face value of the shares is Rs.10 and they are issued at Rs.15, then the issue of shares is at premium of Rs.5.

Choose the most appropriate answer from the options given below:

1. C, D and E Only
2. B, D and E Only
3. A, B and D Only
4. A, B and C Only

25. Which of the following accounting concept state that, capital of business is treated liability of the business ? (UGC NET Commerce June 2026)

1. Cost concept
2. Matching concept
3. Accounting period concept
4. Business entity concept

26. From the following particulars of Sharma manufactures, calculate Material usage variance? (UGC NET Commerce June 2026)

Quantity of materials purchased =3,000 units
Value of materials purchased=Rs.9,000
Standard quantity of materials required per tonnes of output=30 units
Standard rate of materials=Rs.3.50 per unit.
Opening stock of materials=0 units
Closing stock of materials=500 units
Output during the period=80 tonnes.

1. Rs.350 Adverse
2. Rs.300 Adverse
3. Rs.350 Favourable
4. Rs.250 Favourable

27. A,B and C are partners sharing profits in the ratio of 3:2:1.A retires and his shares is taken up by B & C in the ratio of 3:2.Calculate the new profit sharing ratio of B & C. (UGC NET Commerce June 2026)

1. new profit sharing ratio of B & C =19:11
2. new profit sharing ratio of B & C =11:11
3. new profit sharing ratio of B & C =11:19
4. new profit sharing ratio of B & C =19:19

28. From the following, calculate the amount transferred to Capital reserve account. (UGC NET Commerce June 2026)

400 shares of Rs.10 each on which Rs.8 per shares has been called and Rs.6 per share has been paid were forfeited by ABC Limited. Out of these 300 shares are reissued for Rs.7 each as fully paid.

1. Rs.900
2. Rs.600
3. Rs.400
4. Zero

29. Which of the following is NOT a method of calculating purchase consideration for amalgamation? (UGC NET Commerce June 2026)

1. Net payment method
2. Net assets method
3. Lumpsum method
4. Net realisable value method

30. ABC Limited has earned a contribution of Rs.2,00,000 and net profit of Rs.1,50,000 on sales of Rs.8,00,000.Calculate its Margin of safety. (UGC NET Commerce June 2026)

1. Rs.6,00,000
2. Rs.8,00,000
3. Rs.10,00,000
4. Rs.4,00,000

31. From the following information, calculate inventory turnover ratio: (UGC NET Commerce June 2026)

Revenue from operations (sales)=Rs.4,00,000
Opening inventory =Rs.50,000
Closing inventory =Rs.1,10,000
Gross profit ratio= 20% on sales

1. 4 times
2. 5 times
3. 6 times
4. 8 times

32. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I (Development Financial Institution Name)
A. Industrial Finance Corporation of India Limited
B. Industrial Development Bank of India
C. National Bank for Agriculture and Rural Development
D. Small Industries Development Bank of India
LIST-II (Establishment Year)
I. 1948
II. 1964
III. 1982
IV. 1990
Choose the correct answer from the options given below:

1. A-I, B-II, C-III, D-IV
2. A-IV, B-III, C-II, D-I
3. A-II, B-I, C-IV, D-III
4. A-IV, B-III, C-I, D-II

33. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I (Year)
A. 1994
B. 1995
C. 1997
D. 2003
LIST-II (Reforms in Government Securities Market)
I. Introduction of Trading in Government Securities on Stock Exchange
II. Introduction of Ways and Means Advances Scheme
III. Introduction of Delivery versus Payment System
IV. Setting up of Securities Trading Corporation of India
Choose the correct answer from the options given below:

1. A-I, B-II, C-III, D-IV
2. A-IV, B-III, C-II, D-I
3. A-I, B-IV, C-II, D-III
4. A-III, B-II, C-IV, D-I

34. Arrange the following in chronological order of NSE Milestones: (UGC NET Commerce June 2026)

A. Launch of Exchange Traded Funds

B. Launch of Mutual Fund Service System

C. Commencement of Derivatives Trading in Index Futures

D. Launch of Futures and Options on Bank Nifty Index

E. Launch of S&P CNX Nifty

Choose the correct answer from the options given below:

1. A, B, C, D, E
2. E, D, C, B, A
3. C, E, A, B, D
4. E, C, A, D, B

35. Arrange the following Acts related to financial sector regulation in India in ascending order on the basis of their year of enactment: (UGC NET Commerce June 2026)

A. The Banking Regulation Act

B. The Pension Fund Regulatory and Development Authority Act

C. Insurance Regulatory and Development Authority of India Act

D. The Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act

E. Securities and Exchange Board Act

Choose the correct answer from the options given below:

1. A, C, E, B, D
2. A, E, C, D, B
3. B, A, E, D, C
4. C, B, E, D, A

36. Which of the following statements are correct? (UGC NET Commerce June 2026)

A. The financial systems of most developing countries are characterized by coexistence and cooperation between the formal and informal financial sectors.

B. The RBI regulates the capital market and SEBI regulates the money market.

C. Formal financial systems consist of financial institutions, financial markets, financial instruments, and financial services.

D. The main organized financial markets in India are the money market and the capital market.

E. Primary markets are meant for trading in outstanding or existing securities while the secondary market deals in new issues.

Choose the most appropriate answer from the options given below:

1. A, B, C, and D Only
2. B, D, and E Only
3. C, D, and E only
4. A, C, and D Only

37. Which of the following principles of Insurance are correct? (UGC NET Commerce June 2026)

A. Principle of Causa Proxima.
B. Principle of Subrogation.
C. Principle of Premium Maximization.
D. Principle of Indemnity.
E. Principle of Guarantee.
Choose the most appropriate answer from the options given below:

1. A, and D Only
2. A, B and C Only
3. B, C and D Only
4. A, B and D Only

38. Which committee recommended the establishment of Regional Rural Bank in India: (UGC NET Commerce June 2026)

1. Narasimham Committee
2. Goiporia Committee
3. L. C. Gupta Committee
4. Tarapore Committee

39. The Reserve Bank of India started functioning from (UGC NET Commerce June 2026)

1. April 1, 1934
2. April 1, 1935
3. April 1, 1949
4. April 1, 1950

40. Which of the following technique of monetary control is conducted by way of repurchase agreements (repos and reverse repos) where RBI is the counter-party to all the transactions? (UGC NET Commerce June 2026)

1. Moral Suasion
2. Selective Credit Controls
3. Liquidity Adjustment Facility
4. Open Market Operations

41. A Non Performing Asset (NPA) in respect of a term loan is a loan where interest and/or instalment of principal remain overdue for a period of more than (UGC NET Commerce June 2026)

1. 30 days
2. 45 days
3. 60 days
4. 90 days

42. Match the LIST-I (Rate of TDS) with LIST-II (Nature of income received by Mr. S, a resident in India) (UGC NET Commerce June 2026)

LIST-I

A. 30%

B. 10%

C. 20%

D. 2%

LIST-II

I. Rs. 20,000 received as dividend from X Ltd.

II. Rs. 15,000 winnings from horse races

III. Rs. 50,000 received as insurance commission

IV. Rs. 30,000 received as interest on securities and PAN not provided

Choose the correct answer from the options given below:

1. A-II, B-I, C-IV, D-III
2. A-I, B-II, C-III, D-IV
3. A-IV, B-III, C-II, D-I
4. A-III, B-IV, C-I, D-II

43. Match the LIST-I (Maximum time period for carry forward of losses) with LIST-II (Type of Losses) (UGC NET Commerce June 2026)

LIST-I

A. Brought forward loss of a firm succeeded by another firm

B. Long-term Capital Loss

C. Speculation Loss

D. Loss from specified business

LIST-II

I. unlimited

II. 4 years

III. None

IV. 8 years

Choose the correct answer from the options given below:

1. A-I, B-III, C-IV, D-II
2. A-IV, B-I, C-II, D-III
3. A-I, B-IV, C-III, D-II
4. A-III, B-IV, C-II, D-I

44. Write the correct order of set off and carry forward for various items as given below: (UGC NET Commerce June 2026)

A. Unabsorbed depreciation
B. Current year capital expenditure on scientific research (to the extent allowed)
C. Current year depreciation
D. Brought forward business loss
E. Unabsorbed capital expenditure on family planning
F. Unabsorbed capital expenditure on scientific research
Choose the correct answer from the options given below:

1. B, C, A, D, E, F
2. B, C, D, A, F, E
3. C, B, D, A, F, E
4. C, B, A, D, E, F

45. Which of the following is a necessary condition for a property to be taxable under the head 'Income from House Property'? (UGC NET Commerce June 2026)

A. The property should consist of a building or land appurtenant thereto
B. It should not be used by the assessee for his business or profession
C. The property should be a mortgaged property
D. The assessee should be the owner of the property
Choose the most appropriate answer from the options given below:

1. B, C and D only
2. A, B and D only
3. A, B, C only
4. A and D only

46. What conditions must be satisfied to constitute arm's length price? (UGC NET Commerce June 2026)

A. The price is applied in a transaction
B. The transaction is between related persons
C. The transaction takes place under uncontrolled conditions
D. The transaction is between unrelated persons
E. The transaction takes place under controlled conditions
Choose the most appropriate answer from the options given below:

1. A, B and C only
2. A, D, and E only
3. A, C and D only
4. A, B and E only

47. X, who is a foreign national (not being a person of Indian origin), came to India for the first time on April 15, 2021. During the financial years 2021-22, 2022-23, 2023-24, 2024-25 and 2025-26, he was in India for 130 days, 80 days, 13 days, 210 days and 75 days respectively. Determine the residential status of X for the assessment year 2026-27. (UGC NET Commerce June 2026)

1. Ordinarily Resident
2. Not Ordinarily Resident
3. Non-resident
4. Information is incomplete

48. For claiming income tax exemption by a political party as per Income Tax Act 2025, what is the maximum amount of donation that may be received in cash? (UGC NET Commerce June 2026)

1. Rs. 1,500
2. Rs. 2000
3. Rs. 5,000
4. Rs. 10,000

49. X owned a residential house which was purchased by him in 1.11.2023 for Rs. 1.8 crore. The market value of the house as on 1.4.2001 was Rs. 30 lakhs. This house was sold by him on 16.7.2025 for Rs. 14 crore. He paid 2% of sale price as commission on transfer and invested Rs. 12 crore on 21.10.2025 for the purchase of the new house. Compute the taxable gains for Tax Year 2025-26. (UGC NET Commerce June 2026)

1. Rs. 11.92 crore
2. Rs. 12 crore
3. Rs. 10.72 crore
4. Rs. 1.72 crore

50. Mrs. A started the business in 2023. Her capital in the business as on 01.04.2024 stood at Rs. 3,00,000. Mr. A (her husband) gifted her a sum of Rs. 2,00,000 on 10.12.2024 which was also invested in the same business on the same date. She earned a profit of Rs. 1,50,000 and Rs. 3,90,000 during the previous years 2024-25 and 2025-26 respectively. Assume that the entire Rs. 1,50,000 profit of 2024-25 was retained and reinvested in the business and there were no other capital changes. What is the amount of income to be clubbed in the hands of Mr. A in the assessment year 2026-27? (UGC NET Commerce June 2026)

1. Rs. 4,50,000
2. Rs. 3,90,000
3. Rs. 1,20,000
4. Rs. 2,70,000

51. During the previous year, an assessee has incurred a loss from his business amounting to Rs. 1,20,000 whereas his income from house property is Rs. 1,10,000. The assessee in this case can carry forward: (UGC NET Commerce June 2026)

1. Business Loss of Rs. 10,000 only
2. Business Loss of Rs. 1,10,000 and claiming full exemption of other income in the current previous year
3. Nil Loss
4. Business Loss of Rs. 2,30,000 only

52. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I

A. Theory of Bureaucracy

B. Core Competency

C. Scientific Management

D. Hawthorne Experiment

LIST-II

I. Elton Mayo

II. C.K. Prahalad and Gary Hamel

III. Max Weber

IV. Frederick W. Taylor

Choose the correct answer from the options given below:

1. A-III, B-II, C-IV, D-I
2. A-III, B-I, C-IV, D-II
3. A-I, B-II, C-III, D-IV
4. A-IV, B-III, C-II, D-I

53. Arrange the four steps of behaviour modelling training in the organisation in ascending order : (UGC NET Commerce June 2026)

A. Transfer of training

B. Social reinforcement

C. Role-playing

D. Modelling

Choose the correct answer from the options given below:

1. D, C, B, A
2. A, C, D, B
3. D, B, C, A
4. A, D, C, B

54. Arrange the following stages of Group Development in ascending order - (UGC NET Commerce June 2026)

A. Storming

B. Adjourning

C. Norming

D. Performing

E. Forming

Choose the correct answer from the options given below:

1. E, A, C, D, B
2. E, B, C, D, A
3. E, D, C, A, B
4. A, E, D, C, B

55. Which of the following statements are correct with regard to People Analytics? (UGC NET Commerce June 2026)

A. It is the use of business analytics in human resource.

B. It generally makes use of statistical tools and artificial intelligence (AI) in human resource.

C. It is used in recruitment and selection only.

D. It is a form of organisational structure.

Choose the most appropriate answer from the options given below:

1. A and B only
2. B and C only
3. A and C only
4. A and D only

56. Which of the following statements are correct with regard to 4 Is of Transformational Leadership? (UGC NET Commerce June 2026)

A. Idealized influence is related to providing vision, instilling pride, gaining respect and trust.

B. Inspirational motivation is related to communicating high expectations, using symbols to focus efforts and expressing important purposes in simple ways.

C. Intellectual stimulation is related to treating each employee individually, and coaching and advising them.

D. Individualised consideration is related to promoting intelligence, rationality and careful problem solving.

Choose the most appropriate answer from the options given below:

1. A and B only
2. A, B and C only
3. B, C and D only
4. B and D only

57. Which of the following is true regarding Two-Factor Theory of Motivation by Herzberg? (UGC NET Commerce June 2026)

1. It has a hierarchy of needs.
2. The opposite of satisfaction is no satisfaction.
3. The opposite of dissatisfaction is satisfaction.
4. There is a single continuum between satisfaction and dissatisfaction.

58. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act came into force in (UGC NET Commerce June 2026)

1. 2011
2. 2012
3. 2013
4. 2014

59. Which of the following is NOT among the three pillars of fair discipline for employees at the workplace? (UGC NET Commerce June 2026)

1. Rules and Regulations
2. Progressive Penalties
3. Appeals Process
4. Managing Stress

60. Which of the following is NOT among the principles given by Henri Fayol? (UGC NET Commerce June 2026)

1. Unity of Command
2. Scalar Chain
3. Esprit de corps
4. Replacing rules of thumb with science

61. Which of the following is NOT the step in Lewin's three-step model of the change process? (UGC NET Commerce June 2026)

1. Refreezing
2. Unfreezing
3. Movement
4. Equilibrium

62. Arrange the steps involved in the formation of Limited Liability Partnership in India in its correct order: (UGC NET Commerce June 2026)

A. Choosing a Name for the LLP
B. Executing and filing the LLP Agreement after incorporation
C. Deciding the Partners and Designated Partners.
D. Filing of Incorporation documents
E. Obtaining DIN and Digital Signature
Choose the correct answer from the options given below:

1. C, A, E, B, D
2. A, C, B, D, E
3. C, E, A, D, B
4. B, E, C, D, A

63. Arrange the steps of voluntary winding up of a company in correct order. (UGC NET Commerce June 2026)

A. General Meeting
B. Public announcement by liquidator
C. Board Meeting
D. Submission of report with NCLT
E. Approval of creditors
Choose the correct answer from the options given below:

1. D, C, A, B, E
2. A, C, E, D, B
3. C, A, E, B, D
4. B, C, A, E, D

64. Arrange the priority of claims under the Insolvency and Bankruptcy Code, 2016: (UGC NET Commerce June 2026)

A. Other employees dues (upto 12 months)

B. Government Dues (upto 2 years) and unpaid secured creditors

C. Secured creditors and Workman dues (upto 24 months)

D. Insolvency resolution process and liquidation costs

E. Financial Debts of unsecured creditors

Choose the correct answer from the options given below:

1. D, C, A, E, B
2. B, D, C, E, A
3. D, B, C, A, E
4. B, C, D, E, A

65. Which of the following are true in case of Lack of Quorum? (UGC NET Commerce June 2026)

A. Any fraction of a number cannot be rounded off as one.

B. Total strength must not include directors whose places are vacant.

C. The meeting automatically stands adjourned to the same day at the same time and place in the next week.

D. The adjourned day falls to be a national holiday, the next succeeding day, which is not a national holiday at the same time and place.

Choose the most appropriate answer from the options given below:

1. B, C, and D
2. A, B, and C
3. A, C, and D
4. C and D only

66. In accordance with The Indian Contract Act, 1872, which of the following statements are correct? (UGC NET Commerce June 2026)

A. A contract with a minor is voidable at his option.

B. A minor can be an agent and is empowered to bind the principal by his acts.

C. A person of unsound mind cannot enter into a valid contract.

D. An alcoholic person can never enter into a valid contract.

E. A contract for the benefit of a minor can be enforced.

Choose the most appropriate answer from the options given below:

1. B and E only
2. A, B, C only
3. B, C, E only
4. A, B, D only

67. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I (Landmark Cases)

A. Chinnaya Vs Ramaya

B. Mohoribibi Vs Dharmodas Ghose

C. Hadley Vs Baxendale

D. Dunlop Pneumatic Tyre Co Vs Selfridge

LIST-II (Judgment is related to)

I. Minor's agreements

II. Doctrine of Privity of Contract

III. Consideration

IV. Ordinary Vs Special Damages

Choose the correct answer from the options given below:

1. A-I, B-II, C-III, D-IV
2. A-III, B-I, C-IV, D-II
3. A-II, B-III, C-I, D-IV
4. A-III, B-II, C-IV, D-I

68. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I (Class of Digital Signature)

A. Class 0 Certificate

B. Class 1 Certificate

C. Class 2 Certificate

D. Class 3 Certificate

LIST-II (Description)

I. High assurance certificates where individuals are required to be physically present before the Certifying Authority.

II. Information provided by subscriber is in sync with the information in well-recognized consumer databases.

III. Issued only for demonstration purposes.

IV. User's name and e-mail address form an unambiguous subject within the Certifying Authorities database.

Choose the correct answer from the options given below:

1. A-I, B-II, C-IV, D-III
2. A-III, B-IV, C-II, D-I
3. A-I, B-II, C-III, D-IV
4. A-IV, B-III, C-II, D-I

69. A minor who owns property requires an advocate for necessary legal defence in a criminal proceeding. Mr. Rahul pays reasonable legal fees of Rs. 10,000 directly to the advocate on the minor's behalf. Under Section 68 of the Indian Contract Act, 1872, which remedy is available if the amount is not reimbursed? (UGC NET Commerce June 2026)

1. As the agreement with a minor is void ab initio, Mr. Rahul cannot recover the amount from the minor.
2. The amount can be recovered from the minor after attaining his age of majority.
3. Mr. Rahul can recover the amount from the guardian of the minor.
4. Mr. Rahul may recover the reasonable cost of these necessary legal services from the minor's property, not from the minor personally.

70. Which of the following is the example of Agency by estoppel? (UGC NET Commerce June 2026)

1. A tells B in the presence and within hearing distance of Q that he is Q's agent. Q doesn't contradict the statement. Later on B enters into a contract with A, honestly presuming that A is Q's Agent. Q will be bound by this contract.
2. Q allows his servant to purchase certain goods from B's shop on credit and later he pays for the goods. The transactions were done many times. Later on, the servant was fired out, but he purchased goods on Q's credit from the same shop and disappeared. B can recover the amount from Q.
3. A captain can borrow money at a port where the shipping company has no agent, to get the ship fueled so as to complete the voyage.
4. Without A's authority, his brother B lends his house to C. Later on C pay the rent for the house and A accepts the same.

71. Which of the following alterations to a negotiable instrument constitutes a non-material alteration ? (UGC NET Commerce June 2026)

1. Alteration in time of payment
2. Filling up an inchoate instrument
3. Adding a new party to the instrument
4. Alteration of amount payable

72. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I (Concept)

A. Kurtosis

B. Dispersion

C. Skewness

D. Leptokurtic

LIST-II (Definition)

I. measure the amount of peakedness of a distribution

II. distribution which is more peaked than a normal distribution

III. distribution is asymmetrical or lack symmetry

IV. measures deviation of data value from a measure of central tendency.

Choose the correct answer from the options given below:

1. A-II, B-III, C-I, D-IV
2. A-I, B-IV, C-III, D-II
3. A-III, B-II, C-IV, D-I
4. A-I, B-III, C-IV, D-II

73. Which of the following statement is Incorrect in the context of standardized normal distribution? (UGC NET Commerce June 2026)

A. It is a continuous probability distribution.

B. It has mean value of 1.

C. The mean of the normal distribution lies at the centre of the normal curve.

D. The value of mean, median, and mode are alike.

E. It is non-symmetrical probability distribution.

Choose the most appropriate answer from the options given below:

1. Only B and E
2. Only A, C, and D
3. Only A, B, and C
4. Only C, D, and E

74. In which type of sampling method we divide population into non-overlapping area? (UGC NET Commerce June 2026)

1. Convenience sampling
2. Systematic Sampling
3. Cluster Sampling
4. Simple Random Sampling

75. Which of the following is NOT a key factor in determining sample size? (UGC NET Commerce June 2026)

1. Confidence level
2. Test-statistic
3. Magnitude of acceptable error
4. Heterogeneity of the population

76. Which of the following error is NOT a type of non sampling error? (UGC NET Commerce June 2026)

1. Non-response bias
2. Sample is not truly representing the population
3. Inefficiency of the field worker
4. Errors occurred during data compilation

77. Which of the following is NOT a property of a good estimator of parameter? (UGC NET Commerce June 2026)

1. Consistency
2. Efficiency
3. Simplicity
4. Sufficiency

78. Which of the following is NOT a method of variation? (UGC NET Commerce June 2026)

1. Lorenz Curve
2. Standard deviation
3. Correlation
4. Range

79. Mann-Whitney U test is the analogue of which test? (UGC NET Commerce June 2026)

1. One-sample t-test
2. Two-independent sample t-test
3. Paired t-test
4. Chi-square test

80. Which of the following is NOT considered as a mistake while structuring the questionnaire for a survey design? (UGC NET Commerce June 2026)

1. Asking loaded questions
2. Asking double barreled questions
3. Asking leading questions
4. Asking filtering questions

81. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I

A. Normal Goods

B. Giffen Goods

C. Inferior Goods

D. Goods with perfectly price-inelastic demand

LIST-II

I. Income Effect is Negative

II. Price effect is Negative

III. Price Effect is Positive

IV. Price Effect is Zero

Choose the correct answer from the options given below:

1. A-I, B-II, C-III, D-IV
2. A-II, B-III, C-I, D-IV
3. A-II, B-I, C-IV, D-III
4. A-I, B-III, C-IV, D-II

82. Match the LIST-I with LIST-II (UGC NET Commerce June 2026)

LIST-I

A. Oligopoly

B. Perfect Competition

C. Monopoly

D. Monopolistic Competition

LIST-II

I. Large Number of Sellers

II. A Few Sellers

III. Differentiated Product

IV. Single Seller

Choose the correct answer from the options given below:

1. A-I, B-III, C-II, D-IV
2. A-IV, B-I, C-III, D-II
3. A-II, B-I, C-IV, D-III
4. A-II, B-III, C-IV, D-I

83. Arrange the Following in a Proper Sequence; (UGC NET Commerce June 2026)

A. Determine the objective
B. Define the Problem
C. Select the Best Possible Solution
D. Implement the Decision
E. Identify Possible Solutions
Choose the correct answer from the options given below:

1. A, B, E, C, D
2. B, E, C, D, A
3. A, B, C, D, E
4. B, A, E, C, D

84. Arrange the Architecture of an Ideal Firm in a Proper Sequence; (UGC NET Commerce June 2026)

A. The ideal firm will operate extremely efficient factories or plants
B. The ideal firm is a learning organization
C. The ideal firm concentrates on its core competencies and outsources all other activities
D. The ideal firm seamlessly combines the physical with the virtual
E. The ideal firm is a real-time enterprise
Choose the correct answer from the options given below:

1. A, B, C, D, E
2. B, D, A, E, C
3. C, A, B, E, D
4. C, B, A, D, E

85. Which of the Following is True for Monopoly? (UGC NET Commerce June 2026)

A. Monopoly firm is a price taker
B. Monopoly firm is a price maker
C. Monopoly firm can either decide on price or quantity
D. Monopoly firm has a constant marginal cost curve
E. Monopoly firm can produce even when average cost is increasing
Choose the most appropriate answer from the options given below:

1. A, D and E Only
2. B, C and E only
3. A, C and E only
4. B, D and E only

86. Which of the Following are True for the Cardinal Utility Theory (UGC NET Commerce June 2026)

A. The utility of each commodity is measurable
B. The utility of each commodity is not measurable
C. The utility gained from successive units of a commodity diminishes
D. There is consistency and transitivity of choice
E. There is constant marginal utility of money
Choose the most appropriate answer from the options given below:

1. A, D, and E only
2. A, C, and D only
3. B, D, and E only
4. A, C, and E only

87. A pricing practice in which setting of a price target by a firm and then developing a product that would allow the firm to maximize total profit at that price is known as; (UGC NET Commerce June 2026)

1. Peak load pricing
2. Tying pricing
3. Price lining
4. Target costing (target pricing)

88. Which of the following is correct for perfectly elastic demand curve (UGC NET Commerce June 2026)

1. $E > 1$
2. $E < 1$
3. $E = 0$
4. $E = \infty$

89. Which one of the following is a condition of market equilibrium ? (UGC NET Commerce June 2026)

1. Slope of marginal cost curve is less than the slope of marginal revenue curve
2. Slope of marginal revenue curve is more than and equal to the slope of marginal cost curve
3. Slope of marginal cost curve is equal to the slope of average cost curve
4. Slope of marginal cost curve is more than the slope of marginal revenue curve

90. Which of the following is known as increasing return to scale, if 1L and 1K produce 200Q (UGC NET Commerce June 2026)

1. 2L and 2K produce 400Q
2. 2L and 2K produce 300Q
3. 3L and 3K produce 500 Q
4. 4L and 4K produce 1000Q

READING PASSAGE FOR QUESTION 91

Read the following passage and answer the questions that follow.

The World Bank Group consists of five closely associated institutions, all owned by member countries that carry the ultimate decision-making power. Each institution plays a distinct role in the mission to fight poverty and improve living standards for people in the developing world. The term ‘World Bank Group’ encompasses all the five institutions, while the term ‘World Bank’ refers specifically to IBRD and IDA out

of the five. The World Bank is a vital source of financial and technical assistance to developing countries around the world. The World Bank is run like a co-operative, with member countries as its shareholders. The number of shares a country has is based roughly on the size of its economy. The International Bank for Reconstruction and Development (IBRD) is the oldest of the World Bank Group institutions established in 1944 to help Europe recover from the devastation of World War II. Subsequently, it shifted its attention to developing countries. It aims to reduce poverty in middle-income and creditworthy poor countries by promoting sustainable development through loans, guarantees, risk management products, and (non-lending) analytic and advisory services. Established in 1960, the International Development Association (IDA) provides interest-free credits and grants to the poorest developing countries in order to boost their economic growth and improve people's living conditions. IDA funds help these countries deal with the complex challenges they face in striving to meet the Millennium Development Goals (MDGs). It helps to reduce inequalities both across and within countries by allowing more people to participate in the mainstream economy, reducing poverty, and promoting more equal access to the opportunities.

The private sector arm of the World Bank Group, the International Finance Corporation (IFC) was founded in 1956. It promotes sustainable private sector investment in developing countries, helping to reduce poverty and improve people's lives. The IFC is owned by its 179 member countries with an authorized capital of US $2.45 billion. To be eligible for IFC financing, projects must be profitable for investors, benefit the economy of the host country, and comply with stringent social and environmental guidelines. Further, the Multilateral Investment Guarantee Agency (MIGA) provides non-commercial guarantees for FDI in developing countries. It was established in 1988 and presently has 172 members. The MIGA provides private investors the confidence and comfort they need to make sustainable investments in developing countries. Founded in 1966, the International Centre for Settlement of Investment Dispute (ICSID) was designed to facilitate the settlement of investment disputes between foreign investors and host states. It is headquartered in Washington DC and its administrative council is chaired by the World Bank's presidents. During the recent years, the caseload of the ICSID has increased considerably mainly due to the proliferation of international investment treaties.

91. The International Development Association (IDA) established in 1960 aims at: (UGC NET Commerce June 2026)

1. Reducing political conflicts among countries
2. Funding countries to deal with complex challenges in International Trade
3. Promoting more equal access to the opportunities created by economic growth.
4. Promoting International peace

READING PASSAGE FOR QUESTION 92

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92. The International Bank for Reconstruction and Development (IBRD) was established in 1944 to: (UGC NET Commerce June 2026)

1. Promote exchange stability and orderly exchange relations among its member countries
2. Help Europe recover from the devastation of World War II
3. Encourage private enterprises in developing countries
4. Promote International monetary cooperation

READING PASSAGE FOR QUESTION 93

Read the following passage and answer the questions that follow.

The World Bank Group consists of five closely associated institutions, all owned by member countries that carry the ultimate decision-making power. Each institution plays a distinct role in the mission to fight poverty and improve living standards for people in the developing world. The term 'World Bank Group' encompasses all the five institutions, while the term 'World Bank' refers specifically to IBRD and IDA out of the five. The World Bank is a vital source of financial and technical assistance to developing countries around the world. The World Bank is run like a co-operative, with member countries as its shareholders. The number of shares a country has is based roughly on the size of its economy. The International Bank for Reconstruction and Development (IBRD) is the oldest of the World Bank Group institutions established in 1944 to help Europe recover from the devastation of World War II. Subsequently, it shifted its attention to developing countries. It aims to reduce poverty in middle-income and creditworthy poor countries by promoting sustainable development through loans, guarantees, risk management products, and (non-lending) analytic and advisory services. Established in 1960, the International Development Association (IDA) provides interest-free credits and grants to the poorest developing countries in order to boost their economic growth and improve people's living conditions. IDA funds help these countries deal with the complex challenges they face in striving to meet the Millennium Development Goals (MDGs). It helps to reduce inequalities both across and within countries by allowing more people to participate in the mainstream economy, reducing poverty, and promoting more equal access to the opportunities.

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93. The International Centre for Settlement of Investment Disputes (ICSID) is headquartered in: (UGC NET Commerce June 2026)

1. Geneva
2. London
3. Washington DC
4. New Delhi

READING PASSAGE FOR QUESTION 94

Read the following passage and answer the questions that follow.

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chaired by the World Bank's presidents. During the recent years, the caseload of the ICSID has increased considerably mainly due to the proliferation of international investment treaties.

94. The IFC emphasizes the following strategic priorities for maximizing its sustainable development impact. (UGC NET Commerce June 2026)

1. Assisting in the establishment of a multilateral system of payments
2. Promote investment in developing countries, while complying with social and environmental guidelines
3. Bringing security and credibility to an investment that is unmatched.
4. Promote tourism

READING PASSAGE FOR QUESTION 95

Read the following passage and answer the questions that follow.

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95. The Multilateral Investment Guarantee Agency (MIGA) was established in order to: (UGC NET Commerce June 2026)

1. Oversee the international monetary system and promote trading activities among emerging countries
2. Serve as a forum for intergovernmental discussions and deliberations
3. Boost investor confidence in developing countries by providing investment guarantee
4. Promote hospitality and real estate.

READING PASSAGE FOR QUESTION 96

Read the following passage and answer the questions that follow.

Shiva Ltd. was incorporated in the year 2000. Recently, it is planning to expand into the business of manufacturing semi-conductor chip. It is planning to conduct leverage analysis to assess its business and financial risk. The company is expected to sell 1000 units of its product annually at Rs. 100 per unit. The variable cost per unit is Rs. 20. The annual fixed operating costs of the firm are expected to be Rs. 40,000. It has total capital of Rs. 500,000. There are no preference shares in its capital structure. It has two major sources of funds, debt and equity. It has Rs.100,000 debentures and pays 10% interest every year. Its major competitors are the firms in South Korea and Taiwan. The competitors already have a large portion of market share globally. Shiva Ltd. must operate in the international market to stay in the business. This exposes it to the foreign exchange rate risk. This risk can be hedged with appropriate use of forward and futures contract. However, risk of Shiva Ltd. is not just limited to foreign exchange risk, in addition to that, it faces geopolitical risk and global economic environment. The top management must plan carefully to be successful in this global venture. Answer the following questions based on this information.

96. Where are the main competitors of Shiva Ltd. based? (UGC NET Commerce June 2026)

1. South Korea
2. Japan
3. France
4. Germany

READING PASSAGE FOR QUESTION 97

Read the following passage and answer the questions that follow.

Shiva Ltd. was incorporated in the year 2000. Recently, it is planning to expand into the business of manufacturing semi-conductor chip. It is planning to conduct leverage analysis to assess its business and financial risk. The company is expected to sell 1000 units of its product annually at Rs. 100 per unit. The variable cost per unit is Rs. 20. The annual fixed operating costs of the firm are expected to be Rs. 40,000. It has total capital of Rs. 500,000. There are no preference shares in its capital structure. It has two major sources of funds, debt and equity. It has Rs.100,000 debentures and pays 10% interest every year. Its major competitors are the firms in South Korea and Taiwan. The competitors already have a large portion of market share globally. Shiva Ltd. must operate in the international market to stay in the business. This exposes it to the foreign exchange rate risk. This risk can be hedged with appropriate use of forward and futures contract. However, risk of Shiva Ltd. is not just limited to foreign exchange risk, in addition to that, it faces geopolitical risk and global economic environment. The top management must plan carefully to be successful in this global venture. Answer the following questions based on this information.

97. Why Shiva Ltd. would be exposed to foreign exchange rate risk? (UGC NET Commerce June 2026)

1. This is about to start a new business.
2. It is going to operate in the International market.
3. It is a non-banking financial company.
4. It is operating in the domestic market.

READING PASSAGE FOR QUESTION 98

Read the following passage and answer the questions that follow.

Shiva Ltd. was incorporated in the year 2000. Recently, it is planning to expand into the business of manufacturing semi-conductor chip. It is planning to conduct leverage analysis to assess its business and financial risk. The company is expected to sell 1000 units of its product annually at Rs. 100 per unit. The variable cost per unit is Rs. 20. The annual fixed operating costs of the firm are expected to be Rs. 40,000. It has total capital of Rs. 500,000. There are no preference shares in its capital structure. It has two major sources of funds, debt and equity. It has Rs.100,000 debentures and pays 10% interest every year. Its major competitors are the firms in South Korea and Taiwan. The competitors already have a large portion of market share globally. Shiva Ltd. must operate in the international market to stay in the business. This exposes it to the foreign exchange rate risk. This risk can be hedged with appropriate use of forward and futures contract. However, risk of Shiva Ltd. is not just limited to foreign exchange risk, in addition to that, it faces geopolitical risk and global economic environment. The top management must plan carefully to be successful in this global venture. Answer the following questions based on this information.

98. What is the expected total contribution for Shiva Ltd. based on the above information? (UGC NET Commerce June 2026)

1. Rs.10,000
2. Rs.40,000
3. Rs.80,000
4. Rs.20,000

READING PASSAGE FOR QUESTION 99

Read the following passage and answer the questions that follow.

Shiva Ltd. was incorporated in the year 2000. Recently, it is planning to expand into the business of manufacturing semi-conductor chip. It is planning to conduct leverage analysis to assess its business and financial risk. The company is expected to sell 1000 units of its product annually at Rs. 100 per unit. The variable cost per unit is Rs. 20. The annual fixed operating costs of the firm are expected to be Rs. 40,000. It has total capital of Rs. 500,000. There are no preference shares in its capital structure. It has two major sources of funds, debt and equity. It has Rs.100,000 debentures and pays 10% interest every year. Its major competitors are the firms in South Korea and Taiwan. The competitors already have a large portion of market share globally. Shiva Ltd. must operate in the international market to stay in the business. This exposes it to the foreign exchange rate risk. This risk can be hedged with appropriate use of forward and futures contract. However, risk of Shiva Ltd. is not just limited to foreign exchange risk, in addition to that, it faces geopolitical risk and global economic environment. The top management must plan carefully to be successful in this global venture. Answer the following questions based on this information.

99. What is the degree of operating leverage for Shiva Ltd.? (UGC NET Commerce June 2026)

1. 1 time
2. 2 times
3. 3 times
4. 4 times

READING PASSAGE FOR QUESTION 100

Read the following passage and answer the questions that follow.

Shiva Ltd. was incorporated in the year 2000. Recently, it is planning to expand into the business of manufacturing semi-conductor chip. It is planning to conduct leverage analysis to assess its business and financial risk. The company is expected to sell 1000 units of its product annually at Rs. 100 per unit. The variable cost per unit is Rs. 20. The annual fixed operating costs of the firm are expected to be Rs. 40,000. It

has total capital of Rs. 500,000. There are no preference shares in its capital structure. It has two major sources of funds, debt and equity. It has Rs.100,000 debentures and pays 10% interest every year. Its major competitors are the firms in South Korea and Taiwan. The competitors already have a large portion of market share globally. Shiva Ltd. must operate in the international market to stay in the business. This exposes it to the foreign exchange rate risk. This risk can be hedged with appropriate use of forward and futures contract. However, risk of Shiva Ltd. is not just limited to foreign exchange risk, in addition to that, it faces geopolitical risk and global economic environment. The top management must plan carefully to be successful in this global venture. Answer the following questions based on this information.

100. What is the approximate degree of financial leverage for Shiva Ltd.? (UGC NET Commerce June 2026)

1. 2.51 times
2. 1.33 times
3. 3.31 times
4. 2.71 times