



Dr.G.R.Damodaran College of Science

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III BBA[2015-2018]

SEMESTER-V

CORE:INTERNATIONAL BUSINESS-516B

Multiple Choice Questions.

1. A business that deals with more than two nations is know as _____

- A. Modern Business.
- B. Business.
- C. Domestic trade.
- D. International Business.

ANSWER: D

2. _____ is the traditional mode of international business.

- A. Importing.
- B. Exporting.
- C. Franchising.
- D. Licensing.

ANSWER: B

3. Downloading goods or services from foreign countries for the purpose of manufacturing goods and services can be termed as _____.

- A. Importing.
- B. Exporting.
- C. Franchising.
- D. Licensing.

ANSWER: A

4. A Company doing international business enters into contract with firms in foreign countries to manufacture or assemble the products or services is called as _____.

- A. Licensing.
- B. Franchising.
- C. Turnkey project.
- D. Contract manufacturing.

ANSWER: D

5. I am constructions, Railway track constructions, Airport maintenance is the example for _____.

- A. management contract.
- B. construction activities.
- C. contract manufacturing.

D. turnkey project.

ANSWER: D

6. Companies with long term substantial interest in the foreign market normally establish_____.

- A. joint ventures.
- B. mergers.
- C. contract manufacturing.
- D. fully owned manufacturing facilities.

ANSWER: D

7. Implementing manufacturing facilities in host country is called as _____.

- A. mergers.
- B. contract manufacturing.
- C. management contract.
- D. fully owned manufacturing facilities.

ANSWER: D

8. Ownership and Management getting shared between a foreign firm and local firm is called as _____.

- A. management contract.
- B. acquisition.
- C. merger.
- D. joint venture.

ANSWER: D

9. A tariff is _____.

- A. either imports or exports.
- B. a tax on exports only.
- C. a tax on imports only.
- D. a luxury tax.

ANSWER: A

10. To be effective, an import quota must _____.

- A. reduce the price and increase the quantity of imports.
- B. set the price of the imported good higher than the domestic equilibrium price.
- C. restrict imports to less than would be imported under free trade.
- D. restrict imports to less than exports in trade with that particular country.

ANSWER: C

11. The team _____ is sometimes applied to a situation where by firm in one country provides a team of expert managers to an enterprise in another country for a period under contract.

- A. turnkey project.
- B. management contract.
- C. contract manufacturing.
- D. franchising.

ANSWER: B

12. Taking over of the majority share of a company with all the right to operate the business is called as

- _____.
- A. amalgamation.
 - B. joint venture.
 - C. merger.
 - D. acquisition.

ANSWER: D

13. _____ refers to the compulsions of the domestic market such as saturation of the market, which prompt companies to internationalize.

- A. Competitions.
- B. Push factors.
- C. Pull factors.
- D. Market situation.

ANSWER: B

14. Most of the push factors are _____ reasons.

- A. motivating.
- B. result-oriented.
- C. reactive.
- D. pro-active.

ANSWER: C

15. _____ are those forces of attraction which take the business to the foreign markets.

- A. Competitive forces.
- B. Push factors.
- C. Internationalization.
- D. Pull factors.

ANSWER: D

16. Globalization of a business will be triggered by _____ factors.

- A. 2
- B. 3
- C. 4
- D. 5

ANSWER: A

17. The best way to manage the product life cycle of a product is by doing _____

- A. competition.
- B. international business.
- C. monetary policy.
- D. proper planning

ANSWER: B

18. _____ effects internationalization either in positive or negative aspects

- A. Product life cycle.
- B. Government Policies & Regulations.
- C. Domestic market constraints.
- D. Counter competition.

ANSWER: B

19. The term _____ refers to the increase in purchase behavior of a customer or consumer seeing that a particular company occupies major part of its sale in foreign country.

- A. obsolescence.
- B. consumer taste.
- C. swipe-off.
- D. spin-off.

ANSWER: D

20. _____ may be defined as the substitution of a domestic source of supply for a foreign source of supply.

- A. Swipe-off effect.
- B. Spin-off effect.
- C. Export Substitution.
- D. Import Substitution.

ANSWER: D

21. Ethnocentrism is pre-dominantly a _____ country orientation.

- A. home.
- B. host.
- C. regional.
- D. world.

ANSWER: A

22. Polycentrism is _____ orientation.

- A. home country.
- B. host country.
- C. regional.
- D. world.

ANSWER: B

23. Regiocentrism is _____ orientation.

- A. home country.
- B. host country.
- C. regional.
- D. world.

ANSWER: C

24. Geocentrism is _____ orientation.

- A. home country.
- B. host country.
- C. regional.
- D. global.

ANSWER: D

25. MNC means _____.

- A. Multi-National Competition.

- B. Multi-Nodel Corporation.
- C. Multi-National Corporation.
- D. Multi-Nodel Competition.

ANSWER: C

26. The emergence of global village has been facilitated by the _____ revolution.

- A. regional.
- B. transportation.
- C. business.
- D. communication.

ANSWER: D

27. A global company can leverage its experience to expand it _____.

- A. resources.
- B. financial operations.
- C. global operations.
- D. competition.

ANSWER: C

28. Expand NAFTA

- A. National Agreement for Free Trade Agreement.
- B. North American Free Trade Agreement.
- C. National Arrangement for Free Trade Agreement.
- D. North American Free Tariff Agreement.

ANSWER: B

29. A product has _____ kinds of utility.

- A. 3
- B. 4
- C. 2
- D. 5

ANSWER: B

30. A strategy that is successful in one market may not be successful in another, where the _____ is very different.

- A. strategy.
- B. competition.
- C. business environment.
- D. government policies.

ANSWER: D

31. As a part of W.T.O guidelines, Agreement on Agriculture doesnt consider _____.

- A. direct payments to farmers are permitted.
- B. indirect assistance and support to farmers including R & D support by govt. are not permitted.
- C. domestic policies which directly effect on production and trade have to be cut back.
- D. least developed countries do not need to make any cuts.

ANSWER: B

32. Quantitative restrictions refer to limit set by countries to curb _____.

- A. imports.
- B. exports.
- C. imports & exports.
- D. none of the above.

ANSWER: C

33. A Most Favored nation status doesnt necessarily refers to_____.

- A. same and equal economic treatment.
- B. nondiscriminatory treatment.
- C. same tariff rates applicable.
- D. uniform civil code.

ANSWER: D

34. The world trade organization was formed in the year _____ with GATT as it basis.

- A. 1993
- B. 1994.
- C. 1995.
- D. 1996.

ANSWER: C

35. Which one of the following is a method for an exporter to get a contract?

- A. Performa invoice.
- B. Purchase order.
- C. Sales contract.
- D. All the above.

ANSWER: D

36. When the exporter, expects the importer, to make the payment immediately upon the draft being presented to him is called as _____.

- A. sight draft.
- B. usance draft.
- C. demand draft.
- D. pay note.

ANSWER: A

37. The basic objective of export Promotion Council is to promote and develop the exports of the _____.

- A. particular products of country.
- B. only attractive projects of the country.
- C. only services industry products of the country.
- D. overall exports of the country.

ANSWER: D

38. Exports and Imports come under the purview of _____.

- A. Ministry of Finance.
- B. Ministry of Commerce.
- C. Ministry of External Affairs.

D. Ministry of Home Affairs.

ANSWER: B

39. Which one of the following is not a cause but a consequence of Globalization?

- A. Deregulation abroad.
- B. Integration of Markets.
- C. Technology and know-how.
- D. Greater institutionalization abroad.

ANSWER: B

40. Which one of the following is not a Current account transaction?

- A. Imports payable.
- B. Exports receivable.
- C. Insurance.
- D. Dividend.

ANSWER: C

41. Which one of the following systems occurred first in the history of international banking?

- A. Post Britton Woods.
- B. European Monetary Union.
- C. Gold Standard.
- D. Gold Exchange Standard.

ANSWER: A

42. When did the government introduced a new export / Import Policy?

- A. 1994.
- B. 1993.
- C. 1992.
- D. 1990.

ANSWER: C

43. Which country comes under O.E.C.D countries?

- A. Iran.
- B. Iraq.
- C. Japan.
- D. Saudi Arabia.

ANSWER: B

44. A.S.E.A.N means _____.

- A. Association of South East Asian Nations.
- B. Association of South East American Nations.
- C. Association of South East Allocated Nations.
- D. Association of South East African Nations.

ANSWER: A

45. The business activity that crosses national boundaries is known as _____.

- A. national business.
- B. international business.

- C. commercial business.
- D. huge business.

ANSWER: B

46. When did India introduce the new Economic Policy?

- A. 1986.
- B. 1991.
- C. 1992.
- D. 1996.

ANSWER: B

47. What is the percentage of Indias export trade in 1965 to 1966?

- A. 65 percentage.
- B. 72 percentage.
- C. 86 percentage.
- D. 92 percentage.

ANSWER: B

48. What is EO?

- A. Export Online.
- B. Export Obligation.
- C. Export Oil refineries.
- D. Export Offer.

ANSWER: B

49. Payment by documentary credit includes _____.

- A. post dated cheque.
- B. letter of credit.
- C. none of these.
- D. contract of the business.

ANSWER: B

50. FOB means _____

- A. Foreign Oil Board.
- B. Foreign Online Board.
- C. Free On Board.
- D. Foreign Order Board.

ANSWER: C

51. Arabia & Robusta is famous for _____ in exports.

- A. Tea.
- B. Coffee.
- C. Yarn.
- D. Tobacco.

ANSWER: B

52. What does GATT mean?

- A. General Agreement on Trade & Traffic.

- B. General Agreement on Trade & Tariff.
- C. General Agreement on Trade & Transport.
- D. General Agreement on Tariff & Trade.

ANSWER: B

53. Which country is not under European Union?

- A. Italy.
- B. Portugal.
- C. Spain.
- D. Mexico.

ANSWER: D

54. What does SAARC mean?

- A. Southeast Asian Association for Regional Conference.
- B. South Asian Association for Regional Conference.
- C. South African Association for Regional Conference.
- D. South.

ANSWER: B

55. Which country is not a member of SAARC?

- A. Bangladesh.
- B. India
- C. Srilanka
- D. Myanmar

ANSWER: A

56. GATT was set up on October 30th 1947 in _____.

- A. Oslo.
- B. Alaska.
- C. Geneva.
- D. Atlanta.

ANSWER: C

57. DEPB means _____

- A. Duty entitlement Pass Book Scheme.
- B. Duty essential Pass Book Scheme.
- C. Duty entitled Program Book Scheme.
- D. Duty Embedded Pass Book Scheme.

ANSWER: A

58. _____ means selling the home countrys goods service in foreign country.

- A. Marketing.
- B. Sales.
- C. Export.
- D. Import.

ANSWER: C

59. GATT was formed in the year_____

- A. 1913.
- B. 1947.
- C. 1948.
- D. 1973.

ANSWER: B

60. _____ is the global body dealing with trade between nations.

- A. WTO.
- B. WHO.
- C. GATT.
- D. FERA.

ANSWER: A

61. _____ act was implemented to regulate foreign exchange and foreign securities dealings.

- A. IEO.
- B. SERA.
- C. FERA.
- D. GATT.

ANSWER: C

62. _____ in export business assumes greater significance as many parties are involved in single transaction.

- A. Taxation.
- B. Documentation.
- C. Marketing.
- D. Banking.

ANSWER: B

63. Packing list provides the details of number of _____.

- A. documents.
- B. packages.
- C. goods.
- D. all the above.

ANSWER: D

64. _____ documents are also known as transport documents.

- A. Bill of lading.
- B. Airway bill.
- C. Combined transport document.
- D. All the above.

ANSWER: B

65. _____ is issued when goods are shipped using ocean transport.

- A. Airway bill.
- B. Transport Document.
- C. Bill of lading.
- D. Bill of Exchange.

ANSWER: C

66. The certificate issued by the EIA after conducting the preshipment inspection is _____.

- A. certificate of Inspection.
- B. certificate of Transport.
- C. certificate of Export.
- D. export Documentation.

ANSWER: A

67. The document that serves as proof of the country of origin of goods for importer in his country is _____.

- A. Certificate of the country.
- B. Certificate of origin.
- C. Bill of lading.
- D. Airway bill certificate.

ANSWER: B

68. Once the goods are received on board the ship the master of the ship issues a document called _____.

- A. receipt.
- B. call receipt.
- C. mates receipt.
- D. bill of exchange.

ANSWER: C

69. Among the following which one is not included in commodity board.

- A. Tea board.
- B. Rubber board.
- C. Spices board.
- D. Plastic board.

ANSWER: D

70. _____ industry plays a major role in automobile industry.

- A. Tata motors.
- B. Reliance.
- C. Toyota.
- D. Honda.

ANSWER: A

71. Engineering exports contributed _____percentage increase during the past 3 years.

- A. 17.
- B. 27.
- C. 38.
- D. 49.

ANSWER: C

72. The trade bodies in India is established by _____

- A. government of India.
- B. trade authorities.

- C. government of TamilNadu.
- D. commodity boards.

ANSWER: A

73. MLPS refers to _____.

- A. Market Linked Focus Production Scheme.
- B. Market Legal Focus Priority Scheme.
- C. Market Linked Federation Production Scheme.
- D. Market Linked Focus Process Scheme.

ANSWER: A

74. _____ contributes to major export turnover of our country.

- A. Leather sector.
- B. Tea.
- C. Coffee.
- D. BPO.

ANSWER: D

75. MDA means _____

- A. Market Development Association.
- B. Market Deemed Association.
- C. Market Development Assistance.
- D. Market Deemed Assistance.

ANSWER: C

76. BPO gives _____ percentage increase in export turnover annually.

- A. 50 to 60
- B. 60 to 70
- C. 70 to 80
- D. 80 to 90

ANSWER: B

77. IMF refers to _____.

- A. International Monetary Focus.
- B. International Monetary Force.
- C. International Monetary Fund.
- D. Interdependent Monetary Force.

ANSWER: C

78. Traditional Production export rate in 1965-66 is _____.

- A. 42 percentage.
- B. 52 percentage.
- C. 62 percentage.
- D. 72 percentage.

ANSWER: D

79. Export policy resolution in 1970 was _____.

- A. human relation.

- B. marketing function.
- C. quality control.
- D. promoting wealth.

ANSWER: C

80. The export policy resolution was started in the year _____.

- A. 1966.
- B. 1970.
- C. 1982.
- D. 1994

ANSWER: B

81. Income tax exemption to 100 percentage EOUs STPs under _____.

- A. sec 11b and c.
- B. Sec 12 a and b.
- C. sec 5a and c.
- D. sec 10b and a

ANSWER: D

82. Traditional product export rate in 1997 to 98 _____.

- A. 43 percentage.
- B. 55 percentage.
- C. 67 percentage.
- D. 24 percentage

ANSWER: D

83. Indias rank in export is _____.

- A. 2.
- B. 5.
- C. 7.
- D. 10.

ANSWER: B

84. In which year Washington adopted bar value system?

- A. 1945.
- B. 1946.
- C. 1947.
- D. 1948.

ANSWER: B

85. The simplest sense of business activity that transcends national boundaries is known as _____.

- A. foreign trade.
- B. international Business.
- C. private Business.
- D. government Business.

ANSWER: B

86. Expand ITA

- A. Industries and Trade Association.
- B. Internal and Trade Association.
- C. International Trade Association.
- D. Institution and trade Association.

ANSWER: A

87. Expand GDP

- A. Gross Developed Product.
- B. Gross domestic Product.
- C. Grade domestic Product.
- D. Grade developing Product.

ANSWER: B

88. The commodity board focuses on _____.

- A. industrial Products.
- B. electronic Products.
- C. machineries.
- D. agricultural products.

ANSWER: D

89. Expand ECGC

- A. Export Credit Guarantee column.
- B. Export Credit Guarantee council.
- C. Export credit Guarantee Corporation.
- D. None of these.

ANSWER: C

90. _____ is the year in which SIDBI came in to existence.

- A. 1940.
- B. 1975.
- C. 1990.
- D. 1989.

ANSWER: C

91. Expand SIDBI

- A. Strong Industries Development Bank of India.
- B. Small Industries Development Bank of India.
- C. State Industries Development Bank of India.
- D. Small scale industries Development Bank of India.

ANSWER: B

92. How many copies of shipping bills are required during shipping?

- A. 1.
- B. 5.
- C. 8.
- D. 10.

ANSWER: B

93. The growth of global economy is very essential for healthy growth of an international

- _____.
- A. Trade and export.
 - B. import and export.
 - C. trade and export.
 - D. imports.

ANSWER: A

94. Exports are generally classified into traditional product and _____.

- A. international product.
- B. non-traditional product.
- C. manufacturing products.
- D. cosmetic Products.

ANSWER: D

95. How many markets are added under focus scheme?

- A. 15.
- B. 26.
- C. 28.
- D. 32.

ANSWER: B

96. Expand IMF

- A. International Money Fund.
- B. Internal Money Function.
- C. Internal Money Fund.
- D. Import Mode Fund.

ANSWER: A

97. Quiet refers to global units of accounts called _____.

- A. units.
- B. quality.
- C. digits.
- D. quantity.

ANSWER: A

98. Exporting is the process of _____.

- A. hunting.
- B. loss.
- C. earning.
- D. gambling.

ANSWER: C

99. _____ is the process of earning money by selling products and services in foreign market.

- A. Trade.
- B. Export.
- C. Import.

D. EXIM.
ANSWER: B

100. _____ is one of the largest producer & consumer of tea.

- A. India.
- B. Japan.
- C. China.
- D. Canada.

ANSWER: A

101. FIEO was set up in the year _____.

- A. 1965.
- B. 1966.
- C. 1975.
- D. 1985.

ANSWER: A

102. IIFT was established in the year _____.

- A. 1964.
- B. 1965.
- C. 1966.
- D. 1967.

ANSWER: A

103. Packing credit means _____.

- A. medium term credit.
- B. long term credit.
- C. post shipment credit.
- D. pre-shipment credit.

ANSWER: B

104. ECGC was established in the year _____.

- A. 1957.
- B. 1967.
- C. 1976
- D. 1980.

ANSWER: A

105. _____ came into existence in 1990.

- A. FOB.
- B. SIDBI.
- C. IMF.
- D. EXIM.

ANSWER: B

106. To achieve the balance of trade _____ policy was formulated

- A. EXIM.
- B. ECGC.

- C. FOB
- D. FIEO.

ANSWER: A

107. _____ is managed by the board of directors comprising representatives of the government, RBI and exporting community.

- A. FIEO.
- B. ECGC.
- C. EXIM.
- D. FOB.

ANSWER: B

108. Expand CIS

- A. Common Institute of Sales.
- B. Common Interdependent sale.
- C. Common wealth of Independent States.
- D. Common independent state.

ANSWER: C

109. When did India introduce new trade policy?

- A. 1990.
- B. 1991.
- C. 1992.
- D. 1993.

ANSWER: B

110. FTP refers to _____.

- A. Free Trade Policy.
- B. Foreign Trade Policy.
- C. Fees Trade Policy.
- D. Fright Trade Policy.

ANSWER: B

111. Expand EOU

- A. Excellent Oriented Units.
- B. Easy Oriented Units.
- C. Export Oriented Units.
- D. Exchange Oriented Units.

ANSWER: C

112. MAI means _____

- A. Market Access Initiatives.
- B. Market Access Institutes.
- C. Market Access Incentives.
- D. Management Access Incentives.

ANSWER: A

113. First procedure in exports is _____.

- A. shipment.
- B. offer & acceptance.
- C. negotiation of documents.
- D. obtaining various incentives.

ANSWER: B

114. Which is the maximum limit for short term credit?

- A. 60 days.
- B. 90 days.
- C. 180 days.
- D. 360 days.

ANSWER: C

115. Exports and Imports come under the purview of _____.

- A. Ministry of Finance.
- B. Ministry of Commerce.
- C. Ministry of External Affairs.
- D. Ministry of Home Affairs.

ANSWER: B

116. Unless other wise specified in a Letter of Credit which is issued subject to UCPDC 500 and also UCPDC 600, documents must be presented for negotiation within _____ days from the date of shipment.

- A. 10 days.
- B. 7 days.
- C. 15 days.
- D. reasonable.

ANSWER: B

117. Expand CAD

- A. Cash Against Documents.
- B. Cash Acceptance Documents.
- C. Credit Acceptance Document.
- D. Consumer Awareness Details.

ANSWER: A

118. Agricultural and Processed food product export development authority is in _____.

- A. Mumbai.
- B. New Delhi.
- C. Chennai.
- D. Kolkatta.

ANSWER: B

119. Basic chemicals, pharmaceuticals and cosmetic export promotion council is at _____.

- A. Mumbai.
- B. New Delhi.
- C. Chennai.
- D. Kolkatta.

ANSWER: A

120. Usually beneficiary's bank through which the documents are normally negotiated is called as _____.

- A. opener.
- B. beneficiary.
- C. opening bank.
- D. negotiating bank.

ANSWER: D

121. _____ would mean that a letter of credit can not be modified or cancelled.

- A. Irrevocable letter of credit.
- B. Without Recourse letter of Credit.
- C. Transferable letter of credit.
- D. Revocable letter of credit.

ANSWER: A

122. Packing credit is the term used for _____.

- A. Medium term Loans.
- B. Preshipment credit.
- C. Long term credit.
- D. Short term credit.

ANSWER: B

123. The correct components of the 7S framework are _____.

- A. standards, strategy, style, staff, skills, systems and security.
- B. strategy, synergy, shared value, standardization, skills, staff and structure.
- C. shared values, synergy, systems, strategy, style, staff and structure.
- D. structure, strategy, shared values, style, staff, skills and systems.

ANSWER: C

124. With the globalization of markets, the tastes and preferences of consumers world-wide are _____.

- A. becoming similar to the tastes and preferences of American consumers.
- B. so different that they can be ignored by international organizations.
- C. being encouraged by multinational organizations to become increasingly similar.
- D. converging upon a global norm.

ANSWER: D

125. The main advantage of a differentiation strategy in international markets lies in that:

- A. imitators cannot reduce margins
- B. consumers in foreign markets pay less for the same product.
- C. the focus is taken away from price.
- D. it enables brand stretching and extension.

ANSWER: C

126. The goals of international marketing are to _____.

- A. create and retain customers in global markets.

- B. gain market share and increase profit.
- C. expand business activities abroad.
- D. eliminate competition in international markets.

ANSWER: A

127. Which of the following represents a company's effort to identify and categorize groups _____ of customers and countries according to common characteristics?

- A. Global positioning.
- B. Global targeting.
- C. Global market segmentation.
- D. Global marketing research.

ANSWER: C

128. A global market leader is an organization which _____.

- A. has the monopoly over several foreign markets.
- B. is ahead of the competition in terms of global innovation.
- C. is recognized as being ahead of the rest in terms of market share.
- D. has more than 50% global market share.

ANSWER: B

129. From the point of view of marketing, an organization that enjoys competitive advantage _____ in an industry has done so by:

- A. creating superior value for customers.
- B. charging lower prices than competition.
- C. constantly enlarging its marketing activities.
- D. focusing on long-term profit.

ANSWER: D

130. The work of an international marketer is mainly concerned with _____.

- A. transferring a marketing mix to enter a market in another country.
- B. translating product instructions and advertising messages.
- C. adapting a marketing mix to enter a market in another country.
- D. establishing global brands.

ANSWER: C

131. Collectively, reserves, cash items in process of collection, and deposits at other banks, are referred to as in a bank balance sheet _____.

- A. secondary reserves.
- B. cash items.
- C. liquid items.
- D. compensating balances.

ANSWER: B

132. When economists argue that banking regulations have been a mixed blessing, they are referring to the fact that _____.

- A. bank regulations foster competition at the expense of the banking system safety.
- B. bank regulations foster banking system safety at the expense of competition.
- C. branch banking, while desired by consumers, leads to less competition.

D. bank regulations foster competition by limiting branching.

ANSWER: A

133. An arrangement in which one company allows another company to use its name, products, patents, brands, trademarks, raw materials, and/or production processes in exchange for a royalty is called _____.

- A. licensing.
- B. a joint venture.
- C. direct investment.
- D. . importing.

ANSWER: A

134. Companies that want more control and are willing to invest considerable resources in _____.

- A. trading company.
- B. licensing.
- C. direct investment.
- D. exporting.

ANSWER: C

135. A specific amount of money levied on each unit of a product brought into the country is a _____.

- A. fixed tariff.
- B. protective tariff.
- C. duty free tariff.
- D. value added tariff.

ANSWER: A

136. The foreign trade Development and Regulation Act 1992 has replaced the earlier _____.

- A. Societies registration act.
- B. Import & Export control Act 1947.
- C. Board of 962.
- D. Export policy resolution, 1970.

ANSWER: B

137. Expand EPCG _____.

- A. Export Promotion and Customer Goods Scheme.
- B. Export Promotion and Consumer Goods Scheme.
- C. Export Promotion Capital Goods Scheme.
- D. Expansion and Promotion of consumer goods scheme.

ANSWER: C

138. Which of the following is a not export promotion measure?

- A. Duty Drawback.
- B. Excise Exemption Facilities.
- C. Fiscal Benefit.
- D. Commodity Board.

ANSWER: D

139. Export Promotion council for Apparel is located in _____.

- A. Chennai.
- B. Mumbai.
- C. Kolkatta.
- D. New Delhi.

ANSWER: D

140. Export promotion council for engineering goods is situated at _____.

- A. Chennai.
- B. Kolkata.
- C. Mumbai.
- D. New Delhi.

ANSWER: B

141. Totally _____ rounds of negotiations took place under GATT.

- A. 6.
- B. 7.
- C. 8.
- D. 9.

ANSWER: C

142. Tourism as a service is classified under GATs under mode _____.

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

ANSWER: B

143. Expand TRIMs

- A. Trade Related Investment Measures.
- B. Trade Review Information Modules.
- C. Tripartite Review of Investment Means.
- D. Tariff Related Investment Measures.

ANSWER: A

144. The GATT was transformed into WTO with effect from _____.

- A. April 1995.
- B. March 1995.
- C. January 1995.
- D. February 1995.

ANSWER: C

145. The objective of the _____ is to reform trade in the sector and to make policies more market oriented.

- A. market access agreement.
- B. policy agreement.
- C. industrial agreement.

D. agriculture agreement.

ANSWER: D

146. TBT stands for _____

- A. Technical Barriers to Trade.
- B. Technical Base to Trade.
- C. Technical Base to Tariff.
- D. Technical Barrier to Trade.

ANSWER: A

147. If a company exports a product at a price lower than the price it normally charges on its own home market, it is said to be _____ the product

- A. Licensing.
- B. Dumping.
- C. Safeguarding.
- D. Subsidizing.

ANSWER: B

148. The role of the IMF is _____

- A. It controls the budgets of national governments.
- B. It acts as a forum for international economics.
- C. It observes world exchange rates, balance of payments and multilateral payments.
- D. It seeks to promote free international trade.

ANSWER: C

149. What is the IMF's primary objective?

- A. The overall promotion of world trade.
- B. The fixation of the value of world currencies.
- C. The promotion of free trade.
- D. The promotion of its policies in certain countries around the world.

ANSWER: A

150. How does the IMF meet its primary objective?

- A. By promoting free international trade.
- B. By overseeing the balance of payments, acting as a forum of world negotiation and regulating world exchange rates.
- C. By acting as an arbitrator for the dispute settlement of world trade matters.
- D. By aligning its primary objective with the monetary objectives of national governments

ANSWER: B

151. What are the forms of assistance that the World Bank provides to its members?

- A. Technical and financial.
- B. Political and financial.
- C. Political and economic.
- D. Technical and military.

ANSWER: A

152. The World Bank Group is made up of how many organizations?

- A. 3.
- B. 5.
- C. 8.
- D. 10.

ANSWER: B

153. Which organization of the World Bank Group deals with matters related to the development of the poorest countries in the world?

- A. The International Bank for Reconstruction and Development.
- B. The International Development Association.
- C. The International Finance Corporation.
- D. The Multilateral Investment Agency.

ANSWER: B

154. What is the underlying characteristic of the WTO?

- A. It facilitates economic co-operation between different countries.
- B. It resolves disputes between economic trade blocks.
- C. It facilitates the development of less developed countries.
- D. It acts as an umbrella institution that regulates the agreements concluded at the Uruguay round, the organizations ultimate goal being the promotion of free international trade.

ANSWER: D

155. Does the WTO come with its own institutional framework?

- A. No, the WTO depends on the relevant frameworks of national governments.
- B. No, the WTO provides certain institutional arrangements but only on an ad hoc basis.
- C. Yes, the WTO provides a certain institutional framework which changes depending on the nature of free trade agreements.
- D. Yes, the WTO provides a common institutional framework for the implementation of free trade agreements.

ANSWER: D

156. Export promotion council for Synthetic & Rayon is located in _____.

- A. Chennai.
- B. Kolkata.
- C. Delhi.
- D. Mumbai.

ANSWER: D

157. Export promotion council for cotton textiles is located in _____.

- A. Chennai.
- B. Kolkatta.
- C. Delhi.
- D. Mumbai.

ANSWER: D

158. Electronic and Computer Software EPC is in _____.

- A. Chennai.
- B. Kolkata.

- C. Delhi.
- D. Mumbai.

ANSWER: C

159. All commodity Boards were set up after independence, except _____.

- A. tea board.
- B. coffee board.
- C. rubber board.
- D. central silk board.

ANSWER: B

160. The institution of Board of Trade was first constituted in _____.

- A. 1961.
- B. 1962.
- C. 1963.
- D. 1964.

ANSWER: B

161. The Projects & Equipment Corporation of India is a subsidiary body of _____.

- A. The Board of Trade.
- B. Indian Council of Arbitration.
- C. Indian Institute of Foreign Trade.
- D. State Trading Corporation.

ANSWER: D

162. The Cashew corporation of India is a subsidiary body of _____.

- A. The board of Trade.
- B. Indian Council of Arbitration.
- C. Indian Institute of Foreign Trade.
- D. State Trading Corporation.

ANSWER: D

163. Handicraft & Handloom Export Corporation of India is the subsidiary body of _____.

- A. The Board of Trade.
- B. Indian Council of Arbitration.
- C. Indian Institute of Foreign Trade.
- D. State Trading Corporation.

ANSWER: D

164. Commodities & Services for which there is no specific export promotion council or commodity board will be supported by _____.

- A. IIFT.
- B. FIEO.
- C. STC.
- D. ITPO.

ANSWER: B

165. Expand FTZ

- A. Free Trade Zone.
- B. Free Tariff Zone.
- C. Free Tender Zone.
- D. Foreign Trade Zone.

ANSWER: A

166. The government of India established The Indian Council of Arbitration. in the year _____

- A. 1963
- B. 1964
- C. 1965.
- D. 1966

ANSWER: C

167. The Indian Institute of Foreign Trade was setup as _____, registered under the societies registration act.

- A. an autonomous body.
- B. public sector undertaking.
- C. subsidiary body.
- D. deemed university.

ANSWER: A

168. Commodity composition of Indian exports can be broad by classified into _____ categories.

- A. 2.
- B. 3.
- C. 4.
- D. 5.

ANSWER: B

169. Agricultural & allied products, ore & minerals, and _____ are the commodity composition of Indian exports.

- A. raw materials.
- B. semi finished goods.
- C. manufactured goods.
- D. spices.

ANSWER: C

170. _____ refer to the rights given to people over the creation of their intellect.

- A. Patent right.
- B. Copy rights.
- C. Intellectual Property Rights.
- D. Trade Mark.

ANSWER: C

171. By working together both firms can achieve more than what they could independently this concept under international business is called as _____.

- A. sharing risk and cost.
- B. sharing knowledge.
- C. joint venture.

D. synergy.

ANSWER: D

172. The main function of _____ is to look after the interest of the member exporters, be a link between the government and the trade and take steps for promotion of exports of the particular commodity which they represent.

- A. Commodity board.
- B. Export promotion board.
- C. Export promotion council.
- D. Trade development authority.

ANSWER: C

173. The _____ deal with all problems concerning the product

- A. Export Promotion Council.
- B. Commodity Board.
- C. Export Promotion Board.
- D. Trade Development Authority.

ANSWER: B

174. To inspire confidence in the importers of Indian goods & ensure the quality of goods exported from India, the government passed _____

- A. the companies Act, 1956.
- B. societies registration Act.
- C. the foreign trade development Act.
- D. the export quality control Inspection Act, 1963.

ANSWER: D

175. Expand ITPO

- A. Indian Tariff Promotion Organization.
- B. Indian Tender Promotion Organization.
- C. Indian Trade Promotion Organization.
- D. International Trade Promotion Organization.

ANSWER: C

176. _____ is an undertaking by the importers bank if the exporter exports the goods and products documents as stipulated in the letter

- A. Bill of Exchange.
- B. Promissory Note.
- C. Letter of Credit.
- D. Bill of Lading.

ANSWER: C

177. _____ are drawn when the exporter wants to extend credit to the importer for a specified period.

- A. DP bills.
- B. DA bills.
- C. Open account.
- D. Letter of credits.

ANSWER: B

178. _____ is one which can be cancelled or amended by the issuing bank at any time with prior notice to the beneficiary.

- A. A revocable credit.
- B. An irrevocable credit.
- C. Revolving credit.
- D. Unconfirmed credit.

ANSWER: A

179. _____ is any loan or advance granted to a exporter for financing the purchase, processing or packing of goods meant for export.

- A. A Pre shipment credit.
- B. Post shipment credit.
- C. Guarantee Credit.
- D. Standby Credit.

ANSWER: A

180. _____ is a substitute for bank guarantee and is used in countries where issuing of bank guarantee is not allowed.

- A. Pre shipment credit.
- B. Post shipment credit.
- C. Guarantee credit.
- D. Standby credit.

ANSWER: D

181. ECGC has designed _____ types of standard policies to provide cover for shipments made on short-term credit.

- A. 3.
- B. 4.
- C. 5.
- D. 6.

ANSWER: B

182. ECGC is under administrative control of _____.

- A. ministry of administration.
- B. ministry of economics.
- C. ministry of finance.
- D. ministry of commerce.

ANSWER: D

183. _____ is a form of getting payment for exports, by the exporter.

- A. Forfeiting.
- B. Financing.
- C. ECGC.
- D. Financial guarantees.

ANSWER: A

184. _____ is required by a foreign buyer when an exporter wants to quote for a tender.

- A. Bid Bond.
- B. Bank Guarantee for Loans of Foreign Exchange.
- C. Advance Payment Guarantee.
- D. Transfer Guarantee.

ANSWER: A

185. Credits extended beyond 180 days are classified under _____ and _____ credit.

- A. advance and deferred.
- B. medium term and long term.
- C. short term and medium term.
- D. short term and long term.

ANSWER: B

186. Until the early 1990s, India followed _____.

- A. advanced import practices.
- B. a highly restrictive trade policy.
- C. indiscriminative trade strategy.
- D. advance export practices.

ANSWER: B

187. The export pessimism of the first two five year plans caused a neglect of _____.

- A. export substitution.
- B. import substitution.
- C. import development.
- D. export development.

ANSWER: D

188. _____ is responsible for execution of the export & import policies of the government

- A. Federation of Indian Trade Organizations.
- B. Commerce Department Ministry.
- C. The Director General of Foreign Trade.
- D. The Director General of Commercial Intelligence & Statistics.

ANSWER: C

189. Which one among the following is widely employed strategy of export promotion?

- A. Export credit.
- B. Market Development Assistance.
- C. Production Assistance.
- D. Export Incentives.

ANSWER: D

190. An export house is a registered exporter who satisfied certain criteria laid down in _____.

- A. the export promotion policy.
- B. the EXIM policy.
- C. the export trade policy.
- D. the foreign trade policy.

ANSWER: D

191. The finance function in the export department is similar to the finance function in any other

_____.

- A. organization.
- B. country.
- C. non profit organization.
- D. state.

ANSWER: A

192. Export orders or contracts normally stipulate that the buyer should open a _____ in favour of exporter.

- A. bank account.
- B. letter of credit.
- C. bill of lading.
- D. document of acceptance

ANSWER: B

193. A _____ of the ECGC is designed to protect Indian exporters against the risk of non payment of services rendered to foreign parties.

- A. transfer guarantee.
- B. manufacturers credit insurance policy.
- C. market development policy.
- D. service policy.

ANSWER: D

194. An exporter will require finance to undertake the procurement of raw materials and the manufacture and _____ of the goods meant for export.

- A. packing.
- B. distribution.
- C. advertisement.
- D. shipmen.

ANSWER: A

195. Globalization is a challenge of the _____.

- A. sixties.
- B. seventies.
- C. eighties.
- D. nineties.

ANSWER: D

196. Domestic economic growth and comparative price level influence _____.

- A. exports .
- B. imports.
- C. trade.
- D. balance of payment.

ANSWER: B

197. The trade balance is often a major determinant of the _____ of a country.

- A. standard of living of the people.
- B. development.
- C. trade policy.
- D. balance of payment.

ANSWER: D

198. Trade deficit has often caused _____ deficits for India.

- A. foreign exchange.
- B. export.
- C. import.
- D. balance of payment.

ANSWER: D

199. _____ of India has been hindered by a number of inherent weaknesses of the export sector and the government environment.

- A. Import development.
- B. Export development.
- C. Trade development.
- D. Ministry of commerce.

ANSWER: B

200. Indias share and rank in global trade has _____ recently

- A. improved.
- B. decreased.
- C. moderated.
- D. reached peak.

ANSWER: A

201. LPG means _____.

- A. Liberalization, Privatization and Globalization.
- B. Leadership, Promotion and Goal Setting.
- C. Liberalization, Promotion and Globalization.
- D. Leadership, Privatization and Globalization.

ANSWER: A

202. Regulation of Imports and Exports of a country is known as _____ as against exchange control which regulates payment of imports and exports.

- A. trade control.
- B. import substitution.
- C. export permission.
- D. elasticity approach.

ANSWER: A

203. Technology transfer is the process by which commercial technology is _____.

- A. used.
- B. collected.
- C. disseminated.
- D. produced.

ANSWER: C

204. The main agreement of commodity agreements is to _____.

- A. increase prices.
- B. decrease prices.
- C. stabilize prices.
- D. create competitive.

ANSWER: C

205. International _____ seek to stabilize commodity prices by maintaining the demand-supply balance.

- A. buffer stock agreement.
- B. quota agreement.
- C. multilateral contract.
- D. cartels.

ANSWER: A

206. _____ means establishment of state monopoly in foreign trade.

- A. Inciters.
- B. Cartel.
- C. State trading.
- D. Canalization.

ANSWER: D

207. _____ has been fostered to a large extent of technological revolution.

- A. Liberalization.
- B. Privatization.
- C. Globalization.
- D. Modern exports.

ANSWER: C

208. Global business encounters different _____ in different countries across the world.

- A. legal systems.
- B. trade policies.
- C. fiscal policies.
- D. business policies

ANSWER: A

209. A firm doing business abroad has to consider the relevant _____ of the foreign countries.

- A. laws and regulations.
- B. trade practices.
- C. environment.
- D. all the above.

ANSWER: A

210. _____ is one of the simplest ways of remedying the balance of payment problems.

- A. Import restriction.
- B. Export restriction.

- C. Trade control.
- D. Exchange control.

ANSWER: A

211. The proposal submitted by an exporter is referred to as the _____.

- A. offer.
- B. order.
- C. statement.
- D. procedure.

ANSWER: A

212. The offer, when accepted by the foreign buyer, becomes an _____.

- A. entity.
- B. order.
- C. evidence.
- D. escalation.

ANSWER: B

213. The offer made by the exporter is usually in the form of a _____.

- A. proforma invoice.
- B. consignment.
- C. condition.
- D. voucher.

ANSWER: A

214. The performa invoice is submitted in response to a _____ where the basis acceptable is clearly mentioned.

- A. buyer enquiry.
- B. trader enquiry.
- C. tender enquiry.
- D. schedule.

ANSWER: C

215. The duplicate copy of the performa invoice is duly signed by _____, accepting the conditions.

- A. exporter.
- B. importer.
- C. buyer.
- D. creditor.

ANSWER: C

216. In the state of Maharashtra, a provision is available for non-payment of _____ if the exporter or shipper produces Form 14.

- A. sales tax.
- B. excise duty.
- C. customs duty.
- D. port duty.

ANSWER: A

217. Products meant by export are exempted from the imposition of _____.

- A. excise duty.
- B. customs duty.
- C. sales tax.
- D. port duty.

ANSWER: A

218. Gate Pass and _____ form should be submitted by the exporter to the superintendent of central excise of the locality from claiming rebate when excise duty is paid

- A. AR 4.
- B. AR 5.
- C. AR 6.
- D. AR 7.

ANSWER: A

219. Excise duty will be paid during _____ stage.

- A. exporting.
- B. manufacturing.
- C. distributing.
- D. marketing.

ANSWER: B

220. The _____ charges for shipping a cargo are very much less than those of air freight.

- A. freight.
- B. carriage.
- C. inspection.
- D. warehouse.

ANSWER: A

221. _____ is the more popular method of dispatching goods to an export buyer than dispatch by air.

- A. Couriering.
- B. Railways.
- C. Roadways.
- D. Shipping.

ANSWER: D

222. The _____ agents are specialized personnel who arrange for the completion of all the formalities connected with the shipment of goods.

- A. merchandising.
- B. brokering.
- C. clearing and forwarding.
- D. exporting.

ANSWER: C

223. As soon as the export goods reach the warehouse, the exporter arranges for a complete set of _____.

- A. inspection certificates.

- B. duplicate documents.
- C. declaration forms.
- D. shipping documents.

ANSWER: D

224. JDGFT means _____.

- A. Joint Deputy General of Foreign Trade.
- B. Joint Director General of Foreign Trade.
- C. Joint Deputy General of Frequent Trade.
- D. Joint Director General of Frequent Trade.

ANSWER: B

225. Export license before shipment should be obtained from _____.

- A. Government of India.
- B. Customs department.
- C. Joint Director General of Foreign Trade.
- D. Shipping inspector.

ANSWER: C

226. BOL means _____.

- A. Carting order.
- B. Bill of Lading.
- C. Export permission Letter.
- D. a copy of invoice.

ANSWER: B

227. Before the goods are loaded on to the ship, Permission for loading has to be obtained by the exporters forwarding agent from the preventive officer is called as _____.

- A. customs clearing.
- B. customs examination.
- C. carting order.
- D. let ship order.

ANSWER: D

228. The submission of the relevant set of documents to the bank during shipment and the process of obtaining payment consequently is called as _____.

- A. certificated of origin.
- B. negotiating the documents.
- C. certificate of origin.
- D. commercial invoice.

ANSWER: B

229. A bill of lading issued after the goods are loaded on the vassal is called as _____.

- A. on board bill of lading.
- B. off board bill of lading.
- C. commercial invoice.
- D. letter of credit.

ANSWER: A

230. CIF means _____

- A. Cost of Imported Freight.
- B. Cost of Insurance in Foreign.
- C. Cost Insurance and Freight.
- D. Cost of Inflation Index.

ANSWER: C

231. CI stands for _____

- A. Cost and Insurance.
- B. Council and Import.
- C. Council and Inspection.
- D. Cost and Import.

ANSWER: A

232. _____ is a draft drawn by the negotiating bank on the opening bank at the time of exports.

- A. A bill of exchange.
- B. A bill of lading.
- C. A letter of credit.
- D. Sight draft.

ANSWER: C

233. If the letter of credit stipulates payment at sight the exporter draws a _____ on the buyer or his bank.

- A. bill of lading.
- B. letter of credit.
- C. sight draft.
- D. usance draft.

ANSWER: C

234. ADS means _____.

- A. Attribution Development System.
- B. Arbitration Documentation System.
- C. Arbitration Development System.
- D. Aligned Documentation System.

ANSWER: D

235. Duty drawback is allowed as per _____.

- A. the customs Act, 1962.
- B. the Income Tax Act, 1961.
- C. the Societies Registration Act.
- D. the Duty Drawback Act, 1956.

ANSWER: A

236. An exporter can claim incentives applicable for exports by submitting Form I or _____.

- A. bill of lading.
- B. GR I.
- C. negotiating documents.

D. bank certificate.

ANSWER: D

237. The exporter requires a _____ attested by the bank for his use in claiming incentives.

- A. bank certificate.
- B. commercial invoice.
- C. GR form.
- D. master documents

ANSWER: B

238. What is the color of Original GP I form and AR 4 form while submitting to excise authorities before dispatch of goods?

- A. White.
- B. Yellow.
- C. Pink.
- D. Green

ANSWER: A

239. What is the color of Duplicate GP I form and AR 4 form while submitting to excise authorities before dispatch of goods?

- A. White.
- B. Yellow.
- C. Pink.
- D. Green.

ANSWER: B

240. What is the color of Triplicate GP I form and AR 4 form while submitting to excise authorities before dispatch of goods?

- A. White.
- B. Yellow.
- C. Pink.
- D. Green.

ANSWER: C

241. The exporter after the receipt of the duplicate copy of the _____ and the necessary certification thereon files a claim with the maritime collector.

- A. AR 4 form.
- B. AR 5 form.
- C. AR 6 form.
- D. AR 7 form.

ANSWER: A

242. CPT means _____.

- A. carrier posted to.
- B. carrier paid to.
- C. carriage paid to.
- D. carriage posted to.

ANSWER: C

243. CFR means _____.

- A. container and freight.
- B. cost and freight.
- C. carriage and freight.
- D. carrier and freight.

ANSWER: B

244. _____ is an export form described under Foreign Exchange Management Act

- A. Ex Form.
- B. Statutory declaration form.
- C. GR Form.
- D. ARE Form.

ANSWER: C

245. _____ form is the application for removal of excisable goods from the factory for exports.

- A. EX.
- B. ARE.
- C. GR.
- D. Statutory declaration

ANSWER: B

246. How many types of ARE forms are involved in export procedural activities?

- A. 2.
- B. 3.
- C. 4.
- D. 5.

ANSWER: A

247. When the goods are delivered to the shipping company for transportation, at first a temporary receipt is issued which is known as _____.

- A. commercial invoice.
- B. bill of lading.
- C. bill of exchange.
- D. mates receipt.

ANSWER: D

248. _____ is a statement containing full details of the goods shipped.

- A. A commercial invoice.
- B. Packing List.
- C. Bill of Lading.
- D. A profoma invoice.

ANSWER: A

249. _____ are prescribed under the laws that govern export import transactions which are mandatory.

- A. Commercial documents.
- B. Regulatory documents.

C. Mates Receipt.

D. Bill of Lading.

ANSWER: B

250. The responsibility for the administration of foreign trade is hold by _____

A. Director General Foreign Trade.

B. Director Director Generals of Foreign Trade.

C. Joint Deputy Generals of Foreign Trade.

D. Government of India.

ANSWER: A

Staff Name

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