

International Business 2

Question 1.

TRIP is one of the WTO agreements that deal with

- (a) Trade in agriculture
- (b) Trade in services
- (c) Trade related investment measures
- (d) None of these

▼ [Answer](#)

Answer: (d) None of these

Question 2.

The document containing the guarantee of a bank to honour drafts drawn on it by an exporter is

- (a) Letter of hypothecation
- (b) Letter of credit
- (c) Bill of lading
- (d) Bill of exchange

▼ [Answer](#)

Answer: (b) Letter of credit

Question 3.

A receipt issued by the commanding officer of the ship when the cargo is loaded on the ship is known as

- (a) Shipping receipt
- (b) Mate receipt
- (c) Cargo receipt
- (d) Charter receipt

▼ [Answer](#)

Answer: (b) Mate receipt

Question 4.

Which one of the following is not a document related to fulfill the customs formalities

- (a) Shipping bill
- (b) Export license
- (c) Letter of insurance
- (d) Proforma invoice

▼ [Answer](#)

Answer: (d) Proforma invoice



Question 5.

Which of the following documents is not required in connection with an import transaction?

- (a) Bill of lading
- (b) Shipping bill
- (c) Certificate of origin
- (d) Shipment advice

▼ [Answer](#)

Answer: (c) Certificate of origin

Question 6.

SMEs stands for:

- (a) Small and Medium Entrepreneurs
- (b) Small Management of Enterprises
- (c) Small and Medium-sized Enterprises.
- (d) Societies for Managing Exports

▼ [Answer](#)

Answer: (c) Small and Medium-sized Enterprises.

Question 7.

MNC Stands for

- (a) Multi-National Cooperation
- (b) Multi-National Corporation
- (c) Multi-National Company
- (d) Multi-National Collaboration

▼ [Answer](#)

Answer: (b) Multi-National Corporation

Question 8.

IPR stands for

- (a) Intellectual property rights
- (b) International property rights
- (c) Internal promotion rights
- (d) Interior promotional rights

▼ [Answer](#)

Answer: (a) Intellectual property rights

Question 9.

WTO stands for

- (a) World technology association
- (b) World time organization
- (c) World trade organization
- (d) World tourism organization



▼ [Answer](#)

Answer: (c) World trade organization

Question 10.

.....is only a legal agreement and it is not an institution, but is a permanent institution.

- (a) GATT, WTO
- (b) WTO, GATT
- (c) WTO, IMF
- (d) IMF, GATT

▼ [Answer](#)

Answer: (a) GATT, WTO

Question 11.

.....corporation produces in the home country or in a single country and focuses on marketing these products globally or vice versa.

- (a) Global
- (b) International
- (c) Transnational
- (d) None of the above

▼ [Answer](#)

Answer: (a) Global

Question 12.

Key controllable factors in global marketing are:

- (a) Government policy and legislation
- (b) social and technical changes
- (c) marketing activities and plans
- (d) all of the above.

▼ [Answer](#)

Answer: (c) marketing activities and plans

Question 13.

Comparative Cost Trade Theory is given by

- (a) Adam Smith
- (b) David Ricardo
- (c) Gottfried Haberler
- (d) Heckscher Ohlin

▼ [Answer](#)

Answer: (b) David Ricardo



Question 14.

Globalization refers to:

- (a) Lower incomes worldwide
- (b) Less foreign trade and investment
- (c) Global warming and their effects
- (d) A more integrated and interdependent world

▼ [Answer](#)

Answer: (d) A more integrated and interdependent world

Question 15.

Capitalistic, communistic and Mixed are the types of

- (a) Economic System
- (b) Social System
- (c) Cultural Attitudes
- (d) Political System

▼ [Answer](#)

Answer: (a) Economic System

Question 16.

The theory of comparative cost advantage is given by

- (a) David Ricardo
- (b) Adam Smith
- (c) F W Taussig
- (d) Ohlin and Hecksher

▼ [Answer](#)

Answer: (a) David Ricardo

Question 17.

The Theory of Absolute Cost Advantage is given by

- (a) David Ricardo
- (b) Adam Smith
- (c) F W Taylor
- (d) Ohlin and Heckscher

▼ [Answer](#)

Answer: (b) Adam Smith

Question 18.

Subsidiaries consider the regional environment for policy / Strategy formulation is known as

- (a) Polycentric Approach
- (b) Regiocentric Approach
- (c) Ethnocentric Approach
- (d) Geocentric Approach



▼ [Answer](#)

Answer: (b) Regiocentric Approach

Question 19.

Ultimatelywas replaced by theon 1st Jan 1995

- (a) GATS, WTO
- (b) WTO, GATT
- (c) GATT, WTO
- (d) IMF, GATT

▼ [Answer](#)

Answer: (c) GATT, WTO

Question 20.

The first phase of globalization started around 1870 and ended with

- (a) World War I
- (b) World War II
- (c) The Establishment of GATT
- (d) In 1913 when GDP was High

▼ [Answer](#)

Answer: (a) World War I

Question 21.

Which of the following does not belong to the World Bank group?

- (a) IBRD
- (b) IDA
- (c) MIGA
- (d) IMF

▼ [Answer](#)

Answer: (d) IMF

Question 22.

Which of the following document is prepared by the exporter and includes details of the cargo in terms of the shipper's name, the number of packages, the shipping bill, port of destination, name of the vehicle carrying the cargo?

- (a) Shipping bill
- (b) Packaging list
- (c) Mate's receipt
- (d) Bill of exchange

▼ [Answer](#)

Answer: (d) Bill of exchange



Question 23.

Which one of the following is not a part of export documents?

- (a) Commercial invoice
- (b) Certificate of origin
- (c) Bill of entry
- (d) Mate's receipt

▼ [Answer](#)

Answer: (c) Bill of entry

Question 24.

Which of the following do not form part of duty drawback scheme?

- (a) Refund of excise duties
- (b) Refund of customs duties
- (c) Refund of export duties
- (d) Refund of income dock charges at the port of shipment

▼ [Answer](#)

Answer: (d) Refund of income dock charges at the port of shipment

Question 25.

Which of the following documents are not required for obtaining an export license?

- (a) IEC number
- (b) Letter of credit
- (c) Registration cum membership certificate
- (d) Bank account number

▼ [Answer](#)

Answer: (b) Letter of credit

[One Marks Questions](#)

1. Expand IEC.

▼ [Answer](#)

Answer: Import Export Code.

2. Expand WTO

▼ [Answer](#)

Answer: World Trade Organisation

3. Mention any one document of export trade.

▼ [Answer](#)



Answer: Shipping Bill

4. Expand FTZ.

▼ [Answer](#)

Answer: Free Trade Zones

5. Expand SEZ.

▼ [Answer](#)

Answer: Special Economic Zones

6. Expand IIFT.

▼ [Answer](#)

Answer: Indian Institute of Foreign Trade

7. Expand IMF.

▼ [Answer](#)

Answer: International Monetary Fund

8. What is D.P bill?

▼ [Answer](#)

Answer: DP inpayment term of imports and exports means Documents against Payments.

9. What is D.A bid?

▼ [Answer](#)

Answer: DA in payment term of international trade means, Documents against Acceptance

10. Expand BOL.

▼ [Answer](#)

Answer: Bill of Lading

11. Expand EIC.

▼ [Answer](#)

Answer: Export Inspection council



12. Expand UNCTAD.

▼ [Answer](#)

Answer: United Nations Conference on Trade and Development.

13. Expand EPZ.

▼ [Answer](#)

Answer: Export Processing Zones.

14. Expand EOU.

▼ [Answer](#)

Answer: Export Oriented Units

15. Name any one export processing zone.

▼ [Answer](#)

Answer: Cochin export processing zone

