

Roll No.

Question Booklet Number

O. M. R. Serial No.

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Question Booklet Number

B. Com. (Honors) (Sixth Semester)

EXAMINATION, July, 2022

(Group-B : International Trade & Export Management)

FOREIGN TRADE PROCEDURES & DOCUMENTATION

Paper Code					
BCOMH	6	0	0	5	ITEM

Questions Booklet
Series

B

Time : 1:30 Hours]

[Maximum Marks : 100

Instructions to the Examinee :

1. Do not open the booklet unless you are asked to do so.
2. The booklet contains 100 questions. Examinee is required to answer any 75 questions in the OMR Answer-Sheet provided and not in the question booklet. If more than 75 questions are attempted by student, then the first attempted 75 questions will be considered for evaluation. All questions carry equal marks.
3. Examine the Booklet and the OMR Answer-Sheet very carefully before you proceed. Faulty question booklet due to missing or duplicate pages/questions or having any other discrepancy should be got immediately replaced.

परीक्षार्थियों के लिए निर्देश :

1. प्रश्न-पुस्तिका को तब तक न खोलें जब तक आपसे कहा न जाए।
2. प्रश्न-पुस्तिका में 100 प्रश्न हैं। परीक्षार्थी को किन्हीं 75 प्रश्नों को केवल दी गई OMR आन्सर-शीट पर ही हल करना है, प्रश्न-पुस्तिका पर नहीं। यदि छात्र द्वारा 75 से अधिक प्रश्नों को हल किया जाता है तो प्रारम्भिक हल किये हुए 75 उत्तरों को ही मूल्यांकन हेतु सम्मिलित किया जाएगा। सभी प्रश्नों के अंक समान हैं।
3. प्रश्नों के उत्तर अंकित करने से पूर्व प्रश्न-पुस्तिका तथा OMR आन्सर-शीट को सावधानीपूर्वक देख लें। दोषपूर्ण प्रश्न-पुस्तिका जिसमें कुछ भाग छपने से छूट गए हों या प्रश्न एक से अधिक बार छप गए हों या उसमें किसी अन्य प्रकार की कमी हो, तो उसे तुरन्त बदल लें।

(Remaining instructions on the last page)

(शेष निर्देश अन्तिम पृष्ठ पर)

(Only for Rough Work)

1. Dumping refers to
 - (A) Reducing tariffs
 - (B) Sale of goods abroad at a lower price
 - (C) Buying goods at low price
 - (D) Expensive goods sold at low prices

2. Government policy about export and import is called :
 - (A) Commercial policy
 - (B) Fiscal policy
 - (C) Monetary policy
 - (D) Finance policy

3. Free trade policy refers to a policy where there is
 - (A) Absence of tariff
 - (B) Restriction on movement of goods
 - (C) Existence of anti-dumping policy
 - (D) Encouragement for balanced growth

4. Expand SEZ
 - (A) Special Economic Zone
 - (B) Small Economic Zone
 - (C) Special Enforcement Zone
 - (D) Service Economic Zone

5. Which of the following institutions is related to export financing and insurance ?
 - (A) ECGC
 - (B) GAIL
 - (C) CBDT
 - (D) IFCI

6. At present as per government rules, the maximum area allowed for SEZ is :
 - (A) 2000 hectares
 - (B) 3000 hectares
 - (C) 4000 hectares
 - (D) 5000 hectares

7. Invisible export means, export of
 - (A) Services
 - (B) Prohibited goods
 - (C) Unaccounted goods
 - (D) Goods through smuggling

8. A letter of credit is produced by :
 - (A) An exporter
 - (B) An importer
 - (C) Both exporter and importer
 - (D) Shipping company

9. In which one of the following places was Asia's first EPZ setup ?
- (A) Kandla
(B) Cochin
(C) Surat
(D) Ahmedabad
10. ECGC is related to
- (A) Export promotion
(B) Export financing and insurance
(C) Export quality certification
(D) Export statistics publication
11. Trade Gap means :
- (A) Gap between total imports and total exports
(B) Gap between total GDP and total consumption
(C) Gap between available liquidity and expected demand
(D) Gap between budgeted revenue collection and actual collection of the same
12. Which of the following organizations is involved in providing the insurance against various risks to the exporters ?
- (A) RBI
(B) State Trading Corporation of India
(C) EXIM Bank
(D) Export Credit Guarantee Corporation
13. Free trade zone is one :
- (A) Where trade is done without restriction.
(B) Where any entrepreneur is free to start industries.
(C) Where infrastructural facilities were provided free to entrepreneurs by the government.
(D) Where industries are free from excise duties and produce for exports.
14. The tax on import and export is known as :
- (A) Income tax
(B) Trade tax
(C) Custom tax
(D) None of the above

15. When was India's foreign trade liberalised ?
- (A) 1960
(B) 1961
(C) 1990
(D) 1991
16. ECGC was formed in the year
- (A) 1956
(B) 1957
(C) 1958
(D) 1960
17. Export incentives are implemented by
- (A) DGFT
(B) RBI Governor
(C) PM of country
(D) President
18. RODTEP is a type of
- (A) Tax
(B) Tariff
(C) Incentive
(D) None of the above
19. Concept of SEZ first started in
- (A) USA
(B) China
(C) Brazil
(D) Russia
20. World's first FTZ was estd. in the year :
- (A) 1959
(B) 1969
(C) 1979
(D) 1989
21. Foreign trade policy of India is announced by
- (A) Prime Minister
(B) Governor of RBI
(C) DGFT
(D) Ministry of Commerce
22. Negative list is prepared by
- (A) Finance Secretary
(B) DGFT
(C) PM
(D) None of the above

23. Negative list consists of
- (A) Prohibited items
 - (B) Restricted items
 - (C) Canalised items
 - (D) All of the above
24. pricing technique is expressly declared UTP (Unfair Trade Practice) by WTO.
- (A) Market skimming
 - (B) Dumping
 - (C) Market penetration
 - (D) None of the above
25. Cargo insurance is done to protect form loss of physical damage to goods.
- (A) Importer
 - (B) Exporter
 - (C) Home country government
 - (D) None of the above
26. Export contracts may contain :
- (A) Arbitration panel
 - (B) Terms of payment
 - (C) Place of delivery
 - (D) All of the above
27. Expand INCO Terms :
- (A) Inter Company Terms
 - (B) International Commercial Terms
 - (C) Inferential Commercial Terms
 - (D) International Common Terms
28. Which of the following is international trade ?
- (A) Trade between provinces
 - (B) Trade between regions
 - (C) Trade between countries
 - (D) Both (A) and (B)
29. A tariff is :
- (A) A restriction on the number of export firms
 - (B) Limit on the amount of imported goods
 - (C) Tax on import
 - (D) Both (B) and (C)

30. Which trade policy results in the government levying both a specific tariff and an ad valorem tariff on imported goods ?
- (A) Compound tariff
 (B) Nominal tariff
 (C) Effective tariff
 (D) Revenue tariff
31. WTO came into existence on
- (A) 1st Jan., 1992
 (B) 1st Jan., 1 1993
 (C) 1st Jan., 1 1995
 (D) 1st Jan., 1 1996
32. Documentary draft requires various shipping documents such as :
- (A) Bill of lading
 (B) Insurance certificate
 (C) Commercial invoice
 (D) All of the above
33. A bill of lading does not guarantee that the goods have been loaded on the vessel.
- (A) On-board
 (B) Foul
 (C) Received-for-shipment
 (D) Straight
34. Which of the following is not true for a letter of credit ?
- (A) It is a document.
 (B) Issued by a bank.
 (C) At the request of the exporter.
 (D) The bank agrees to honor a draft drawn on the importer.
35. Which of the following may be required as additional documents in a letter of credit ?
- (A) Commercial invoice
 (B) Insurance document
 (C) Consular invoice
 (D) Confirmed
36. Terms of trade that relate to the real ratio of international exchange between commodities is called :
- (A) real cost terms of trade
 (B) commodity terms of trade
 (C) INCOTerms of trade
 (D) utility terms of trade
37. A change in fiscal policy affects the BoP through :
- (A) Current A/c only
 (B) Capital A/c only
 (C) Both Current and Capital A/c
 (D) None of the above

38. One of the following is not an advantage of international trade :
- (A) Import of defence material
 - (B) Dependence on foreign country
 - (C) Export of surplus production
 - (D) Availability of cheap raw material
39. In trade policies limits specified the number of goods to be imported at one tariff rate.
- (A) specific tariff
 - (B) import tariff
 - (C) quota
 - (D) both (A) and (B)
40. Which among the following is the oldest theory of foreign trade ?
- (A) Absolute cost advantage
 - (B) Comparative cost advantage
 - (C) Mercantilism
 - (D) h-o model
41. Which of the following is not required in connection with an export order ?
- (A) Bill of lading
 - (B) Shipping bill
 - (C) Certificate of origin
 - (D) Shipment invoice
42. Which of the following do not form part of duty drawback scheme ?
- (A) Refund of excise duties
 - (B) Refund of custom duties
 - (C) Refund of export duties
 - (D) Refund of income dock charges at the port of shipment
43. A receipt issued by the commanding officer of ship when cargo is loaded on ship is known as :
- (A) Shipping receipt
 - (B) Mate receipt
 - (C) Cargo receipt
 - (D) Charter receipt
44. Which of the following do not belong to the World Bank Group ?
- (A) IBRD
 - (B) IDA
 - (C) MIGA
 - (D) IMF
45. New EOU's are exempted from payment of corporate tax for years.
- (A) 5
 - (B) 7
 - (C) 10
 - (D) 1

46. Final selection of foreign market depends on
- (A) Scrutiny
 - (B) Short listing
 - (C) Assessment
 - (D) Evaluation
47. imply the physical movement of goods out of a country in a legal manner.
- (A) Export
 - (B) Import
 - (C) Report
 - (D) Entrepot
48. EXIM policy is also called as
- (A) Foreign trade policy
 - (B) Export policy
 - (C) Import policy
 - (D) Trade policy
49. The balance of exports and imports of goods is referred to as :
- (A) Current A/c
 - (B) Capital A/c deficit
 - (C) Current A/c deficit
 - (D) Trade balance
50. Which of the following is not a trade barrier ?
- (A) Subsidies
 - (B) Embargo
 - (C) Export security
 - (D) Tariff barriers
51. FERA in India is replaced by :
- (A) FENA
 - (B) FEMA
 - (C) FETA
 - (D) None of the above
52. Absolute difference in cost is explained by
- (A) Ricardo
 - (B) Marshall
 - (C) Smith
 - (D) Mill
53. pricing strategy keeps prices low.
- (A) Penetration
 - (B) Skimming
 - (C) Going rate
 - (D) None of the above
54. pricing policy is most ideally chosen by a firm wishing to go international.
- (A) Penetration
 - (B) Skimming
 - (C) Going rate
 - (D) Dumping

55. INCOTerms cover :
- (A) trade in intangibles
 - (B) ownership and transfer rights
 - (C) contracts of carriage
 - (D) rights and obligations of parties to contract of sales
56. Duty drawback is the refund of duty chargeable on
- (A) import
 - (B) export
 - (C) damaged material
 - (D) mortgages material
57. If cargo is lost in transit, the exporter should :
- (A) claim under marine insurance
 - (B) claim with ECGC
 - (C) seek write off of post shipment credit
 - (D) seek refund of custom duty
58. The facility available to commercial banks in India from EXIM bank is :
- (A) refinancing of export credit
 - (B) export bill rediscounting
 - (C) syndication of export credit risks
 - (D) All of the above
59. Import license is required for :
- (A) all imports
 - (B) all capital imports
 - (C) import of goods covered by negative list
 - (D) All of the above
60. The beneficiary under letter of credit is :
- (A) the bank opening the credit
 - (B) the customer of the opening bank
 - (C) the confirming bank
 - (D) the exporter
61. A letter of credit is opened on behalf of
- (A) exporter
 - (B) importer
 - (C) third party
 - (D) None of the above
62. A seller should bill in a currency.
- (A) strong
 - (B) weak
 - (C) moderate
 - (D) None of the above

63. This mode of transportation lowers total inventory cost :
- (A) air
 - (B) water
 - (C) land
 - (D) None of the above
64. The physical distribution has the following constituents :
- (A) transportation
 - (B) warehousing
 - (C) inventory
 - (D) All of the above
65. EPC stands for :
- (A) Export Promotion Council
 - (B) Export Promotion Credit
 - (C) Export Promotion Country
 - (D) None of the above
66. Which of the following statements is true ?
- (A) Business risk involves the possibility of financial and operational difficulties in the business environment.
 - (B) Business risk does not involve the possibility of financial and operational difficulties in the business environment.
 - (C) Both (A) and (B)
 - (D) None of the above
67. The objective of international marketing is :
- (A) to carry out country screening and selection
 - (B) to evaluate a country's market potential
 - (C) to facilitate in developing strategic marketing plan
 - (D) All of the above
68. If a country is having more exports than imports in value terms, it can be said that the country is having :
- (A) deficit BoP
 - (B) surplus BoP
 - (C) deficit BoT
 - (D) surplus BoT
69. BoP stands for
- (A) Balance of Party
 - (B) Balance of Payment
 - (C) Bilateral of Parties
 - (D) None of the above
70. Why do companies go international ?
- (A) Expanding sales
 - (B) Acquiring resources
 - (C) To achieve high rate of profit
 - (D) All of the above
71. Exporting in international market is very due to high competition.
- (A) easy
 - (B) challenging
 - (C) casual
 - (D) None of the above

72. INCOTerms are series of sales terms for pricing the product.
- (A) local
 - (B) regional
 - (C) national
 - (D) global
73. channel of distribution is more suitable if the business is on large scale.
- (A) Single level
 - (B) Direct
 - (C) Multilevel
 - (D) None of the above
74. exporting channel does not have any middlemen.
- (A) Direct
 - (B) Multilevel
 - (C) Both (A) and (B)
 - (D) None of the above
75. Export consignments may be routed through :
- (A) road
 - (B) marine
 - (C) air
 - (D) All of the above
76. Collusions can be created through
- (A) global business
 - (B) cartels
 - (C) transnational business
 - (D) agreements
77. A licensing agreement with mutual exchange of patents is known as
- (A) Cross licensing
 - (B) Flat licensing
 - (C) Product licensing
 - (D) Trade licensing
78. Free international trade maximises world output through
- (A) Countries specializing in production of goods they are best suited for
 - (B) Reduction in taxes
 - (C) Increased factor income
 - (D) Encouraging competition
79. By having business in different countries a firm reduces :
- (A) Credit risk
 - (B) Political risk
 - (C) Financial risk
 - (D) Business risk

80. Voluntary export restraint is
- (A) Tariff barrier
 - (B) Non-tariff barrier
 - (C) Both of the above
 - (D) None of the above
81. Objective of import duty is :
- (A) To raise income for government
 - (B) To restrict imports
 - (C) To encourage exports
 - (D) To raise income and restrict imports
82. Free trade is based on principle of
- (A) Comparative advantage
 - (B) Comparative scale
 - (C) Economies of advantage
 - (D) Production possibility advantage
83. The duty levied to nullify the effect of export subsidies is
- (A) Specific duty
 - (B) Ad valorem duty
 - (C) Anti-dumping duty
 - (D) Countervailing duties
84. The export proceeds shall be realized in
- (A) Any foreign currency
 - (B) Non-convertible currency
 - (C) Convertible currency
 - (D) Home currency only
85. The Foreign Trade (Regulation) Rules was passed in the year
- (A) 1991
 - (B) 1992
 - (C) 1993
 - (D) 1994
86. Advance authorization is not available for
- (A) Physical exports
 - (B) Service exports
 - (C) Intermediate supplies
 - (D) Deemed exports
87. Foreign exchange transactions involve monetary transactions
- (A) Among residents of same country
 - (B) Between residents of two countries only
 - (C) Between residents of two or more countries
 - (D) None of the above

88. FEMA stands for
- (A) Foreign Exchange Management Association
 - (B) Foreign Exchange Management Account
 - (C) Foreign Exchange Management Act
 - (D) None of the above
89. What does EPZ stand for ?
- (A) Export Production Zone
 - (B) Export Promotion Zone
 - (C) Export Processing Zone
 - (D) Export Payment Zone
90. A commercial invoice is issued by
- (A) Exporter
 - (B) Exporter's bank
 - (C) Importer
 - (D) Importer's bank
91. Letters of credit are used for all, except :
- (A) As an important way of facilitating custom release of goods
 - (B) As a standby to guarantee a performance obligation
 - (C) As a method of financing export/import of goods
 - (D) As a device to guarantee payment obligation
92. The export promotion scheme that enables the post-export replenishment of duty on inputs used in the export product is :
- (A) Replenishment license
 - (B) Duty remission scheme
 - (C) Duty exemption scheme
 - (D) Duty free replenishment certificate
93. The Director General of Foreign Trade is appointed by
- (A) Central Govt.
 - (B) State Govt.
 - (C) Ministry of Commerce
 - (D) CJI

94. The apex body of foreign trade is
- (A) Central Govt.
 (B) State Govt.
 (C) Ministry of Commerce
 (D) All of the above
95. The tenure of foreign trade policy is :
- (A) 2 yrs.
 (B) 3 yrs.
 (C) 4 yrs.
 (D) 5 yrs.
96. The Import and Export (Control) Act came into enforcement from
- (A) 1947
 (B) 1948
 (C) 1949
 (D) 1950
97. The geographically distributed area or zone where the economic laws are more liberal as compared to other parts of the country is called
- (A) EOU
 (B) SEZ
 (C) AEZ
 (D) EPZ
98. Bill of lading is issued by
- (A) Captain of the vessel
 (B) Shipping company
 (C) Custom authorities
 (D) Consignor
99. Which economic factors should be analysed by organizations wishing to expand in international markets ?
- (A) Interest rates
 (B) Employment
 (C) Purchasing power
 (D) All of the above
100. International trade and domestic trade differ because of :
- (A) Different government policies
 (B) Immobility of factors
 (C) Trade restrictions
 (D) All of the above

4. Four alternative answers are mentioned for each question as—A, B, C & D in the booklet. The candidate has to choose the most correct/appropriate answer and mark the same in the OMR Answer-Sheet as per the direction :

Example :

Question :

Q. 1 (A) ● (C) (D)

Q. 2 (A) (B) ● (D)

Q. 3 (A) ● (C) (D)

Illegible answers with cutting and over-writing or half filled circle will be cancelled.

5. Each question carries equal marks. Marks will be awarded according to the number of correct answers you have.
6. All answers are to be given on OMR Answer sheet only. Answers given anywhere other than the place specified in the answer sheet will not be considered valid.
7. Before writing anything on the OMR Answer Sheet, all the instructions given in it should be read carefully.
8. After the completion of the examination candidates should leave the examination hall only after providing their OMR Answer Sheet to the invigilator. Candidate can carry their Question Booklet.
9. There will be no negative marking.
10. Rough work, if any, should be done on the blank pages provided for the purpose in the booklet.
11. To bring and use of log-book, calculator, pager and cellular phone in examination hall is prohibited.
12. In case of any difference found in English and Hindi version of the question, the English version of the question will be held authentic.

Impt. : On opening the question booklet, first check that all the pages of the question booklet are printed properly. If there is any discrepancy in the question Booklet, then after showing it to the invigilator, get another question Booklet of the same series.

4. प्रश्न-पुस्तिका में प्रत्येक प्रश्न के चार सम्भावित उत्तर— A, B, C एवं D हैं। परीक्षार्थी को उन चारों विकल्पों में से एक सबसे सही अथवा सबसे उपयुक्त उत्तर छोटना है। उत्तर को OMR आन्सर-शीट में सम्बन्धित प्रश्न संख्या में निम्न प्रकार भरना है :

उदाहरण :

प्रश्न :

प्रश्न 1 (A) ● (C) (D)

प्रश्न 2 (A) (B) ● (D)

प्रश्न 3 (A) ● (C) (D)

अपठनीय उत्तर या ऐसे उत्तर जिन्हें काटा या बदला गया है, या गोले में आधा भरकर दिया गया, उन्हें निरस्त कर दिया जाएगा।

5. प्रत्येक प्रश्न के अंक समान हैं। आपके जितने उत्तर सही होंगे, उन्हीं के अनुसार अंक प्रदान किये जायेंगे।
6. सभी उत्तर केवल ओ. एम. आर. उत्तर-पत्रक (OMR Answer Sheet) पर ही दिये जाने हैं। उत्तर-पत्रक में निर्धारित स्थान के अलावा अन्यत्र कहीं पर दिया गया उत्तर मान्य नहीं होगा।
7. ओ. एम. आर. उत्तर-पत्रक (OMR Answer Sheet) पर कुछ भी लिखने से पूर्व उसमें दिये गये सभी अनुदेशों को सावधानीपूर्वक पढ़ लिया जाये।
8. परीक्षा समाप्ति के उपरान्त परीक्षार्थी कक्ष निरीक्षक को अपनी OMR Answer Sheet उपलब्ध कराने के बाद ही परीक्षा कक्ष से प्रस्थान करें। परीक्षार्थी अपने साथ प्रश्न-पुस्तिका ले जा सकते हैं।
9. निगेटिव मार्किंग नहीं है।
10. कोई भी रफ कार्य, प्रश्न-पुस्तिका के अन्त में, रफ-कार्य के लिए दिए खाली पेज पर ही किया जाना चाहिए।
11. परीक्षा-कक्ष में लॉग-बुक, कैलकुलेटर, पेजर तथा सेल्युलर फोन ले जाना तथा उसका उपयोग करना वर्जित है।
12. प्रश्न के हिन्दी एवं अंग्रेजी रूपान्तरण में भिन्नता होने की दशा में प्रश्न का अंग्रेजी रूपान्तरण ही मान्य होगा।

महत्वपूर्ण : प्रश्नपुस्तिका खोलने पर प्रथमतः जाँच कर देख लें कि प्रश्न-पुस्तिका के सभी पृष्ठ भलीभाँति छपे हुए हैं। यदि प्रश्नपुस्तिका में कोई कमी हो, तो कक्षनिरीक्षक को दिखाकर उसी सिरीज की दूसरी प्रश्न-पुस्तिका प्राप्त कर लें।