

Examrace

Competitive Exams: Commerce MCQs (Practice_Test 48 of 99)

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1. One of the uses of 'Commercial Paper' is that it can
 - a. help to understand business news
 - b. transactions
 - c. be circulated to raise money just like a Bill of Exchange
 - d. be issued to finance an important transaction

2. The gilt-edged market refers o the marketfor
 - a. industrial securities
 - b. govt. And semi-govt. Securities ties
 - c. shares and debentures
 - d. public limited company securities

3. Match List I with List II and select the correct answer using the codes given below the lists:

List-I	List-II
A. Simple Association	1. Pool
B. Federation	2. Chamber of Commerce
C. Partial consolidation	3. Merger
D. Complete Consolidation	4. Holding Company

A B C D

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- a. 3 1 2 4
- b. 2 4 1 3
- c. 2 1 4 3
- d. 3 2 4 1
4. The combination of firms in successive stages of the same industry may be referred to as
- Horizontal integration
 - Vertical integration
 - Forward integration
 - Backward integration
5. Modernisation of an industrial unit involves mainly
- technological up gradation of its production process
 - technological reorientation towards low-cost production
 - reengineering the basics of production and procedures
 - reduction in labour and cost to the absolute minimum
6. Which one of the following statements is true?
- Supplier's credit and buyer's credit are one and same thing
 - EXIM bank generally deals with export transactions above ₹ 5 crore
 - The main focus of EXIM bank is on Export and Import credits for shortterm
 - ECGC provides no protection against hazards of nature
7. Which one of the following statements is true in the context of Import-Export Trade?
- Under a C & F contract, the cost of insurance is to be borne. By the buyer or the importer
 - Marine insurance covers the risks during the sea voyages only
 - The standard 'all risks cover' automatically covers war risk as well
 - Under a C & F contract, the exporter need not bother about insuring goods

8. The special facilities and benefits provided to approved Export Houses (EH) , Trading Houses (TH) and Star Trading Houses (STH) may be arranged in descending order as
- EH, TH and STH
 - STH, EH and TH
 - TH, STH and EH
 - STH, TH and EH
9. A letter of credit is opened on behalf of
- an exporter
 - an importer
 - a buying agent
 - a bank
10. Which of the following guarantees are offered by the ECGC which help the banks to extend credit to exporters?
- Packing credit guarantee
 - Post shipment export credit guarantee
 - Export production finance guarantee
 - Transfer of funds guarantee

Select the correct answer using the codes given below

CODES:

- 1, 2 and 3
 - 2 and 3
 - 1,3 and 4
 - 1,2, 3 and 4
11. Which of the following statements are correct?
- Bill of lading is a document of title.
 - Green shipping bill is used for export of goods entitled to duty draw back.
 - An airway bill is not a document of title.
 - A consular invoice and a proforma invoice are one and the same.
- 2 and 4
 - 1,3 and 4

iii. 1,2 and 4

iv. 1,2 and 3

12. Actuary is a person who
- acts as an insurance agent
 - certifies the loss incurred by the insured
 - audits claims relating to insurance claims
 - computes the net liability of an insurance business
13. Life insurance is a contract on the life-of a man in which the insurer promises to pay a sum of money. For the Consideration of a definite premium, to the insured person on his death or on attaining a particular age. Which one of the following assumptions is implicit in the above definition?
- It is a contract of indemnity
 - It is a contract of guarantee
 - It is a contract of compensation
 - It is a contract of return on investment
14. 'Causa promixa' implies that the loss must arise from
- the nearest place
 - an ascertainable source
 - the cause insured against
 - unforeseen sources
15. Which of the following risks are NOT covered by a marine insurance policy?
- Damage caused by delay in ships transit
 - Damage caused by unsuitable package
 - Loss due to sinking of the vessel
 - Loss due to jettison

Select the correct answer using the codes given below

a. 1,3 and 4

b. 1 and 2

c. 2 and 4

d. 1,2, 3

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