

Competitive Exams: Commerce MCQs (Practice-Test 38 of 99)

1. Modernization leads to
 - a. higher productivity and higher production
 - b. lower investment and cheaper quality
 - c. cost reduction through reduced expenditure
 - d. higher cost of production

2. Technological updating would invariably require
 - a. change in Management
 - b. privatization of public enterprises
 - c. retrenchment of workers
 - d. induction of fresh capital

3. Letter of credit is now becoming an increasingly popular method of financing
 - a. fixed capital needs
 - b. working capital needs
 - c. redemption of debentures
 - d. distribution of dividend

4. Deferred payment arrangements
 - a. working capital needs
 - b. redemption of debts
 - c. purchase of GDRs
 - d. import of plant and machinery aim at financing

5. In general, export incentives are permitted within the regulatory framework of
 - a. OECD
 - b. UNCTAD

c. IMF

d. WTO

6. Import procedure begins with

a. indent

b. marine insurance

c. Mate's certificate

d. shipping order

7. Which one of the following statements is correct?

a. EXIM Bank promotes Indian exports through a wide variety and range of lending programmes

b. EXIM Bank does not extend nonfunded facility to Indian exporters

c. Overseas Investment Finance facility is not a part of the functions of EXIM Bank

d. EXIM Bank was established to provide assistance in raising capital in international markets

8. In which of the following types of insurance should insurable interest be present only at the time when policy is taken?

a. Fire insurance

b. Life insurance

c. Marine insurance

d. Life and Marine insurance

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

List-I

List-II

a. Causa Proxima

a. Financial stake

b. Reinsurance

b. Main reason behind the event

c. Indemnity

c. Compensation for the loss

d. Risking with other insurer

A B C

a. 2 4 3

b. 1 2 3

c. 2 3 1

d. 2 4 1

10. 'Insurer' is a person

- a. insured his life or goods
- b. helped a person to get an insurance policy
- c. undertaken to make good the loss of the subject matter of insurance
- d. filed a suit in a court of law to recover an insurance claim

11. In insurance contract Uberima Fidel aspect is used as synonym of

- a. insurable interest
- b. free consent of parties
- c. utmost good faith
- d. legality of consideration

12. Both 'security' and investment elements are available

- a. only in Life Insurance
- b. in both Life and Fire Insurance
- c. in both Marine and Fire Insurance
- d. in Life, Marine and Fire insurance

13. Match List I (Management experts) with List II (Sequence of functions advocated by them) and select the correct answer using the codes given below the lists

List-I

List-II

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- | | |
|------------------------|---|
| a. Newman and Summer | a. Organizing, Planning, Leading and Controlling |
| b. Henry Fayol | b. Planning, Organizing, Commanding, Coordinating and Controlling |
| c. Luther Gulick | c. Planning, Organizing, Staffing, Directing and Controlling |
| d. Koontz and O Donnel | d. 'POSDCORB' |

A B C D

a. 1 2 4 3

b. 2 1 3 4

c. 1 2 3 4

d. 2 1 4 3

14. Which one of the following statements regarding 'Skill-mix' of management is correct?

- a. Top management requires more human relations skill than others
- b. Middle-level management requires more technical skills than others
- c. Supervisory level men require less technical skill than others
- d. Top management requires more conceptual skill than others

15. From the point of view of Functional Organization, which one of the following CANNOT be claimed to be an advantage?

- a. It ensures a greater division of labour
- b. It leads to a higher degree of efficiency
- c. It helps in the assignment of specific responsibilities
- d. It facilitates small scale production