

Examrace

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Competitive Exams: Commerce MCQs (Practice-Test 48 of 99)

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

- a. Simple Association
- b. Federation
- c. Partial consolidation
- d. Complete Consolidation

List-II

- a. Pool
- b. Chamber of Commerce
- c. Merger
- d. Holding Company

A B C D

- 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

- a. Horizontal integration
- b. Vertical integration
- c. Forward integration
- d. Backward integration

5. Modernisation of an industrial unit involves mainly

- a. technological up gradation of its production process
- b. technological reorientation towards low-cost production
- c. reengineering the basics of production and procedures
- d. reduction in labour and cost to the absolute minimum

6. Which one of the following statements is true?

- a. Supplier's credit and buyer's credit are one and same thing
- b. EXIM bank generally deals with export transactions above Rs. 5 crore
- c. The main focus of EXIM bank is on Export and Import credits for shortterm
- d. ECGC provides no protection against hazards of nature

7. Which one of the following statements is true in the context of Import-Export Trade?

- a. Under a C & F contract, the cost of insurance is to be borne. By the buyer or the importer
- b. Marine insurance covers the risks during the sea voyages only

- c. The standard 'all risks cover' automatically covers war risk as well
- d. 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.

- b. Green shipping bill is used for export of goods entitled to duty draw back.
- c. An airway bill is not a document of title.
- d. A consular invoice and a proforma invoice are one and the same.

i. 2 and 4

ii. 1, 3 and 4

iii. 1, 2 and 4

iv. 1, 2 and 3

12. Actuary is a person who

- a. acts as an insurance agent
- b. certifies the loss incurred by the insured
- c. audits claims relating to insurance claims
- d. 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?

- a. It is a contract of indemnity
- b. It is a contract of guarantee
- c. It is a contract of compensation
- d. It is a contract of return on investment

14. 'Causa promixa' implies that the loss must arise from

- a. the nearest place
- b. an ascertainable source
- c. the cause insured against
- d. unforeseen sources

15. Which of the following risks are NOT covered by a marine insurance policy?

- a. Damage caused by delay in ships transit
- b. Damage caused by unsuitable package

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c. Loss due to sinking of the vessel

d. 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