

c) Illegal goods

d) Low quality products

Ans. A

33. NAFTA is a series of bilateral agreement between America, Canada and _____
a) Geneva b) Mexico
c) UK d) Ireland
Ans. B
34. SAARC association brings together _____ countries of South Asia for regional co-operation.
a) 9 b) 8
c) 7 d) 14
Ans. B
35. The head quarters of SAARC in _____
a) Bangladesh b) Maldives
c) Sri Lanka d) Kathmandu
Ans. C
36. _____ was commenced on January 1, 1994
a) NAFTA b) ECM
c) SAARC d) CEC
Ans. D
37. _____ is a bilateral trade agreement between two countries.
a) Tie in Agreement b) Counter trade
c) MNC d) Gray Market
Ans. A
38. _____ is the process of convincing the various powerful elements of the environment to act in the favour of the organisations.
a) Coalescing b) Cooptation
c) Lobbying d) Procurement
Ans. B
39. Two or more organisations may merger their organisations to have better control over the environment as various resources are pooled together is _____
a) Cooptation b) Lobbying
c)Agreement d) Coalescing
Ans. C
40. _____ was a Multilateral treaty encompassing rules and disciples for an orderly world trading system.
a) GATT b) ITO
c) ECM d) SAARC
Ans. D
41. _____ means each nation shall be treated as well, as the most favoured nation.
a) GATT b) MFN
c) FTZ d) TRRM
Ans. A
42. Trade in Textile was restricted by _____
a) MFN b) GATT
c) MFA d) ITO
Ans. B
43. _____ is known a neo-liberalism
a) Globaluation b) Liberalisation
Ans. C

- c) Privatization d) None of the above
Ans. A
44. _____ refers to a process of increasing economic integration and growing economic interdependence between countries in the world economy.
 a) MNC b) TNC
 c) Globalisation d) WTO
Ans. C
45. _____ means acceptance of an outward looking policy of economic development in place of an inward – looking one.
 a) Liberalization b) Privatisation
 c) Globalisatiion d) All of the above
Ans. C
46. ESCAP stands for _____
 a) Economic and Social Commission for Asia and the Pacific
 b) Economic and Social Centre for Asia and the Pacific
 c) Economic and Social Commission for the Asia and Privatisation
 d) Economic and Social Culture for Asia and Public
Ans: A
47. _____ is a method of doing business by which a franchisee is granted the right to offer, sell or distribute goods or service under a system created by the Franchisee.
 a) Agreement b) Dealership
 c) Patent d) Franchising
Ans. D
48. _____ means setting a products a company to its affiliated company in host country.
 a) Direct exporting b) Intra corporate transfer
 c) indirect exporting d) Exporting
Ans. B
49. BOT means _____
 a) Business Outsourcing Trade
 b) Balance on Trade
 c) Build, operation and Transfer
 d) Business Outsourcing Transaction
Ans: C
50. FERA was replaced by _____
 a) FEMA b) GATT
 c) WTO d) ITO
Ans. A
51. WTO was setup in _____
 a) 1995 b) 1992
 c) 1996 d) 1994
Ans. D
52. _____ is the process of contracting with foreign firms granting them proprietary right to use technology, copyrights, trade marks, brand names etc.
 a) Franchising b) Licensing
 c) Contract d) None of the above
Ans. B
53. _____ arrangement is also known as cross licensing
 a) Licensing b) Franchising

- c) Intra corporate transfers d) Contracts

Ans. A

54. A company doing international marketing contracts with a foreign producer to manufacture or assemble the products for a sale in the foreign market is _____
a) Management contract b) Contract Manufacturing
c) Turnkey Contract d) Licensing

Ans. B

55. _____ are therefore arrangement where by for a fee, one company provides personnel to perform general specialised management functions for another company.
a) Lisensing b) Franchising
c) Contract Manufacturing d) Management contract

Ans. D

56. _____ is a contract under which a firm agrees to fully design, construct and equip a manufacturing or business or service facility and turn the project to the purchaser ready for operation for a remuneration.
a) Manufacturing contract b) Management contract
c) Turnkey contracts d) Joint venture

Ans. C

57. _____ is part of the parent corporation and simply an extension of domestic operation.
a) Foreign Subsidiary b) Overseas branch
c) Third country location d) Assembly operation

Ans. B

58. _____ is a separate company organised under a foreign nations legal code with accountability distinct from the parent company.
a) Foreign subsidiary b) Oversees branch
c) Assembly operation d) Fully owned manufacturing

Ans. A

59. _____ is a peculiar form of international trade that encompasses more than an exchange of goods services or idea for money.
a) Turnkey contract b) Licensing
c) Counter Trade d) Buy back

Ans. C

60. _____ of economic policy is intended to promote the integration of Indian economy with the global economy.
a) Globalisatioin b) Liberalisation
c) Privatisation d) None of the above

Ans. B

61. _____ is an enterprise which allocates company resources without regards to national frontiers, but is nationally based in terms of ownership and top management.
a) MNC b) Globalisation
c) Liberalisation d) TNC

Ans. A

62. _____ conference of 1944 suggested institutional arrangements to undertake post wear reconstruction of global economy.
a) Uruguay Round Agreement b) Narasimham Committee
c) Brotton woods d) Hilton Young Commission

Ans. C

63. The GATT agreement had been signed by governments known as _____
 a) Member countries b) Trade members
 c) MFN d) Contracting Parties
 Ans. D
64. Article XIX of the GATT provided _____
 a) General prohibition of QRs
 b) Emergency safeguard code
 c) Schedule of Tariff Concessions
 d) MFN Clause
 Ans. B
65. GATT agreements as modified by the _____ agreement
 a) WTO b) ITO
 c) Uruguay Round d) Bretton wood
 Ans. C
66. _____ is in fact, policeman of global trade.
 a) GATT b) ITO
 c) TRIMS d) WTO
 Ans. D
67. _____ is the Supreme Authority of the WTO
 a) General Council b) Ministerial conference
 c) Council for Trade in Goods d) Council for TRIPS
 Ans. B
68. Council for Trade in Goods, Services and Intellectual property Rights, Council for Trade Related intellectual property Rights are the three council in General council of _____
 a) WTO b) GATT
 c) TRIMS d) GATS
 Ans. A
69. The Secretariat of the WTO is headed by the _____
 a) General Council b) Ministerial conference
 c) Director General d) Council for TRIPS
 Ans. C
70. _____ is a permanent institution with its own Secretariat.
 a) WTO b) GATT
 c) GAT d) ITO
 Ans. A
71. GATT was applied on a _____
 a) Permanent basis b) Provisional basis
 c) Both a and b d) None of the above
 Ans. B
72. Initial registration and each renewal of registration, of a trade mark is for a term of not less than _____
 a) 5 years b) 4 years
 c) 6 years d) 7 years
 And. D
73. The agreement of patent protection for _____
 a) 20 years b) 15 years
 c) 10 years d) 7 years
 Ans. A
74. Plurilateral Trade Agreement was done at Ganeva in _____

- a) March 1979
- b) April 1979
- c) January 1994
- d) August 1984

Ans. B

75. NIEO means _____
- a) New International Economic Order
 - b) New Industrial Economic Order
 - c) New Industrial Economic Organisation
 - d) New International Economic Organisation

Ans. A

76. _____ is the effect International Trade has a detrimental effect on under developed countries
- a) Lop - sided development
 - b) Deterioration
 - c) Demonstration effect
 - d) None of the above

Ans. C

77. The manor attributes of international financial system are knowledge, certainty and _____
- a) Flexibility
 - b) Predictability
 - c) Continuity
 - d) Structural

Ans. B

78. _____ established a mechanism where by their local currencies are kept equal in value to gold and to each other.
- a) International money
 - b) Floating exchange rate
 - c) Bretton wwod system
 - d) International Gold standard

Ans. D

79. IMF was organised in _____
- a) 1948
 - b) `1946
 - c) 1956
 - d) 1958

Ans. B

80. Member's Gold Subscription + Credit extended by the member through the fund to other members _____
- a) Gold Tranche
 - b) Credit Tranches
 - c) Gold standard Machanism
 - d) Floating exchange rate

Ans. A

81. _____ was introduced in 1969
- a) Oil Facility
 - b) Extended facility
 - c) Buffer stock facility
 - d) Trust Fund facility

Ans. C

82. _____ are made by the fund out of the profits it has made by its gold rate operations
- a) Oil Facility
 - b) Gold standard Mechanism
 - c) Buffer stock facility
 - d) Trust Fund Loan facility

83. If the funds holdings of a member's currency are less than 100% of the member's quota, the difference is called _____
- a) Credit Tranche
 - b) Reserve Tranche
 - c) Gold Tranche
 - d) All of the above

84. In the form of pound sterling and U.S. dollars, these two currencies were known as _____
- a) Reserve currencies
 - b) Foreign exchange
 - c) Floating Exchange rate
 - d) Exchange transaction

85. SDR was approved in _____
a) 1969 b) 1965
c) 1967 d) 1972
Ans. A
86. _____ will include interest and amortization payment, put a strain on future balance of payments
a) Credit Servicing charges b) Debit servicing charges
c) Both a and b d) None of the above
Ans. C
87. India is _____ place in IMF General Quota
a) 12th b) 11th
c) 9th d) 13th
Ans. B
88. _____ are also known as International Bank for Reconstruction and Development.
a) IMF b) ADB
c) World Bank d) ECM
Ans. D
89. _____ is the Supreme governing authority of World Bank.
a) The president b) The Executive Directors
c) The Board of Governors d) Members of the Board
Ans. C
90. _____ becomes the Ex-officio Chairman of World Bank.
a) The Board of Governors b) The Executive Directors
c) Other members d) The President
Ans. C
91. _____ is responsible for the conduct of the ordinary business of the bank and its organisation
a) The Governor b) The President
c) The Executive Directors d) Other members
Ans. D
92. In the day to day administration the Board delegates its power to _____
a) Other members b) The Board of Governors
c) The President d) The Executive Directors
Ans. B
93. ADB was setup in _____
a) 1969 b) 1967
c) 1966 d) 1968
Ans. D
94. The headquarters of ADB is _____
a) Geneva b) Manila
c) U.S.A d) Italy
Ans. C
95. The highest policy making body of the ADB is _____
a) Board of Governors b) Board of Directors
c) President d) Other members
Ans. B
96. To take decisions of loan application in ADB by _____
a) Board of Governors b) Board of Directors
Ans. A

- c) The President d) Other members Ans. B
97. The President elected for a term _____ in ADB
a) 3 Years b) 4 Years
c) 5 Years d) 6 Years Ans. C
98. _____ is also known as the European Common Market.
a) EEC b) CEC
c) SADF d) NAFTA Ans. A
99. _____ is the most successful of the integration schemes.
a) ECM b) SAARC
c) NAFTA d) CEC Ans. A
100. _____ is the World's largest trading block
a) NAFTA b) EEC
c) SAARC d) GATT Ans. B
101. GATT was replaced by the WTO on _____
a) 1 Jan. 2004 b) 1 Jan 1996
c) 1 Jan. 1992 d) 1 Jan. 1995 Ans. d
102. Under _____ approach companies view the entire world as a single country.
a) Geocentric b) Regio centric
c) Poly centric d) Ethno centric Ans. a
103. Companies establish foreign subsidiary and empowers its executives is _____
a) Regio centric b) Geocentric
c) Poly centric d) Ethno centric Ans. c
104. _____ theory suggests for maintaining favourable balance of trade in the form of import of gold for export of goods and services.
a) Gold standard b) Mercantilism
c) Non merchantilism d) Breton wood system Ans. b
105. _____ is the application of knowledge which redefine the boundaries of global business.
a) Cultural factors b) Political factors
c) Social factors d) Technology Ans. d
106. _____ is a form of licensing
a) Franchising b) Patent
c) Brand d) None of the above Ans. a
107. _____ is the long term contracting out of non-core business processes to an outside to help achieve increased share holder value
a) Contract manufacturing b) BPO
c) Management contract d) Turnkey contract Ans. b
108. A _____ is a contract under which a firm agrees to fully design, construct and equip a manufacturing/business service facility and turn the project over to the purchaser when it is ready for operation for a remuneration.
a) BPO b) Contract Manufacturing
c) Turnkey project d) Management contract Ans. c

109. First WTO Ministerial conference held in _____
a) Geneva b) Singapore
c) Manila d) Dona Ans. b
110. In WTO _____ is the highest hierarchical level in the organizational structure.
a) General council b) Committee and Management Bodies
c) Management Bodies d) Ministerial conference Ans. d
111. _____ is the sale of goods abroad at a price which is lower than the selling price of the same goods at the same time in the same circumstances at home, taking account of difference in transport costs.
a) Dumping b) Tariff
c) Anti dumping d) None of the above Ans. a
112. When the production of a product is more than the demand in the home country, the stocks piled up even after sales is _____
a) Persistent Dumping b) Predatory dumping
c) Intermittent Dumping d) Anti Dumping Ans. c
113. The monopolist sells the remaining production in foreign countries at a low price continuously in _____
a) Intermittent Dumping b) Persistent Dumping
c) Predatory Dumping d) Anti dumping Ans. b
114. The monopolist sells the product in a foreign market at a low price initially with a view to drive away the competitors and increase the price after the competitors leave the market in _____
a) Predatory dumping b) Intermittent dumping
c) Persistent dumping d) Anti dumping Ans. a
115. India was one of the _____ Governments that become members of the WTO on the first day of the formation of the WTO
a) 56 b) 96
c) 76 d) 103 Ans. c
116. EU Council Committee is also called _____
a) Corper b) Executive body
c) Advisory committee d) Commissioners Ans. a
117. The Corper is the link between the EU and _____
a) Commissioners b) Council
c) Executive body d) Member Governments Ans. d
118. The North American Free Trade Agreement (NAFTA) came into being on _____
a) 1 Jan. 1992 b) 1 March 1996
c) 1 Jan. 1994 d) 1 March 1994 Ans. c
119. In the year 1989 _____ was established
a) NAFTA b) APEC
c) ESCAP d) SAARC Ans. b
120. _____ is expected to eliminate all tariffs and trade barriers among the USA, Canada and Mexico.
a) SAARC b) ASEAN
c) NAFTA d) EEC Ans. d
121. OPEC means _____
a) Organisation of Petroleum Exporting Countries
b) Organisation of Pacific Economic Co-operation

- a) Market access b) Domestic support
c) Export subsidies and other d) All the above Ans. d
programs
156. _____ duties can be imposed if a product is dumped in the
importing country at less than its normal value provided it causes
material injury to the domestic industry.
a) Tariff b) Anti-dumping
c) Countervailing d) Reduction in subsidies Ans. b
157. _____ are maximum tariffs imposed by the member countries of
WTO.
a) Rates b) Subsidies
c) Quotas d) Bound rates Ans. d
158. The fundamental principles of GATT was
a) Most Favoured Nation b) National Treatment
c) Both a and b d) None of the above Ans. b
159. Anti-dumping and countervailing duties are imposed under _____
a) Customs Tariff Act 1975 b) TRIMS
c) TRIPS d) Regional Trade Agreement Ans. a
160. Bhutan has Bilateral Trade Agreement with _____
a) Sri Lanka b) Pakistan
c) Russia d) India Ans. d
161. FMCG means
a) Fast Moving Consumer Goods
b) Foreign Measures on Consumer Goods
c) Freely Moving Consumer Goods
d) Free Measures on Consumer Goods Ans. a
162. Copyright means the exclusive right to do or authorize others to do
certain acts in relation to _____
a) Literary, dramatic, musical or b) Cinematography
artistic work
c) Sound recordings d) All the above Ans. d
163. Which one of the following is the function of trade mark
a) Identifies the product and its origin

- b) Guaranteed its unchanged quality
 c) Advertises the product
 d) All the above Ans. d
164. _____ is the art and other manifestations of human customs, civilization and the way of life a particular society or group.
 a) Culture b) Trends
 c) Business d) Marketing Ans. a
165. The cultural habit of firm hand-shake is associated with the culture of _____
 a) US b) Middle East
 c) Arab countries d) Japan Ans. a
166. The Highest Hofstadter Dimension for a culture is _____
 a) LTO b) PDI
 c) UAI d) IDV Ans. b
167. A separate Bilateral NAFTA on market access for agricultural products with Canada and _____
 a) America b) Britain
 c) Mexico d) Japan Ans. c
168. The SAARC countries comprise _____
 a) Indonesia, Malaysia, Philippines, Singapore, Thailand, Bhutan, Nepal
 b) Bangladesh, Bhutan, India, Maldives, Nepal, Pakistan, Sri Lanka
 c) Sri Lanka, Bhutan, Nepal, China, India, Bangladesh, Indonesia
 d) Bangladesh, Bhutan, China, Nepal, Pakistan, India, Sri Lanka Ans. b
169. _____ provides a platform for the peoples of South Asia to work together in a spirit of friendship trust and undertaking.
 a) OECS b) ASEAN
 c) SAARC d) NAFTA Ans. c
170. ASEAN established on 8 August 1967 in _____
 a) Katmandu b) Singapore
 c) Bangkok d) Nepal Ans. c
171. ASEAN was established by the five original member countries are

- _____
- a) Indonesia, Malaysia, Philippines, Singapore and Thailand
 - b) India, Malaysia, Bhutan, Singapore, Thailand
 - c) India, Sri Lanka, Malaysia, Philippines, Thailand
 - d) India, Sri Lanka, Singapore, Thailand, Malaysia Ans. a
172. The exchange rate system under the IMF came to be known as _____
- a) Gold standard
 - b) Floating rate
 - c) SDRS
 - d) Breton Wood System Ans. d
173. _____ were created as a reserve asset by the IMF
- a) Floating rate
 - b) SDR
 - c) Credit trench
 - d) God standard Ans. b
174. The _____ of a country refers to the systematic record of all receipts and payments between residents of the country and non-residents over a period of time.
- a) Pegging
 - b) Extended Fund Facility
 - c) BOP
 - d) Structural Adjustment Facility Ans. c
175. Holding _____ gives the bearer the option to acquire foreign exchange from the monetary authorities of another member of the IMF
- a) SDR
 - b) Gold standard
 - c) Credit trench
 - d) All of the above Ans. a
176. Which of the following is a form of contractual agreement _____
- a) Franchising
 - b) Licensing
 - c) Joint venture
 - d) Both a and b Ans. d
177. Build, operate and transfer is the basic principle of _____
- a) Strategic alliance
 - b) Turnkey projects
 - c) Contract Manufacturing
 - d) Management Contract Ans. b
178. Which of the following is not a joint venture?
- a) Licensing
 - b) Franchising
 - c) Strategic alliance
 - d) Contract Manufacturing Ans. c
179. _____ allows a company to conduct business in another country whose laws discourage foreign ownership

- a) Contract Manufacturing b) Licensing
 c) Franchising d) Joint venture Ans. b
180. Which country is known for group harmony and collectivism?
 a) USA b) France
 c) Germany d) Japan Ans. d
181. Globalization is based on the theory of
 a) Mixed economy b) Capitalism
 c) Free trade and comparative advantage d) Import Substitution Ans. c
182. The process of globalization of the economy refers to _____
 a) Removal of restrictions on foreign trade and foreign investment
 b) Economic growth
 c) Foreign investment in flow
 d) Employment generation Ans. a
183. The member countries of WTO have moved to "Product Patent Regime" under _____
 a) TRIMS b) TRIPS
 c) GATTs d) SAPTA Ans. b
184. Contract Manufacturing is a form of _____
 a) Acquisition b) Franchising
 c) Licensing d) Joint venture Ans. d
185. GATS operates on _____ levels
 a) 2 b) 6
 c) 7 d) 3 Ans. d
186. _____ is the first ever set of multilateral, legally enforceable rules covering international trade in services.
 a) GATS b) TRIPS
 c) TRIMS d) WTO Ans. a
187. _____ means treating one's trading equally
 a) GATS b) WTO
 c) MFN d) TRIPS Ans. c
188. MFA was replaced on 1 Jan. 1995 by _____
 a) AOA b) ATC

189. c) GATS d) TRIMS Ans. b
Removal of QRS means _____
- a) Duty free imports b) An item can be imported without import license or quotas
190. c) All imports are free of tariffs d) None of the above Ans. b
India has Bilateral Trade Agreement with _____
- a) Sri Lanka b) Pakistan
c) Nepal d) Bhutan Ans. d
191. _____ transfers are selling of products by a company to its affiliated company in host country.
- a) Indirect export b) Direct exporting
c) Intra-corporate d) All the above Ans. c
192. _____ is the long term contracting out of non-core business processes to an outside provider to help achieve increased shareholder value.
- a) BPO b) Turnkey project
c) Contract Manufacturing d) Management Contract Ans. a
193. WTO members abolished quotas on trade in _____
- a) Agriculture b) Textiles and clothing
c) Tropical products d) Natural Resources based products Ans. b
194. _____ operates as a co-operative, multi-lateral, economic and trade forum.
- a) ASEAN b) APEC
c) SAARC c) ESCAP Ans:b
195. _____ is the fastest growing trading bloc in the world.
- a) MERCOSUR b) NAFTA
c) EEC d) ESCAP Ans:a
196. Marketing forces to determine the exchange rate of currencies under _____.
- a) Gold Standard b) Bretton wood system
c) Floating rate system d) Credit Tranche Ans:c
197. _____ is called the soft loan window of the IBRD.
- a) IFC b) IDA
c) UNCTAD d) IMF Ans:b
198. _____ is a joint venture of IBRD and IFC.
- a) UNCTAD b) IDA
c) IMF d) MIGA Ans:d

199. _____ promotes the development friendly integration of developing countries into the world economy.

a) UNCTAD

b) IBRD

c) IMF

d) IDA

Ans:a

200. _____ provides long term loans at a very low rate of interest to the less developed countries.

a) IFC

b) IDA

b) IBRD

d) MIGA

Ans:b